



State of West Virginia  
Department of Administration

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West Virginia Purchasing Division  
**ANNUAL REPORT**  
2015

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[WVPurchasing.gov](http://WVPurchasing.gov)



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# Message from the Director

June 30, 2015

## To the Citizens of West Virginia:

**D**uring Fiscal Year 2015, West Virginia state government experienced a substantial change in how it both processes its contracts and purchase orders and how it makes payments for those commodities and services rendered. The implementation of the financial and procurement component of *wvOASIS*, which is referred to as Phase C of this project, occurred on July 8, 2014.

The Purchasing Division worked extremely close with our state agency procurement officers and our suppliers to ease the transition to this new way of doing business. Today, all purchases are now advertised and awarded in this new system.

In addition to the technical changes in state procurement during this year, our agency has focused on many other projects, such as our first mandatory training for high level state officials, in accordance with new legislation that passed effective in July of 2014. Approximately 300 state administrators and their deputies and assistants received training during Fiscal Year 2015 on State Purchasing Procedures and the State Purchasing Card Program.

With a strong dedication to professional development within our agency, many of our staff earned national certification and recognition in their areas of procurement, inspection and public relations. These accolades demonstrate the knowledge, skills and abilities of our employees. As a result, the level of excellence of our programs and services that are offered by the Purchasing Division continues to improve.

A great example is being awarded the National Procurement Institute's Annual Achievement of Excellence in Procurement Award for the second consecutive year. This recognition is based on many different variables for public organizations, including but not limited to, the education and certification of staff members, utilization of technology in procurement, purchasing processes, resources and training, and statutory requirements in procurement.

The Purchasing Division has made great strides during this year of many changes and continues to be pleased to illustrate many of our accomplishments in this Annual Report. The support provided to the Purchasing Division by our agency procurement officers and administrators as well as our State Legislature is greatly appreciated throughout the year.

Sincerely,

Dave Tincher, CPPO, Director  
West Virginia Purchasing Division





# General Information

## Contact Information

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

Telephone: (304) 558-2306

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*WVPurchasing.gov*

## Statutory Authority

The Purchasing Division was created and its duties outlined in the *West Virginia 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 its *Code of State Rules* §148 CSR 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 Surplus Property newsletter, **Property Connection**; e-mail correspondence to our designated state agency purchasing liaisons; various training programs; and our website (*WVPurchasing.gov*) and intranet site to state employees. In an effort to provide our customers with the best possible service, the Purchasing Division looks for ways to network 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. Diane Holley-Brown, Assistant Purchasing Director, serves in this role and may be contacted at (304) 558-0661 or via e-mail at *Diane.M.Holley@wv.gov*.

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## Prior Year Comparison Limitation

Most of the data presented in this report is based upon the *wv*OASIS enterprise resource planning system that was implemented on July 8, 2014. The new system includes different reporting functionality from prior systems. In addition to the differing reporting capabilities, some metrics, such as a contracts estimated value, are no longer included in the system, and other metrics are now available.

For these and various other reasons associated with the change from legacy systems to *wv*OASIS, any comparison between this annual report and prior annual reports is subject to significant variation and should be considered of limited or no value.

## 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: Acquisition and Contract Administration; Communication and Technical Services; and Program Services.

To view the Purchasing Division's current organization chart, please visit [www.state.wv.us/admin/purchase/orgchart.pdf](http://www.state.wv.us/admin/purchase/orgchart.pdf). To view biographical information for the senior management team, you may visit [www.state.wv.us/admin/purchase/Purchasing\\_Division\\_Management\\_Bios.pdf](http://www.state.wv.us/admin/purchase/Purchasing_Division_Management_Bios.pdf).

### ***Acquisition and Contract Administration Section***

The Acquisition 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 good customer service to agencies and vendors by buying the best 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 Technical Services Section***

The Communication and Technical Services Section is responsible for a variety of services offered to agency purchasers, the vendor community and to the general public. It focuses on technology, communication, training, and vendor registration and relations, as well as administrative functions, including records imaging and retention, purchase order encumbrance, and bid receipt.

