

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

Procurement Officers Need to Closely Monitor Transactions for Risk of Aggregate Spending

It is important for procurement officers to control their state agency's spending and not let the spending take control of the agency.

Such is the advice of the of the Purchasing Division's Inspection Unit.

"A trend we are seeing more often now is agencies make purchase for commodities or services at one purchasing level threshold but during the course of a year's time, those continuous purchases for those same commodities and purchases aggregate into a different purchasing threshold which requires a new set of documentation," said Michael Sheets, Purchasing Contracts Manager.

For example, Sheets said, an agency may make a single purchase up to \$2,500 with a vendor and follows the state code and Purchasing Division guidelines for purchases at that level. Yet, if an agency makes multiple purchases of commodities or services below the \$2,500 level from the same vendor in a year's time, the agency is beholden to follow the guidelines of the new threshold. In this example, if an agency made multiple single purchases in a year's time with a vendor for similar commodities and the aggregate amount exceeded \$25,000, the agency would be obligated to follow the rules and procedures associated with formal bidding.

Sheets recommends that procurement officials continuously track agency expenditures to determine if more formal procedures are necessary with aggregate purchases. Officials should track payment records in WVFIMS of all agency transactions to



State Purchasing Contract Manager Michael Sheets said agencies need to watch transactions closely for the possibility of aggregate spending.

establish this.

The core principal for aggregate spending is addressed in *West Virginia Code §5A-3-10 (a) and (b)*. It states in *§5A-3-10 (a)* "purchase of and contract for commodities, printing and services shall be based, whenever possible, on competitive bids." In *§5A-3-10 (b)*, it states, in part, "No spending unit shall issue a series of requisitions or divide or plan procurements to circumvent this \$25,000 thousand dollar threshold or otherwise to avoid the use of sealed bids."

If an agency inadvertently exceeds a bid level and the aggregate amount is below \$25,000, procurement officials should document the transgression in the agency's purchasing files. If the aggregate purchases exceed \$25,000, *§5A-3-10 (b)* states that "Any spending unit which awards multiple contracts for the same or similar commodity or service to an individual vendor over any twelve-month period, the total value

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THE DIRECTOR'S COMMENTS

Certification Gains Interest from Agency Purchasers

By Purchasing Director Dave Tincher

At the 2009 Agency Purchasing Conference in October, I was pleased to introduce the Purchasing Division's newly developed State Certification Program. The goal of this program is to recognize agency purchasing professionals who have achieved various levels of knowledge, skills and professionalism in the area of state public purchasing.

The information released at the conference was in draft form so suggestions and comments from procurement officers at the agency level may be incorporated. As this program evolves, we will review additional ideas and suggestions offered by state agencies in order to make continued improvements to this program. Since the conference, the Purchasing Division has received numerous positive inquiries about the program. Additionally, there have been helpful suggestions that we have considered to enhance this program.

One concern which was raised relating to the experience and work criteria suggested that some consideration be

made for small offices or field office at which employees who handles purchasing may oversee several other business functions. This would result in not meeting the criteria of 75% of the employee's job being spent on purchasing responsibilities. After review, this stipulation was revised to indicate that the scope of work for the consecutive three years (from January 1, 2009 -) involves a level of 75% or greater of public procurement responsibilities for the respective agency. This would allow for employees who handle 75% or more of an office's procurement activities, even if they spend only 25% of their job overseeing purchasing.

Additional purchasing training activities or events will be labeled as "Purchasing Certified Events" which will calculate toward the training classes or learning session requirement.

Our staff is excited to offer this program to our agency partners. It will illustrate a



dedication to the procurement profession and for individual professional development. Our training staff will work closely with those agency purchasers who have expressed an interest in achieving certification through the West Virginia Purchasing Division.

For a complete list of the requirements for the West Virginia Procurement Basic Certification (WVPBC) or West Virginia Procurement Advanced Certification (WVPAC), visit <http://www.state.wv.us/admin/purchase/training/Certification/>.

