

THE BUYERS NETWORK

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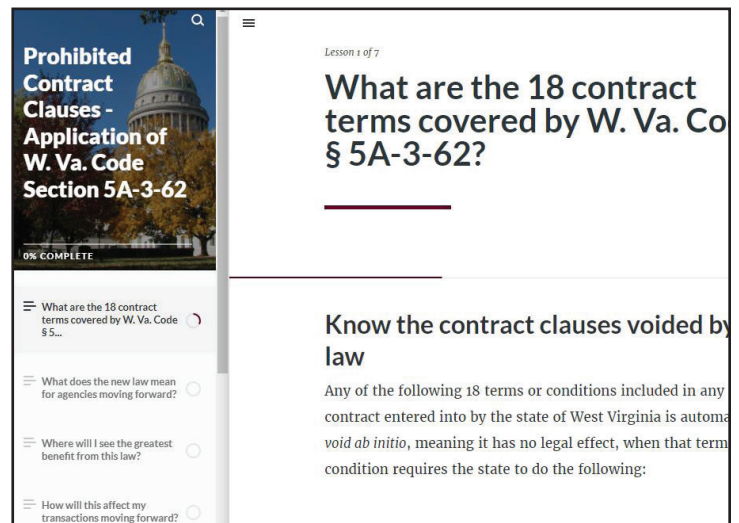
THE BUYERS NETWORK is Published Monthly by the Purchasing Division of the West Virginia Department of Administration to Promote Better Value in Public Purchasing.

New Online Module Outlines Prohibited Contract Clauses

The Purchasing Division is pleased to share that a new online training mini module is available to procurement officers for viewing. The new mini module, which discusses the automatic voidance of prohibited contract clauses, was developed to assist agency procurement officers in understanding a new law that was passed during the 2021 Legislative Session. Senate Bill 587 became W. Va. Code § 5A-3-62 and streamlines contract negotiation and award by automatically voiding 18 different contract terms often proposed by vendors. The *Prohibited Contract Clauses Law* mini module provides information on what contract clauses are covered by this law and what it means when a vendor proposes them.

W. Va. Code § 5A-3-62 negates the need to track down vendors for negotiation or signatures in most cases. Some terms can contain privacy or security-related issues that are not covered, and those would still need to be negotiated. This law expressly states that the voiding occurs even

Please see **CONTRACT CLAUSES**, page 5



With its newest module, the Purchasing Division is educating procurement officers on what contract clauses are covered by W. Va. Code § 5A-3-62 and what it means when a vendor proposes them.

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Foreign Entities Have Obligations to Secretary of State and Tax Department

The West Virginia Secretary of State's Office is reminding procurement officers of their role in registration for out-of-state companies.

"The general goal here is to create an understanding of what West Virginia expects from individuals trying to register as a foreign corporation. For clarification, the term 'foreign' refers to any entity headquartered outside of West Virginia," said Andrew Melone, business and licensing specialist in the Secretary of State's Office.

To comply with West Virginia State Code, all companies headquartered outside of the state that are doing business in West Virginia are required to register annually with the Secretary of State's Office and with the Tax Department. Foreign entities are welcome to operate in the state but are required to file a Certificate of Authority or Exemption with the Secretary of

Please see **FOREIGN ENTITIES**, page 4

Toyota Partnership, Effective Communication, and Training are Primary Focuses for 2022

I am excited to share some news regarding a partnership the state currently has with the Toyota Production System Support Center (TSSC). TSSC is a nonprofit organization that uses its years of manufacturing experience to share ideas with other manufacturers, nonprofits, and organizations to enable them to develop better ways of doing their day-to-day work. Last fall, we met with the TSSC to begin closely analyzing the state purchasing process to identify areas for improvement. As part of our initial meetings with the TSSC, we defined factors that require immediate rejection of requisitions back to the agency, and from that, we created the *Requisition Submission Checklist* that I mentioned last month. We are currently testing that checklist's usefulness with select agencies, and if proven to be useful, will distribute that to all agencies for use at a later time.

