

THE BUYERS NETWORK

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THE BUYERS NETWORK is Published Monthly by the Purchasing Division of the West Virginia Department of Administration to Promote Better Value in Public Purchasing

Mentoring and Training Accelerates New Buying Staff's Progress

Buyer Assignments Clarified for Agency Purchasers

With four new senior buyers hired in recent months to the Acquisition and Contract Administration (ACA) Section, an abundant amount of training has occurred to prepare these individuals to manage specific agency needs.

Roberta Wagner and Krista Ferrell were hired in January, while John Abbott and Michael Austin joined the ACA team in late February. They all have quickly acclimated themselves with the TEAM automated purchasing system, the ReqTrak internal system, and the purchasing policies and procedures of state government.

"I'm extremely pleased with how our new buying staff stepped up to the plate and eagerly expressed their enthusiasm to learn the process," said Purchasing Director Dave Tincher. He added that they have begun building a rapport with

the procurement officers and support staff at the agency level.

Due to efficient internal mentoring and training from our experienced buyers and managers, the ACA Section has issued agency assignments as noted below. Abbott and Austin will continue their training; their agency assignments will be announced within the next few months.

Buyer 21 (Krista Ferrell)

- Administration
- Consolidated Public Retirement Board
- Culture & History
- Education & Arts
- Employment Programs
- Health Care Authority
- Motor Vehicles
- PEIA
- Port Authority
- Public Service Commission

- Public Transit
- Rail Authority
- Rehabilitation Services
- School for the Deaf & Blind
- Tax

Buyer 22 (Roberta Wagner)

- DHHR

Buyer 23 (Chuck Bowman)

- Emergency Services
- Engineering Facilities/Mapping Board
- Environmental Protection
- Lottery
- Protective Services

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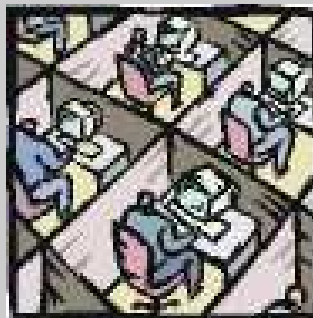
- **Director's Comment:** Purchasing Reform Information Released to State Agency Purchasers
- Top Ten Purchasing Bloopers Revealed
- Accuracy and Clarity Vital in Writing Product Specifications
- **Statewide Contract Spotlight:** Capitol Business Interiors

Need Office Furniture to Complete the Office Space?

The West Virginia State Agency for Surplus Property (WVSASP) has a variety of desks, chairs, filing cabinets and other high quality office furniture at low discounted prices.

Before acquiring NEW furniture for your agency or organization, always check FIRST with WVSASP!

For more details on property availability, contact WVSASP Manager Ken Frye at (304) 766-2626 or via email at kfrye@wvadmin.gov.



THE PURCHASING DIRECTOR'S COMMENTS



Purchasing Reform Information Released

By Dave Tincher
State Purchasing Director

Editor's Note: The following information was recently distributed to agency purchasers regarding the changes resulting from legislation passed during the 2006 Regular Session of the State Legislature.

Legislation addressing changes to state procurement regulations (House Bill 4031) passed during the Regular Session of the State Legislature. The legislation goes into effect on June 8, 2006. How do these changes affect YOU?

The changes, referred to as *purchasing reform*, provide for various modifications to existing practices within the state purchasing process. The Purchasing Division has drafted the Legislative Rule and, once approved, will prepare and distribute a revised policies and procedures handbook for agencies and vendors. Below are some of the highlights of this purchasing reform effort:

- **Formal Bid Process Limit Increase:** Increases the limit for the formal bid process from \$10,000 to \$25,000, meaning procurements up to \$25,000 will be processed at the agency level (with the exception of statewide contracts and internal sources). Guidance on agency delegated authority limits will be established in the Legislative Rule; however, it is the intent that the delegated rates will be as follows:

\$0 - \$2,500

No competition is *required*
(Competition is always *recommended*)

\$2,500.01 - \$5,000

Three verbal bids required

\$5,000.01 - \$25,000

Three written bids required

More than \$25,000

Formal bid process (Purchasing Division)