The Communication and Professional Development Unit provides information and training services related to the division and the individual programs which are administered by the division. Conferences, online resource training modules, in-house workshop sessions, webinars and the West Virginia Procurement Certification Program are offered throughout the year to provide guidance and opportunities to our agency procurement officers. The Technical Services Unit maintains all technical applications administered by the division as well as oversees our networking services and the division's Internet and intranet sites. In addition, this unit oversees the vendor registration and relations program. The Support Services Unit oversees the administrative functions outlined above.

## 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.

## West Virginia Purchasing Division Staff is Pleased to Serve You!



**The Purchasing Division staff, pictured in a June 2015 staff photo, worked together to achieve recognition by the National Procurement Institute (NPI) for the second consecutive year. See related article on page 8.**

Pictured back row (l-r), Diane Holley-Brown; Jimmy Meadows; Catherine DeMarco; Mark Totten; Guy Nisbet; Greg Clay; Chad Williamson; 4th row (l-r), Katrina Dufourny; Anthony Cooper; Shane Hall; Mitzie Howard; Bob Kilpatrick; 3rd row (l-r), Samantha Knapp; Tara Lyle; Elizabeth Perdue; Mike Sheets; Purchasing Director Dave Tincher; Willadean Fisher; Misty Delong; 2nd row (l-r), Aimee Cantrell; Melissa Skiles; Sheila Hannah; Gail Montantez; Melissa Pettrey; Debbie Watkins; Crystal Rink; Front row (l-r), Stephanie Gale; Laura Hooper; Stephanie Mosley; Carol Jarrett; Beverly Toler; Evelyn Melton; Lu Anne Cottrill and Alisha Pettit.



# Contact Reference Guide

	<u>Telephone No.</u>	<u>Location</u>
<b>Director's Office</b>		
David Tincher, Purchasing Director	(304) 558-2538	Main Office
James Meadows, Attorney	(304) 558-8806	Main Office
Debbie Watkins, Administrative Secretary	(304) 558-3568	Main Office
<b>Acquisition and Contract Administration Section</b>		
Mike Sheets, Assistant Director	(304) 558-0492	Main Office
<i>Acquisitions Unit</i>		
Tara Lyle, Buyer Supervisor	(304) 558-2544	Main Office
Frank Whittaker, Buyer Supervisor	(304) 558-2316	Main Office
Guy Nisbet, Buyer Supervisor	(304) 558-2596	Main Office
Beth Collins, Senior Buyer	(304) 558-2157	Main Office
Bob Kilpatrick, Senior Buyer	(304) 558-0067	Main Office
Evelyn Melton, Senior Buyer	(304) 558-7023	Main Office
Crystal Rink, Senior Buyer	(304) 558-2402	Main Office
Laura Hooper, Senior Buyer	(304) 558-0468	Main Office
Misty DeLong, Buyer	(304) 558-8802	Main Office
Melissa Pettrey, Buyer	(304) 558-0094	Main Office
April Battle, Buyer	(304) 558-2566	Main Office
Stephanie Gale, Buyer	(304) 558-8801	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
Junior Blount, Inspector III	(304) 558-3488	Main Office
Mitzie Howard, Inspector I	(304) 558-2037	Main Office
<b>Communication and Technical Services Section</b>		
Diane Holley-Brown, Assistant Director	(304) 558-0661	Main Office
<i>Communication and Professional Development Unit</i>		
Samantha Knapp, Manager	(304) 558-7022	Main Office
Aimee Cantrell, Public Information Specialist	(304) 558-4213	Main Office
Chad Williamson, Public Information Specialist	(304) 558-2315	Main Office
<i>Technical Services Unit</i>		
Mark Totten, Manager	(304) 558-7839	Main Office
Alisha Pettit, Programmer	(304) 558-0247	Main Office
<i>Support Services</i>		
Beverly Toler, Supervisor	(304) 558-2336	Main Office
<b>Program Services Section</b>		
Elizabeth Perdue, Assistant Director	(304) 766-2626	Dunbar
<i>Fixed Assets Management Unit</i>		
Sherry Fewell, Fixed Assets Coordinator	(304) 766-2626	Dunbar
<i>Surplus Property Unit</i>		
Elizabeth Perdue, Manager	(304) 766-2626	Dunbar
Anthony Cooper, Assistant Manager	(304) 766-2626	Dunbar
<i>Travel Management</i>		
Catherine DeMarco, State Travel Manager	(304) 558-2613	Main Office