Recently, we created a *Specification Drafting Tips* list to serve as a quick reference for procurement officers when preparing specifications. The list contains items that, if observed and put into use, will strengthen the specifications, and, ultimately, the contract built around those specifications. That list was shared in an eblast to procurement officers last month and can also be found on our website at www.state.wv.us/admin/purchase/Documents/SpecificationDraftingTips.pdf. This is expected to be a multi-month project, and we will continue to share updates as we advance through this process.

As we move into 2022, effective communication is one area in which we hope to continue to excel. Last month, we sent an email to procurement officers urging awareness of vendor actions related to invoicing and services. It came to our attention that some vendors had either tried to increase pricing unilaterally or had offered and billed for services that were not part of the contract. Both actions are illegal, and ultimately, compromise the public's trust when taxpayer dollars are being spent. I encourage each of you again to remain cognizant of the items being purchased from a vendor, ensuring they are contract items, and paying only the contracted price. Complying with and understanding the law

remains our top priority.

Education is another area in which we believe our agency procurement officers can greatly benefit. Last year, the Legislature passed a bill that automatically voids 18 contract clauses often included as part of vendors' boilerplate terms and conditions. The bill passed into law as W. Va. Code Section 5A-3-62 eliminates the need for the agency to get a vendor-signed *Agreement Addendum* (WV-96) for those items covered by the law. To assist procurement officers with better understanding this law and how it affects procurement transactions moving forward, the Purchasing Division has developed a mini training module explaining it. To learn more about this module, see the article on Page 1. Once you have viewed the module, please complete the survey online at www.surveymonkey.com/r/ModuleFormatFeedback to let us know how you liked the format of the training. With the creation of several other mini modules underway, the Purchasing Division wants to know if this format is preferred for mini training modules in which a very specific process or piece of information is targeted. We look forward to your feedback.

In addition to educating our agency procurement officers on various laws, rules, and procedures through training modules, we also offer professional development opportunities for our own staff. Last month, representatives from the One Stop Shop within the Secretary of State's Office (SOS) presented to the Purchasing Division's buying staff on steps vendors need to take to become registered with the SOS. The goal of this session was to ensure our buyers can adequately inform vendors moving forward of what they need prior to registering with the SOS. Agency procurement officers can also benefit from this information when communicating with vendors regarding delegated purchases. To learn more about those requirements, see the article on Page 1.

As always, feel free to contact us if there is anything we can do to make the purchasing process easier for you.



Hitomi Scott, a representative of the Toyota Production System Support Center (TSSC), met with Purchasing Division staff in January to brainstorm ways to improve the process. The meetings were a follow up to discussions held in fall of 2021.

Biannual Stringing Report Submitted to Legislature

Twice a year, the Purchasing Division submits a Stringing Report to the State Legislature in accordance with W. Va. Code § 5A-3-10(b). For the period of July 1, 2021, to Dec. 31, 2021, no accounts of stringing were reported to the Purchasing Division or discovered by the division’s inspection unit. This is the first time since the January 2019 report that there have been no incidents to report.

Stringing is defined within the *Purchasing Division Procedures Handbook* as “issuing a series of requisitions or dividing or planning procurements to circumvent the \$25,000 threshold or otherwise avoid the use of sealed bids.” It is important that agencies be aware that stringing is viewed on a 12-month rolling period, beginning with the date a new order is placed.

Questions relating to stringing concerns and purchasing issues should first be directed to the agency’s designated procurement officer. If the agency procurement officer needs additional assistance, they are then encouraged to contact their assigned Purchasing Division buyer.

A copy of this and past stringing reports are available on the Transparency section of the Purchasing Division’s website at www.state.wv.us/admin/purchase/LegisReports.html. Agency per-

Report	Description	Code Citation	Date
Legislative Reporting Requirement §5A-3-10(b)	Stringing Report summarizing Purchasing Division’s findings of any spending unit which awarded multiple contracts for the same or similar commodity or service to an individual vendor over any 12-month period with a value exceeding \$25,000.	West Virginia Code §5A-3-10(b)	January 6, 2022

A copy of each report the Purchasing Division submits to the Legislature, which includes the biannual stringing report, is available for review at WVPurchasing.gov.

sonnel interested in learning more about stringing and bidding thresholds are encouraged to complete the *Stringing* online training module available on CourseMill at www.onlinelearning.wv.gov.