- **Small Dollar Threshold Increase:** The amount increases from \$1,000 to \$2,500 for which a spending unit can purchase without competitive bids. This is the same limit as most agencies have as a standard for purchasing card acquisitions.
- **Vendor Registration Fee Increase:** The annual vendor registration fee will increase from \$45 to \$125, for which the additional funds will be used to fund purchasing reform initiatives, including an e-procurement system. There has not been an increase in this fee since 1990. Registration fees received on June 8, 2006, or thereafter must be in the amount of \$125.
- **Elimination of Dual Bid Receipt:** The requirement will be eliminated for vendors to provide a duplicate bid to the State Auditor's Office prior to the bid opening date. Copies will only be required to be submitted to the Purchasing Division. Please note that after the bid opening, vendors may immediately view the respective bids from other vendors.
- **Purchases from contracts issued by other agencies and entities:** The director may approve the use of a contract issued by another public organization (federal, state or local), or consortium if such contract is available and financially advantageous.
- **Multiple Awards:** The director may elect to award a contract to more than one vendor when the director determines such action would be in the best interest of the State of West Virginia. Reasons for this action include but are not limited to:
 - (1) More than one vendor is needed to fulfill the needs of the spending units;
 - (2) Rapidly changing pricing and availability of commodities and/or services.
- **Negotiation When All Bids Exceed Available Funds:** Spending units shall submit a valid budgeted amount for each requisition or RFP to the Purchasing Division. This budgeted amount shall not be changed after the bid opening. If all bids meeting requirements exceed this budgeted amount, the Purchasing Division may negotiate a lower price within budget with the lowest bidder. If the negotiation does not lead to the budget amount being met, the director may negotiate a lower price with the next lowest bidder and continue negotiations with participating bidders after negotiation closes with the preceding bidder. ***It is vital that all incoming requisitions state the maximum budgeted amount for the transaction. For this reason, the Purchasing Division has revised the Purchasing Requisition (WV35); visit <http://intranet.state.wv.us/form/default.htm> to download this revised form.***

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You Thought YOU Had a Bad Day!

Top Ten Purchasing Bloopers

Government purchasing professionals throughout the United States share similar issues as well as problems. If you feel that you have seen the worst, sit back and relax...below are the top ten purchasing bloopers nationwide:

10. Ordering boiler chemicals piecemeal every few months rather than doing a long term boiler servicing contract which includes chemicals, cleaning, disposal, and boiler performance!
9. Purchasing a large piece of heavy laboratory equipment without taking into account the floor's load bearing ability. Result: *Relocation of the lab.*
8. After insisting that the contractor deliver ground cover pre-sewn into large rolls, the bidder responded that after examining it, they found it would be impossible to find a truck to accommodate the pre-sewn pieces.
7. Because liquidated damages were not specified in the event items were not delivered via winter roads before spring thaw, barrels of oil had to be flown in on small planes for next year's heating requirements.
6. Delivery restrictions to an 18-floor complex were not identified prior to delivery of over 100 large wooden wardrobes which resulted in the wardrobes having to be uncrated and taken up the stairs to each floor because they couldn't fit in the elevators!
5. A large piece of equipment was ordered and delivered without

defining maximum equipment dimensions. Result: broken walls since the equipment didn't fit through hallways.

4. Not taking into account seasonal changes and their impact on delivery routes resulted in a contractor dropping off a pre-fab unit on an island in the middle of a frozen lake when the road started to crack under the weight. Upon return the next winter, the contractor found the unit had sunk four feet into bog during the warmer weather then became frozen in place yet again by their return.
3. Not paying attention to rural roads, bridges, and tight corners when delivering a pre-fab unit resulted in the structure getting stuck on the bridge (damaging one corner of the unit), and getting stuck again on the other side.
2. A prison was unable to get



successful delivery by a concrete truck because: a) they failed to take into account the dimensions of the delivery area and b) on another occurrence, did not coordinate with the timing of the prison work detail which requires all prison activity to stop.

1. A fire truck being ordered without taking into account the dimensions of the station entrance way. Result: the fire truck didn't fit in the station!

Lessons learned: measure twice, order once!

Source: NIGP Buy Weekly, April 2006 Issue

MoneyWise...

Tips for the Thrifty

Parking Tickets Can Damage Your Credit: Pay Up

Many cities and municipalities are finding a new way to collect on parking tickets, library fines and trash collection bills. Because they are strapped for cash, they are giving the past-due charges to a collection agency.

Cities, including San Diego and Chicago, have worked with collection agencies for some time, but it's a new move for many cities in 2006.

Being pursued by a collector does serious damage to your credit rating and could result in loans declined and increased interest rates on mortgages and credit cards.

Buyer Assignments

Continued from Page 1

Buyer 32 (Shared Assignment)

- ABCC
- Corrections
- Criminal Justice
- Educational Broadcasting
- Forestry
- Juvenile Services
- Natural Resources
- Public Defender
- Regional Jail Authority
- State Police
- Tourism
- Treasurers Office

Buyer 33 (John Johnston)

- DOH

Buyer 41*

(Ron Price-Buyer Supervisor)

- Agriculture
- Attorney General
- Auditor
- Department of Labor
- Development Office
- Geological Survey
- Governor's Office
- House of Delegates
- Insurance Commission
- Library Commission
- Secretary of State
- Senate
- Veteran Affairs

**in addition, all unassigned agencies*

Buyer 42 (Betty Francisco)

- All statewide contracts
- Contract management

All assignments are subject to change.