If you are interested in this program, please contact our training staff: Brian Holmes, Training Development Specialist, at (304) 558-7022 (Brian.J.Holmes@wv.gov), or Diane Holley-Brown, Assistant Purchasing Director, (304) 558-0661 (Diane.M.Holley@wv.gov)

We look forward to working with each of you during your professional growth in public procurement.

New (Used) Vehicles Arrive on Statewide Contract

The second contract for the purchase of used vehicles by the state of West Virginia has been approved, following on the tail of positive feedback on the vehicles from the initial contract, said Buyer Supervisor Jo Ann Adkins.

The contract (MVU10) provides model year 2007 and 2008 used motor vehicles for all state agencies, political subdivisions and government entities. The contract was awarded to Chrysler Finance Services, which was previously awarded MVU09.

The vehicles are under MVU09 were 2006- and 2007-model-year vehicles, previously leased by one owner for one year or less. Adkins, who oversees statewide contracts, said response to the vehicles has been excellent. "I personally have not had one complaint about the cars," she said. "In fact, I have



Response has been excellent to vehicles purchased through MVU10, a statewide contract providing model year 2007 and 2008 used motor vehicles to state agencies.

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Purchasing Division Announces 2010 Schedule for In-House Training Sessions

The Purchasing Division will continue its successful in-house training program in 2010 with a new series of classes designed for agency procurement officers and their staff to remain apprised of laws, rules and procedures pertaining to state purchasing.

The in-house training program began in 2009 with the goal of expanding on the training efforts from the annual Agency Purchasing Conference.

The sessions are free and open to those involved with the state procurement process. Registration will be on a first-come, first-serve basis so register early!

As with the first year, the topics for the training sessions are similar to those offered at the Agency Purchasing Conference, but the presentations will be more interactive between the presenter and attendees.

“Response to the first year of in-house training classes was exceptional, and we have sought to expand on these training opportunities with the classes offered in 2010,” said Purchasing Director Dave Tincher.

“With these in-house training opportunities, it offers a chance to work with procurement officers hired throughout the year or who were unable to attend our annual conference,” Tincher added. “It also allows us to become more familiar on an one-to-one basis with our agency purchasing partners.”

The preliminary list of classes can be found in the sidebar.

For a complete list of classes offered throughout the year with dates, times and course description, or to register for a class, please visit <http://www.state.wv.us/admin/purchase/training/inhouse.htm>, or contact Staff Development Specialist Brian Holmes at 304-558-7022 or by e-mail at Brian.J.Holmes@wv.gov.

2010 In-House Training Schedule

Each workshop is 1 ½ hours in duration, held at either Building 7 (Gaston Caperton Training Center) or Building 15 (Purchasing Division).

SPRING

January

- Sole Source Purchases (early January)
- Beginner’s Track (mid January)
- Inspection Services (late January)

February

- Emergency Purchases (early February)
- Statewide Contacts/Piggybacking Contracts (late February)

March

- Agency Delegated Purchasing (early March)
- Vendor Registration (mid March)
- Evaluation & Award Process (late March)

SUMMER

April

- Request for Quotations (early April)
- PO Encumbrance (mid April)
- Acquisition Planning (late April)

May

- Pre-Bid Conferences (early May)
- Beginner’s Track (mid May)
- Manager Training (late May)

June

- Preventing Protests (early June)
- Agency Delegated Purchasing (mid June)
- Fixed Assets (late June)

FALL

July

- Basic Purchasing, (early July)
- Construction Purchases (mid July)
- Surplus Property (late July)

August

- Request for Quotations (early August)
 - Documents & Approvals (mid August)
 - Statewide Contacts/Piggybacking Contracts (late August)
- No classes in September due to the Purchasing Conference*

WINTER

October

- Basic Purchasing (early October)
- Emergency Purchases (mid October)
- Inspection Services (late October)

November

- Evaluation & Award Process, (early November)
- Beginner’s Track (mid November)

December

- Sole Source Purchases (early December)
 - Documents & Approvals (mid December)
- No classes in late November and late December due to holidays*

Purchasing Division Certification Program to Move Forward

The Purchasing Division Certification Program, a new initiative first introduced at the 2009 Agency Purchasing Conference by Purchasing Director Dave Tincher, continues to move forward with great interest. The program is to strengthen the education and training of those involved in the state procurement process. Director Tincher said interest in the program from

agency procurement staff has been positive since the initial announcement.