# Major Highlights

## wvOASIS Phase C Implemented July 2014

Phase C of *wvOASIS* was implemented on July 8, 2014, changing the manner in which state government in West Virginia processes solicitations and awards purchase orders and contracts.

*wvOASIS* is an enterprise resource planning system and encompasses essential finance and procurement processes, including but not limited to: budget control, general ledger, accounts receivable, accounts payable, solicitations, evaluation and award of purchase orders and contracts, project accounting, cost accounting, purchasing card, and fixed assets.

*wvOASIS* was designed to replace over 100 obsolete legacy systems and to centralize procurement and payment procedures across state government agencies. Agency purchasing officers spent the spring and summer of 2014 training for the changes that occurred with Phase C of *wvOASIS* going into effect.



State agency Asset Management Coordinators are pictured above participating in an April 1 *wvOASIS*: Fixed Assets training session offered by the WV State Agency for Surplus Property.

Training in the *wvOASIS* system was vital, and Purchasing Division staff members stepped into lead roles to facilitate *wvOASIS* training related to vendor registration, fixed assets and procurement for state employees. The Purchasing Division employees that facilitated these workshops were first trained by CGI, the vendor awarded the contract to implement *wvOASIS*. Once the Purchasing Division staff members were trained, they went on to train

state agency procurement officers. As part of the implementation, Assistant Director and Surplus Property Manager Elizabeth Perdue has taught classes on Asset Management. However, she continues to teach state employees how to complete asset management procedures in *wvOASIS*, which allows for the administration of fixed assets and the handling of property records.



Administrative Services Manager Samantha Knapp and Technical Services Manager Mark Totten assisted with *wvOASIS* training on Vendor/Customer Registration Creation and Maintenance.

Administrative Services Manager Samantha Knapp and Technical Services Manager Mark Totten facilitated classes on the vendor registration function of *wvOASIS*, which manages how data from vendors will be compiled and maintained. After the initial training session, vendor registration sessions were conducted through the Purchasing Division's in-house training program. The classes taught by Purchasing Division staff were held at West Virginia State University.

The Purchasing Division also had personnel assigned to the project throughout the design and implementation.



## Purchasing Division Facilitates Required Procurement Procedures and Purchasing Card Training for High Level State Officials

Senate Bill 356 was signed into law in 2014, which added conditions and clarification regarding purchasing regulations and created a new requirement that all high-level public servants to participate in mandated purchasing training.

Governor Earl Ray Tomblin was featured in a video that promoted the Purchasing Division's training program for high-level public officials. In a video endorsing the Purchasing Division's training program, Gov. Tomblin stated, "Throughout my years in public service, I have learned how important it is to be a good steward of the people's money."

The Purchasing Division's Communication and Technical Services Section has created a new training workshop, *State Officials Training on Purchasing Procedures and Purchasing Card Program*. It is customized for high-level officials to fulfill the new codified requirements. Training is conducted twice a year in person, and the subject matter changes each year so that high-level state administrators have the most up-to-date information.

A video of the training is available each fall should the state official not attend one of the in-person sessions.