Accuracy and Clarity Vital in Writing Product Specification

It's all in how you say it...One of the most important tasks public purchasers perform is the preparation of specifications.

You get what you ask for...All too often, though, specifications are the weakest part of the purchaser's effort.

Be careful what you ask for, you may get it

...Most problems that arise during the purchasing process can be directly attributed to poorly prepared specifications. If specifications are the foundation of the entire purchasing process, why do we continue to see so many ill-prepared specs?

One reason is that little attention is often given to establishing actual needs in relation to availability of commodities and services to meet those needs. Brand name and model number, with no reference to necessary features and functions, is sometimes the only information included on a requisition. Well-meaning vendors submit quotations as to what is assumed is required only to learn later that more or less was actually intended.

The solution...

Take the time to plan and research



your actual needs. Define only the required functions and features and determine if more than one source can meet those requirements.

Be cautious when collecting information to assist you in preparing your specifications. By focusing on only one known source, you may get some features which you do not need or, reversely, you may not get some features you actually need.

Certain commodities and services are purposely "gold-plated" to make them appear more appealing; however, you will be paying for those extra features that may be unnecessary to your operation.

Some specifiers have been known to copy descriptions directly from vendor literature - tacking on the clause "or equal" - expecting bidders to match their commodities to that description. This is impossible since no two products can be identical under these terms. Patents, trademarks and copy right laws prevent it.

It's simple...

It is crucial to take the necessary time to gather the appropriate information and to prepare your specifications. The result will be apparent in the quality of your end product.

Our State Celebration

WEST VIRGINIA DAY*
June 20, 2006

**Please note this date is an official state holiday for state employees in West Virginia*



Capitol Business Interiors Provides System Furniture for State Agencies

*In each issue of **The Buyers Network**, the Purchasing Division will highlight one of our statewide contractors. Providing information on the company and the products offered on the statewide contract, this feature will help familiarize our agency purchasers with our business partners.*

West Virginia Code, §5A-3-5, authorizes the Purchasing Director to promulgate and adopt standard specifications based on scientific and technical data for appropriate commodities and services. This establishes the quality to which commodities and services to be contracted for by the state must conform. These standard specifications are used to establish statewide contracts for commodities needed on a repetitive basis. **No agency may be exempt from using statewide contracts without prior written approval from the Purchasing Director.**

Capitol Business Interiors, which was originally incorporated as Capitol Business Equipment, Inc. in 1958, succeeded Capitol Office Supply, a mid-century conventional stationary store. In the early 1960s, management redirected all efforts into the contract furniture industry, with interior design being added as a service.

In 1964, Capitol Business Interiors as it is known today was formed offering complete furnishings and design. According to Janet Joseph-Clayman, company president, Capitol Business has been doing business with the state since their inception and, along with several other vendors, currently holds the statewide contract for system furnitures (SYSFURN).

Reminiscing how the statewide contract has evolved over the years, Joseph-Clayman explained, "There

used to be separate contracts for classroom seating, chairs, desks, etc. Back then, you might have only had three or four metal desks or three or four conference tables from which to choose. Today, you have a vast array of manufacturers' products, with hundreds of desks to choose from ranging from metal, laminate, all the way up to the wood executive-type desks. The end user truly has a much broader scope from which to select," she said.

The contract also includes panel systems, conference furniture and ergonomic seating. If an agency is relocating to a new building, Capitol Business Interiors will interview the staff to evaluate what best suits their needs and space requirements. With the use of AutoCad technology, they prepare the design for the client. "It's a nice one stop and shop program," she said.

Acting State Tax Commissioner Virgil Helton expressed his satisfaction with Capitol Business Interiors. "They don't just tell you that you need two desks and three chairs. They actually sit down with us and try to understand what the employees do. They bring the final schematics back to us and, with minor changes, implement them."

Helton said the installation of the new \$22 million integrated tax system was a definite challenge, with separate facilities needed for approximately 35 individuals who needed to be close in proximity to the information technology group. Capitol Business Interiors worked with the Tax Department in designing the office space. "I can't say enough about their professionalism and promptness."

Joseph-Clayman said she feels the secret to Capitol Business' long running success with the state is, "focusing on the state as a primary client" and offering the best service possible. In addition to their Charleston office, Capitol



Capitol Business Interiors is located 711 Indiana Avenue in Charleston.