“There are still some issues which we are clarifying but we are moving ahead with full implementation. There is nothing but positives with this type of certification program which few states offer,” he said.

As designed, agency purchasers can

achieve two levels of certification: West Virginia Procurement Basic Certification (WVPBC) and the West Virginia Procurement Advanced Certification (WVPAC). For a complete list of the requirements, visit <http://www.state.wv.us/admin/purchase/training/Certification/>.

See the Director’s Comments on page 2 for more details.

Procurement Officer Profile...

Kimble Keeps the Pulse of Procurement at Health Care Authority

Beth Kimble, procurement officer for the state Health Care Authority, said when she began college, her original goal was nursing. Though her career and life goals changed over the years, she said she can see where it all worked out in the end.

Kimble said she tended to find herself in the business world, “playing with money,” in her words. She worked for three years for the Kanawha County assessor’s office, and then seven years as an office manager for a Charleston business. It was during that time that she cited as among her first procurement experience by purchasing office supplies and paying bills for the business.

She came to the Division of Banking in 1987 as a typist, working her way up to the executive assistant to the commissioner, remaining with Banking for almost 15 years. She said the division did not do many large purchases, but the experience trained her in policy and procedure. She joined the Health Care Authority in 2002 as the division’s fiscal coordinator.

The shift was a dramatic one for Kimble. The focus of the programs administered by the Authority are on constraining the rising cost of health care and assuring reasonable access to necessary health services, according to the Authority Web site. For Kimble, that meant preparing Requests for Proposal with health-related specifications that required in-depth evaluations and decisions.

“Our RFPs are often very unique and complicated,” she said. “I work with several people in preparing the RFPs who know the specifics of what they need. In this, I do not have to have the specific technical or medical knowledge, but I do need to know what is required for the RFP.”

Kimble said working with smaller agencies has brought her new responsibilities, as the Purchasing Card coordinator, inventory coordinator and budget administrator for agencies within



Beth Kimble has been with the Health Care Authority since 2002, beginning in state government in 1987 with the Division of Banking.

the Health Care Authority. She added that her division is a frequent user of statewide contracts. “The statewide contracts just make the purchasing process so much simpler,” she said.

Kimble also praised the work of the Purchasing Division. “The Purchasing Division is a great tool to

find answers to your questions, and the buyers always respond quickly when you need an answer,” she said. She also said the annual Agency Purchasing Conference offers procurement officers a chance to network with others, as well as an opportunity for additional training.

SPENDING

Continued from Page 1

of which exceeds twenty-five thousand dollars, shall file copies of all contracts awarded to the vendor within the twelve preceding months with the director immediately upon exceeding the twenty-five thousand dollar limit, along with a statement explaining how the multiple contract awards do not circumvent the twenty-five thousand dollar threshold. If the spending unit does not immediately

report to the director, the director may suspend the purchasing authority of the spending unit until the spending unit complies with the reporting requirement of this subsection.”

Agency aggregate spending is addressed in Sections 3.2 and 6.1 of the Purchasing Division Procedures Handbook and *West Virginia Code §5A-3-10 (a) and (b)*.

Statewide Contract Spotlight...

nCompass Networks Helps State Navigate Their Information Technology Needs

State agencies in need of a company to help them steer through complex technological needs can do so by word association. Just think of a navigational instrument.

nCompass Networks of Huntington has provided IT solutions in products, services and support to state agencies for more than a decade through various statewide contracts. nCompass Networks is currently a vendor on the statewide contract, **SIP2008**, which provides servers, computers and peripherals to state agencies and political subdivisions.

nCompass Networks bills itself as the largest privately-owned network integration and services company in the state with services that include technology maintenance contracts, document management solutions, and an array of technology products and services customized to meet the needs agencies using **SIP2008**.

Current owners, Steve Songer and

Gary Chapman, bought the business in 1983 when it was a retail franchise store and remained in operation that way until 2000 when they renamed the business to nCompass Networks to reflect the change in its primary focus from sales to IT services.