**Purchasing Director Dave Tincher addressed approximately 250 state officials at the first mandatory purchasing training for state government officials in the fall of 2014. A spring training was offered in April 2015, with about 25 officials in attendance.**

The first training was offered on October 29, 2014, at the State Culture Center, with the spring training provided on April 20, 2015, at the Caperton Training Center in Building 7. A total of nearly 300 state officials attended during Fiscal Year 2015. Tincher expressed his appreciation to the state officials for participating in the training sessions. "In order for agencies to be successful in delivering mandated services to our citizens, agencies need many types of commodities and services," he said. "The Purchasing Division's core function is to obtain on the agency's behalf these commodities and services as they are needed to fulfill the agency's mission. The Purchasing Division is a critical partner to state agencies as we work together to fulfill the state's operational needs," said Purchasing Director Dave Tincher.

For more information on the *State Officials Training on Purchasing Procedures and Purchasing Card Program*, please visit [www.state.wv.us/admin/purchase/training/mandatory.html](http://www.state.wv.us/admin/purchase/training/mandatory.html).



## New Mobile Device App Offers Purchasing Information

In an effort to keep up with the changing times, the Purchasing Division released its new mobile application during Fiscal Year 2015, now available for free download on both the Google Play and Apple App Stores. The app, created by Governor's Internship Program participant Shannon Kelsh and Technical Services Manager Mark Totten, serves as a one-stop shop for individuals who are on-the-go. Geared toward both the vendor community and state agency buyers, individuals can access the latest procurement information, including but not limited to informational videos, newsletters, emergency purchasing procedures and state travel guidelines.

The Purchasing Division app took approximately five weeks to complete, from the initial planning and development phases to submission and publication through Google and Apple’s application platforms. The app allows the Division to reach more people than ever before, distributing information more efficiently and effectively.

To download the free app, search for “WV Purchasing Division” on either the Google Play Store or the Apple App Store.

## Purchasing Division Awarded Achievement of Excellence in Procurement Award for Second Consecutive Year



In July of 2014, the Purchasing Division was notified that it had obtained the 19th Annual Achievement of Excellence in Procurement (AEP) Award from the National Procurement Institute for the second consecutive year.

The NPI annually recognizes public and non-profit organizations that demonstrate excellence in public procurement by obtaining a high score based on standardized criteria, including e-procurement, innovation, productivity, professionalism, and leadership. In 2014, the award was given to 199 applicants, including 18 state agencies, 44 counties, 69 cities, 22 school districts, 33 special districts, and 23 higher education agencies.

Purchasing Director Dave Tinchler noted that the tireless effort and work ethic of our state employees helps “enable our West Virginia citizens to feel confident that the state procurement process is operating effectively and efficiently.”

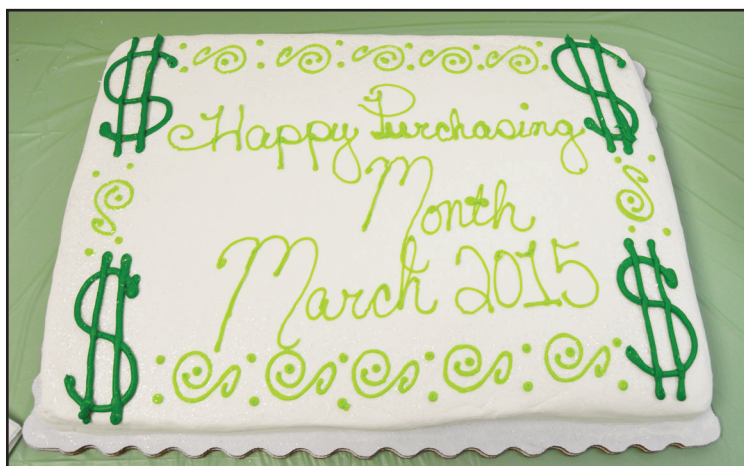
The West Virginia Purchasing Division was the only government agency in West Virginia and one of only seven state agencies in the United States to receive the award. Recipients were honored at the 2014 NPI annual conference in October.