Business Interiors also has two other locations in West Virginia, Morgantown and Wheeling.

"The state is a large part of our business and are important to us. The communication is excellent and we're very excited about the new technology implemented by the Purchasing Division where we can go online and see upcoming bids, results and current events."

For questions concerning the products and services offered by Capitol Business Interiors or for more information, please contact:

Janet Joseph Clayman / Kelli Bragg
Capitol Business Interiors
711 Indiana Avenue
Charleston, WV 25302
(304) 343-7551
(304) 346-3350 (fax)

This contract is available on the purchasing website at <http://www.state.wv.us/admin/purchase/swc/LAN.htm>. Prior to using any statewide contract, agencies are strongly encouraged to check the website for contract provisions that may apply.

Current Statewide Contract Update

(As of May 15, 2006)

This page includes a listing of current changes made to statewide contracts issued by the Purchasing Division. Information and dates listed in this **Current Statewide Contract Update** are subject to change. All statewide contracts are available online at www.state.wv.us/admin/purchase/swc. For more information, please contact Senior Buyer Betty Francisco at (304) 558-0468 or via e-mail at bfrancisco@wvadmin.gov.

Contracts Awarded

<u>Contract</u>	<u>Description</u>	<u>Vendors</u>	<u>Effective Date</u>
WELD06	Welding Supplies	Mabscott Supply	07/01/06
FRMTIRE06	Farm and Backhoe Tires	S&S Tire	06/01/06

Contracts Under Evaluation

<u>Contract</u>	<u>Description</u>	<u>Bid Opening</u>	<u>Under Evaluation</u>
TCARD	Travel Card Services	10/20/05	Yes
ITECH06	IT Temporary Workers	03/14/06	Yes
CELPHON06	Cellular Telephones and Service	04/26/06	Yes
LABSUP06	Laboratory Supplies	03/14/06	Yes
MEDSUP06	Medical Supplies	05/11/06	Yes

Contracts Out for Bid

<u>Contract</u>	<u>Description</u>	<u>Pre-Bid Meeting</u>	<u>Bid Opening</u>
ABATMNT06	Asbestos Abatement	04/12/06	04/27/06
FILTER07	Automotive Filters	05/25/06	06/13/06

Contracts Renewed

<u>Contract</u>	<u>Description</u>	<u>Vendor</u>	<u>Expiration Date</u>
CLRM05	Classroom Furniture	Tom Sexton and Associates	03/31/07
TEMP04A	Temporary Services	WV Association of Rehabilitative Facilities	04/30/07
DEBT04DD	Debt Collection	NCO Financial Systems Inc.	02/14/07
LGLOVES04	Gloves	Glove USA Inc.	05/01/07

Contracts Extended

<u>Contract</u>	<u>Description</u>	<u>Vendor</u>	<u>Extension Date</u>
FILTER03	Automotive Filters	Vehicle Maintenance Program	07/31/06

Miscellaneous Action

<u>Contract</u>	<u>Description</u>	<u>Vendor</u>	<u>Comment</u>
SBUS06A	School Buses	Blue Bird Bus Sales of Pittsburgh	Re-opened contract

Contracts Reviewed

Statewide contracts are reviewed approximately three months prior to the actual expiration date. During this review process, the state buyer examines the specifications and the products included in each contract.

JUNE

DIGCOP	Digital Copier Equipment
DWASH	Solvents, Lubricants and Cleaners
FASTEN	Fasteners and Accessories
INKCRT	Ribbons and Laser Toners
LDPHONE	Long Distance Telephone
ORACLE	Oracle Software and Services
SAT	Satellite Transponder Time
WATER	Water Treatment Chemicals

JULY

DCBATT	Dry Cell Batteries
FOOD	Canned Foods, Coffee and Staple Groceries
SYSFURN	Modular Furniture
WVARF	Mandated Sheltered Workshop Services

FOR MORE INFORMATION...

Who Are You Going to Call?

Below is a list of the Purchasing Division buyers who are assigned specific agencies.