"We have been doing business with the state of West Virginia since the mid-1990s. We have been successful on several statewide contracts as we have sold and serviced many computers, servers, software and peripherals to a lot state agencies," said Joe Brooks, Vice President of Sales and Imaging. "At nCompass, we treat the state agencies like the valued customers they are. We do not operate strictly on price alone. We always add value to our customer relationships by dealing with each client's specific needs."

Brooks said nCompass has more

than two dozen employees and does a great amount of business with the Office of the Insurance Commissioner,

Workforce-WV, and the Department of Health and Human Resources. Other vendors on

SIP2008 include:

Advizex Technologies, LLC; CDW Government; Pomeroy Computer Resources; and Softward Information Systems, LLC.

For more information about nCompass Networks, contact:

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304-529-6069
Joe@Ancn.com
www.ncompassnetworks.com



*In each issue of **The Buyers Network**, the Purchasing Division will highlight one of our statewide contractors. Providing information about 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.**



Joe Brooks is Vice President of Sales and Imaging at nCompass Networks. The Huntington-based company is a vendor on the state contract, **SIP2008**, which provides computer and peripherals to state agencies.

VEHICLES

Continued from Page 3

been contacted by another state to see how the contract has gone.” Adkins said **MVU10** had been set up as a piggyback contract, so other states may utilize it also for their auto purchase needs.

Adkins said the vehicles were to typically have between 20,000 to 24,000 miles, with many coming in with less than 20,000 miles. In addition, many had additional options which were not specified in the contract and did not cost the state any additional money, such as third-row seating in some vehicles.

Purchasing Division Assistant Director Ken Frye, who oversees the fleet, said the vehicles have been in excellent condition as they have been delivered.

Vehicles under the **MVU10** contract are specified to fall under similar guidelines to the **MVU09** contract, with vehicle mileage ranging between 20,000 to 36,000, depending on the make and class of the vehicle. Adkins said agen-



A variety of vehicles are available through the used motor vehicle, including sports utility vehicles.

cies have been encouraged to order was not available in the contract which used vehicles except when a vehicle would fill the agency need.

New Reporting Alignment Made for Purchasing Division Buying Staff

The Purchasing Division recently announced changes to the reporting structure of the Acquisition and Contract Administration Section (ACA). With four buyer supervisors, this allows the Purchasing Division to provide more depth and assistance to all our agencies, ensuring that our agency remains at a consistent, professional level. There are no changes at this time to the buyer assignments. The new alignment in the (ACA) is as follows:

Ron Price, Assistant Director

Jo Ann Adkins, Buyer Supervisor

- Pam Hodges, Buyer
- Vacant: Purchasing Assistant

Chuck Bowman, Buyer Supervisor

- Shelly Murray, Senior Buyer
- Michael Austin, Senior Buyer
- Willadean Fisher, Purchasing Assistant

Krista Ferrell, Buyer Supervisor

- Frank Whittaker, Senior Buyer
- Margaret Ingram, Purchasing Assistant

Roberta Wagner, Buyer Supervisor

- John Abbott, Senior Buyer
- Kristi Strader, Purchasing Assistant

For more details on the ACA section, please contact Ron Price at 304-558-4317 or e-mail at Ron.N.Price@wv.gov. For a complete directory of Purchasing Division services, please visit the Purchasing Division Directory at <http://www.state.wv.us/admin/purchase/directory.html>. Want to put a face to a name, visit our staff photo gallery at <http://www.state.wv.us/admin/purchase/Gallery.htm>.



The Purchasing Division Staff Wishes You and Your Family a Wonderful Holiday Season!

Current Statewide Contract Update

(As of November 15, 2009)

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 <http://www.state.wv.us/admin/purchase/swc>. For more information, please contact Senior Buyer **Jo Ann Adkins** at (304) 558-8802 or via e-mail at Jo.A.Adkins@wv.gov.