Longtime Purchasing Employee Transitions to New Role

Purchasing Division employee Bob Ross has recently transitioned into the position of quality control and transparency specialist within the Division’s Business and Technical Services section. Ross joined the Purchasing Division in 2017 as an office assistant before moving into the role of imaging operator in 2018.

In his new role, Ross is responsible for posting all bids received for central solicitations to the Purchasing Division’s Bids Received webpage. This includes updating posts to include addenda, converting each document to a PDF for easy viewing and accessibility, removing personally identifiable information such as social security numbers, and ensuring that the Purchasing Division remains as transparent as possible. Ross will also continue to provide imaging support for the Purchasing Division during this time.

“I am very excited to transition into my newest position within the Purchasing Division,” said Ross. “I am thankful for the opportunity to take on new responsibilities and learn another aspect of the division’s services.”

Congratulations to Ross on this new role within the Purchasing Division!

Buyers Network



Bob Ross

Training Dates to Remember

To register for these and other Purchasing Division webinars, visit www.onlinelearning.wv.gov. For additional information, please visit WVPurchasing.gov.

Developing Specs/Statewide Contracts (PUR402W)

Feb. 2, 2022 | 9 a.m. - 11 a.m.

Special Purchases and Processes (PUR213W)

Feb. 9, 2022 | 10 a.m. - 11:30 a.m.

wvOASIS Tips and Tricks (PUR120W)

Feb. 16, 2022 | 9 a.m. - 10 a.m.

An Introduction to WV Purchasing (PUR102)

March 2, 2022 | 9 a.m. - 4 p.m.

Procurement Office Profile: One-Stop-Shop Papadopoulos Manages Procurement Among Variety of Responsibilities

Emily Papadopoulos, designated procurement officer for the Board of Architects, began working for the state in 2009 at the Center for Professional Development before moving to her current position in 2016.

“I do it all since I am a one-person state agency,” explained Papadopoulos. “I tell people I know a little about everything but really appreciate the expertise of the [procurement] professionals at other agencies who are helpful.”

While purchasing is a small part of her role at the Board of Architects, Papadopoulos is still required to complete the same number of training hours for designated procurement officers, in accordance with 148 C.S.R. 1.3.

“With my position, I really enjoy the interactions with the Board members, regis-

tered architects, the public, and especially professionals from other agencies,” said Papadopoulos. “It is rewarding to be a problem solver and be a ‘one stop shop’ for inquiries.”

Papadopoulos earned a bachelor’s degree from Davidson College and a master’s degree from North Carolina State University. Originally from southwest Virginia, Papadopoulos has lived in West Virginia since 1990. She has been married to Paul for 31 years and they have two children, Kate and Gabriel. When not working, Papadopoulos enjoys hiking and visiting her farm in Virginia where she grows Certified Naturally Grown lavender. During the pandemic, Papadopoulos has also become a fan of Formula One Racing and follows Ferrari driver Carlos Sainz.



Emily Papadopoulos
Board of Architects

FOREIGN ENTITIES

Continued from Page 1

State. Foreign entities must apply for a business license through the West Virginia Tax Department as well.

“Depending on the type of work that business does, they may need additional state board approval or licensure,” Melone said.

There are some exemptions granted by State Code. However, exempt companies still have an obligation to register as an exempt company. The most common exemptions include companies soliciting orders through the mail or internet, conducting an isolated transaction that is completed within 30 days, or conducting affairs in interstate commerce.

Melone encourages business owners to contact the Secretary of State’s office to learn more about other exemptions.

Melone said the best option for most in this situation is to register

through the WV One Stop Business Center portal at **Business4WV.gov**. The easy-to-navigate online portal has all the applications required for both the Secretary of State and the Tax Department. The portal also contains access for all vendors to set up a user account with the state.