Unassigned File	John Abbott (558-2544)
Unassigned File	Michael Austin (558-2316)
File 21	Krista Ferrell (558-2596)
File 22	Roberta Wagner (558-0067)
File 23	Chuck Bowman (558-2157)
File 32	To Be Determined (558-0492)
File 33	John Johnston (558-2402)
File 41	Ron Price (558-0492)
File 42 [SWCs]	Betty Francisco (558-0468)

Purchasing Reform

Continued from Page 2

- **Discussion and Final Offers:** The director may conduct discussions to obtain best and final offers from bidders to assure full understanding of solicitation requirements. If the director determines that a best and final offer is necessary from one vendor, all vendors shall be afforded the opportunity to provide best and final offers. All best and final offers shall be treated like a formal bid, except that advertising is not required. All bidders shall provide their best and final offers to the Purchasing Division prior to the date and time specified.
- **Contract Management:** The director shall prescribe contract management procedures for all government contracts (with the exception of government construction contracts). These procedures

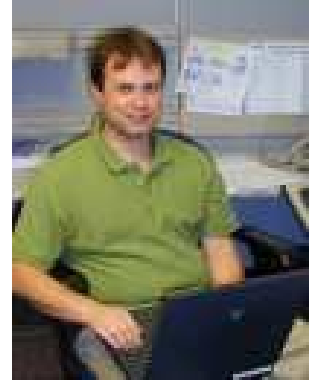
may include, but are not limited to: (a.) establishing payment benchmarks to assure the state receives value prior to remitting payment; (b.) conducting regular meetings between agency and vendor to assess contract performance; (c.) training agency personnel to manage contracts; (d.) requiring agencies to use a third party contract manager, appointed by the director or one hired by contract.

In addition, other changes to be implemented as a result of this legislation include adding definitions for "electronic" and "electronic transmission," allowing for e-procurement, and language prohibiting stringing of requisitions to circumvent the \$25,000 threshold to avoid the formal bid process.

The Purchasing Division plans to conduct informational seminars later this year. **Please note that these changes go into effect June 8, 2006.**

Ryan Cox Returns to Purchasing Division for Internship

Look Who's Back... Ryan Cox worked last year in the Communication and Technical Services Section as part of the Governor's Internship Program. Due to his high level performance, the



Purchasing Division requested that he return to assist with the information processing equipment and systems.

During this summer, Ryan will be working on several projects, including the online RFQ initiative, the renewal and verification of antivirus software licensing, and overseeing the required website changes as a result of purchasing reform. Because of his field of expertise combined with his quiet, unassuming nature, he quickly earned the trust of all the employees in the division.

Cox is a senior year at West Virginia University, majoring in biometrics and electrical engineering. Some of his accomplishments include being selected into the electrical engineering honor society, Eta Kappa Nu, and making the Dean's list.

"When it comes to interns, we have gotten a good return on our investment in Ryan," said his supervisor, Technical Services Manager Dan Miller. "He retained everything we trained him to do last summer. Now, he is handling even more complicated tasks—things you would never expect an intern to be able to do. He is proof that training can be a good investment."

The Purchasing Division promotes the Governor's Internship Program and welcomes Ryan back this summer!

What's State Government Buying?

(This information is compiled from the West Virginia Purchasing Bulletin. The purpose is to provide an awareness of the variety of products and services being procured in state government. Only a small sample of solicitations are listed.)

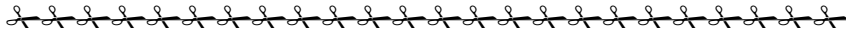
- ♦ **Department of Administration**
Request to assess and restore 27 oil paintings of former West Virginia governors.
- ♦ **Public Service Commission**
Request to provide mobile/emergency radio equipment and related accessories.
- ♦ **Division of Engineering and Facilities**
Request to provide and install acoustical wall panels at the Charleston Armory Drill Hall.
- ♦ **Lottery Commission**
Request to provide marketing, advertising and public relation services for the Lottery Commission.
- ♦ **Division of Environmental Protection**
Request to provide services relating to the Jackson County Landfill closure construction project.

Questions?...Just Ask Us!

Are you unsure of certain purchasing procedures? Do you need information on the current state travel regulations? Do you have a question regarding travel requests? Would you want to know what surplus property is available?

If you need additional information concerning any function within the Purchasing Division, complete the form below and return to the address below. You also may forward your request via e-mail.

Diane Holley, Assistant Director
Communication and Technical Services Section
West Virginia Purchasing Division
State Capitol Complex
2019 Washington Street, East
P.O. Box 50130
Charleston, WV 25305-0130
E-Mail Address: dholley@wvadmin.gov



Name _____
Organization _____
Address _____
Telephone Number _____
E-Mail Address _____
Need Information about _____

In This Issue... Did You Read About?

- An accelerated training and a functional mentoring system is bringing the new buyers up to speed quickly... **See Page 1.**
- Purchasing Director Dave Tincher outlines more details relating to the effects of purchasing reform on agency purchasers... **See Page 2.**
- Writing clear and concise specification is the foundation to the purchasing process... **See Page 4.**
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STATE OF WEST VIRGINIA

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