Out for Bid

Contract	Description	Pre-Bid Meeting	Bid Opening
LITTER10	Litter grabbers	None	12/16/2009
WATER10	Water-treatment chemicals	12/01/2009	12/16/2009
ITECH10	Temporary staffing for technical and IT support	None	01/07/2010
PAINT10	Paint and associated products	12/03/2009	12/22/2009

New Awards

Contract	Vendor	Description	Dates
MVU10	Chrysler Financial	Used motor vehicles	10/15/2009 - 10/14/2010
MV10I	Penske Toyota	Motor vehicles	10/15/2009 - 10/14/2010
PC10A	Stephens Auto Center	Police cruisers	11/01/2009 - 10/31/2010
PC10B	Hurricane Chevrolet	Police cruisers	11/01/2009 - 10/31/2010
MV10A	Matheny Motor Vehicles	Motor vehicles	10/15/2009 - 10/14/2010
MV10B	Stephens Auto Center	Motor vehicles	10/15/2009 - 10/14/2010
MV10C	Bob Robinson Chevrolet	Motor vehicles	10/15/2009 - 10/14/2010
MV10E	Jim Robinson Ford	Motor vehicles	10/15/2009 - 10/14/2010
MV10F	Country Club Chrysler	Motor vehicles	10/15/2009 - 10/14/2010
MV10H	Whiteside Chevrolet	Motor vehicles	10/15/2009 - 10/14/2010
SBUS01A	Matheny Motor Truck Co	School buses	12/01/2009 - 11/30/2010
SBUS10B	BWAB International LLC	School buses	12/01/2009 - 11/30/2010
SBUS10C	Blue Bird Bus Sales	School buses	12/01/2009 - 11/30/2010
FUELW11A	Guttman Oil Co	Fuels delivered by tank wagon	11/15/2009 - 05/14/2010
FUELW11B	Harris Oil	Fuels delivered by tank wagon	11/15/2009 - 05/14/2010
FUELW11C	J L Brannon	Fuels delivered by tank wagon	11/15/2009 - 05/14/2010
FUELW11D	Bruceton	Fuels delivered by tank wagon	11/15/2009 - 05/14/2010
FUELW11E	Belmont	Fuels delivered by tank wagon	11/15/2009 - 05/14/2010
FUELTT11A	James River Solutions	Fuels delivered by tank wagon	11/15/2009 - 05/14/2010
FUELTT11B	Harris Oil Co. Inc.	Fuels delivered by tank truck	11/15/2009 - 05/14/2010

New Awards

Contract	Vendor	Description	Dates
FUELTT11C	Guttman Oil Co	Fuels delivered by tank truck	11/15/2009 - 05/14/2010
FUELTT11D	R T Rogers	Fuels delivered by tank truck	11/15/2009 - 05/14/2010

Under Evaluation

Contract	Description	Bid Opening	Under Eval
FLRCOV09	Floor Covering	08/19/2009	Yes
HOUSE10	Housekeeping materials	10/15/2009	Yes

Renewals

Contract	Vendor	Description	Date
BEDDING09A	Imperial Bedding Co.	Bedding	10/15/2009 - 10/14/2010
FOOD08A	A F Wendling Inc.	Staple foods	12/01/2009 - 11/30/2010
DIGCOP09A	Aaron's Products Incorporated	Copiers	12/15/2009 - 06/14/2010
DIGCOP09C	Komax Business Systems LLC	Copiers	12/15/2009 - 06/14/2010
DIGCOP09E	Oce Imagistics	Copiers	12/15/2009 - 06/14/2010
DIGCOP09F	Remco Sales & Service Inc.	Copiers	12/15/2009 - 06/14/2010
DIGCOP09J	WV Business Products	Copiers	12/15/2009 - 06/14/2010
DIGCOP09I	Superior Office Service Inc.	Copiers	12/15/2009 - 06/14/2010
DIGCOP09G	Ricoh Americas Corporation	Copiers	12/15/2009 - 06/14/2010

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.

DECEMBER

ERCYCLE07	Recycling of electronic equipment
ITECH07	Technical services
WAN08	Wide area network hardware, software and service

JANUARY

CEREAL08	Cold breakfast cereals
CRENTAL08	Car rental services
DFS08	Disposable food supplies
WAN08	Wide area network hardware, software and service

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.

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Name _____
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