Information and documentation required for proper registration with the Secretary of State’s Office includes information from the organizing documents filed with the entity’s home state along with a Certificate of Existence or Letter of Good Standing from their home state. The name of the business entity must be distinct from businesses already registered in West Virginia.

Requirements for registering with the Tax Department include a Federal Employee Identification Number (FEIN), information on officers and directors, and information contained in their original organizing documents.

To learn more about the requirements for domestic entities, see next month’s issue of *The Buyers Network*. Vendors or procurement officers with questions should call the Secretary of State’s Office at 304.558.8000.

Foreign and domestic business owners are encouraged to utilize the Secretary of State’s *Business4WV.gov* website for information and resources related to taxes, statements of good standing, and certifications of business.



Purchasing Conducts Mid-Year Review of Training Hours

We are more than halfway through Fiscal Year 2022, and the Purchasing Division has completed its mid-year review of required training hours for agency designated procurement officers. The Code of State Rules requires all designees to participate in 10 hours of training offered by the Purchasing Division each fiscal year. Training eligible toward this requirement includes webinars, online modules, conference sessions, and in-person training when groups can safely meet again.

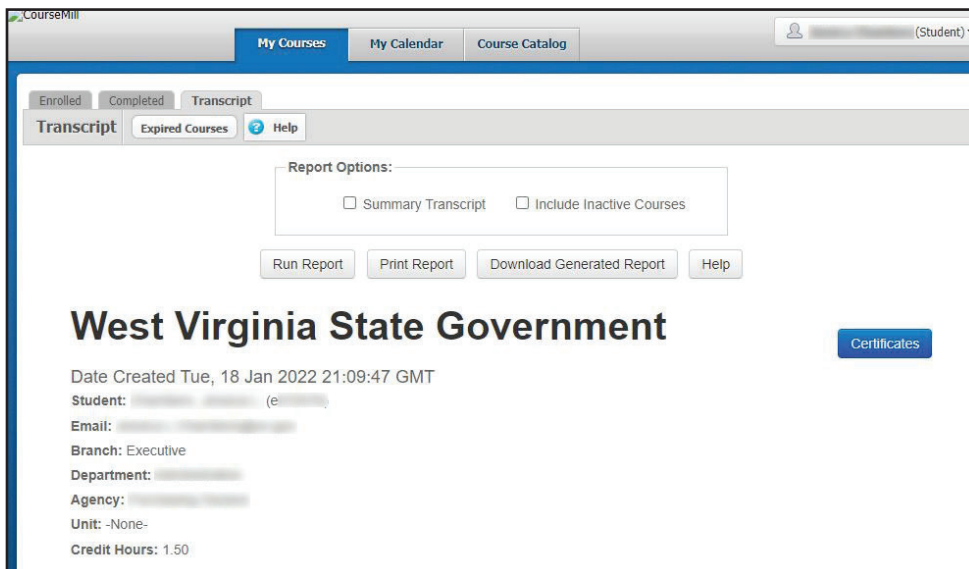
Procurement officers can also track their own training participation for the year. To view their transcript of completed trainings, individuals should log in to CourseMill at www.onlinelearning.wv.gov and click on the “Transcript” tab near the top of the page. All completed courses will be listed. This report can be downloaded or printed. Certificates of completion for individual classes can also be printed.

Any discrepancy in the hours reported and those that the designee believes he or she attended should be brought to the Purchasing Division’s attention.

Those interested in obtaining basic certification are required to complete 15

hours of training, while 30 hours are required for the advanced certification. Any individual who has obtained the *WV Procurement: Basic or Advanced Certification* must participate in 20 hours of training offered by the Purchasing Division in the three years from the date they obtain that certification to comply with recertification guidelines.

If you are a designated procurement officer and did not receive an email with your total completed hours for Fiscal Year 2022, or for additional questions on how to view your transcript or training hours within CourseMill, email Purchasing.Training@wv.gov.



The state's online learning center allows registered users to review their transcripts on demand. This can help procurement officers review their progress in completing the 10 hours of required training.

CONTRACT CLAUSES

Continued from Page 1

if a state official has signed a contract with the voided terms included. In part, it reads: “No official, employee, agent, or representative of the state has the authority to contravene this section, and no oral or written expression of consent to any term or condition declared void ab initio by this section, or signature on a contract, may be deemed as such.”

While the law has proven to be helpful, it does not eliminate the responsibility of the agency to fully review and evaluate the vendor's bids, proposals, or contract documents. In some cases, the law does not cover everything that could present a potential problem. In those situations, additional action or review may be required by the appropriate personnel within your agency.

Prior to the creation of W. Va. Code Section 5A-3-62, the *Agreement Addendum* (WV-96) was the state's primary way to ensure that alternate terms and conditions proposed by a vendor were not legally enforceable. The form is still available on the Purchasing Division's website but is now only required in certain circumstances.

The Course ID for this module is *PUR219EFY22* and can be accessed at www.onlinelearning.wv.gov.

Buyers Network

THE BUYERS NETWORK

Purchasing Division
State Capitol Complex
2019 Washington St., East
Charleston, WV 25305-0130

Telephone: 304.558.2306
8:15 a.m. to 4:30 p.m. (M-F)

Jim Justice
Governor

Mike Sheets
Director
Purchasing Division

Editors
Courtney Johnson
Samantha Knapp

Contributing Reporters
Jessica Chambers
Teresa Cutlip

Current Statewide Contract Update

(As of Jan. 14, 2022)

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 the buyer assigned to statewide contracts.

New Contracts

<u>Contract</u>	<u>Vendor</u>	<u>Commodity</u>	<u>Effective Date</u>
RECMGTEEE	Iron Mountain	Document Storage Service	12/31/21 -01/31/22

Contract Renewals

<u>Contract</u>	<u>Vendor</u>	<u>Commodity</u>	<u>Effective Date</u>
FINANCE21	Banc Of America	Debt Servicing	02/01/22 -06/31/23

Vendor Webinar Scheduled for March 31, 2022

The Purchasing Division will host its spring vendor webinar, *Doing Business with West Virginia*, on Thursday, March 31, 2022, from 10 a.m. to 11:30 a.m. This free webinar will highlight the guidelines and other information pertinent to current and potential vendors wishing to conduct business with the state of West Virginia.

During this presentation, vendors will learn how they can increase their knowledge of West Virginia solicitations and how they can submit a bid. Additional information will be shared on how the state evaluates bids for award, the different procurement methods the state uses, and guidelines on how to market commodities and services to state agencies.

While this event is free, registration is required and limited to the first 100 individuals. Details on how to register are posted on the Purchasing Division's online Vendor Resource Center at www.state.wv.us/admin/purchase/vrc.

Questions regarding this training and registration should be directed to Purchasing.Training@wv.gov.

FOR MORE INFORMATION

Below is a list of Purchasing Division buyers assigned to specific state agencies.

BUYER	E-MAIL	PHONE
<u>Supervisors</u>		
Tara Lyle	Tara.L.Lyle@wv.gov	558-2544
Linda Harper	Linda.B.Harper@wv.gov	558-0468
<u>Senior Buyers</u>		
Mark Atkins	Mark.A.Atkins@wv.gov	558-2307
Josh Hager	Joseph.E.Hageriii@wv.gov	558-8801
Jessica Hovanec	Jessica.L.Hovanec@wv.gov	558-2314
Crystal Hustead	Crystal.G.Hustead@wv.gov	558-2402
Melissa Pettrey	Melissa.K.Pettrey@wv.gov	558-0094
David Pauline	David.H.Pauline@wv.gov	558-0067
<u>Buyers</u>		
John Estep	John.W.Estep@wv.gov	558-2566
Toby Welch	Toby.L.Welch@wv.gov	558-8802

How to Register for Vendor Webinar

- Go to <http://www.onlinelearning.wv.gov/student>
- Click on Create New User button
- Choose "Purchasing" from the Organization list
- Fill out the Create New User profile. All fields marked with an asterisk (*) are required, and both forms under the User Profile and Sub Orgs tabs must be completed.
- Once completed, click Create New User button and Accept the User Agreement.
- Select Enroll next to the VEN101 session. You will receive an email confirmation upon successfully enrolling.