## March 2015 Proclaimed “Purchasing Month” in West Virginia

Gov. Earl Ray Tomblin proclaimed that March 2015 be recognized as “Purchasing Month” throughout the state of West Virginia.

The Purchasing Division was pleased to be part of the initiative for this annual national proclamation, which began in March 2011 in our state. The proclamation highlights the initiatives which develop, support and promote public procurement practitioners through educational and research programs.

“The Purchasing Division has always prided



itself on being serious stewards of the taxpayers' dollar," said Purchasing Director Dave Tincher. "The Purchasing Division staff strives to ensure that state spending is both ethical and efficient, and this proclamation reflects Gov. Tomblin's acknowledgement of those efforts."

Public purchasers perform a vital function toward the operation of state government. The integrity and professionalism of state purchasers are valued by the public, who entrusts the spending of its tax dollars. The official proclamation is on display at the Purchasing Division office.

## Legislative Audit Provides Purchasing Division with Opportunities for Continued Improvement



During Fiscal Year 2015, the Performance Evaluation and Research Division (PERD) of the State Legislative Auditor office initiated a governmental auditing focus by department.

With the Department of Administration selected first, the Purchasing Division worked closely with the auditing team beginning in March of 2014 to provide documentation and answer questions about the practices relating to contract processing, training, inspections and communication outreach. On January 11, 2014, the Legislative Auditor presented its findings to the Joint Standing Committee on Government Organization.

"I joined Cabinet Secretary Jason Pizatella of the Department of Administration in being pleased with the positive comments noted throughout the audit relating to the numerous strides the Division has and continues to make in our efficiencies within our operation. Some of the positive comments were related to the communication outreach to our agency purchasers through our **Purchasing Division Procedures Handbook**, informational emails, and our monthly newsletter," said Purchasing Director Dave Tincher. "The audit also complimented our extensive training program that includes in-house training classes, annual conferences, online modules, webinars and the certification program; our statewide inspection process which focuses on agency delegated procurements; and the efficiencies in our processing practices, which showed a low incidence rate of purchasing violations."

The efficiency of the processing of contracts was also included in the audit. Nearly 50% of all contracts from the previous fiscal year were reviewed and it was noted that they all were properly awarded. The audit also emphasized the beneficial changes made as part of Senate Bill 356 during the 2014 Regular Session of the State Legislature, which created new purchasing processes, such as reverse auctions and master contracts with direct ordering processes, and created the mandatory training for high-level officials. The National Association of State Procurement Officials highlighted this training on its website.

As with all auditing functions, the purpose is to find means of improvement: their recommendations, which primarily related to documentation, along with additional training for agency procurement officers and website updates. "The West Virginia Purchasing Division takes this feedback from the Legislative Auditor very seriously," said Purchasing Director Dave Tincher. "We want to ensure that the Division is doing everything in its power to provide transparency, consistency among its processes, and operating our programs and services as efficiently and effectively as possible."

## Unique Purchases Acquired by Knowledgeable Procurement Staff

Agencies throughout state government have various operational needs in accordance with their core functions. As a result, the Purchasing Division, which has the authority to make purchases on behalf of most state agencies, procures diverse commodities and services.

Planning and determining an agency's need is the first step of the procurement process. Once the need has been determined, the Purchasing Division moves forward in processing the purchasing transaction. Following specific procedures which are clearly defined, our buying staff plays a vital role in making important projects in West Virginia come to fruition.

Listed below is a sampling of some of the projects for which the Purchasing Division processed contracts during Fiscal Year 2015.

### Moorefield Agriculture Center Procured Unique Tool for its Lab

In 2014, the West Virginia Department of Agriculture, in conjunction with the Purchasing Division, obtained an Inductively Coupled Plasma Optical Emission Spectrophotometer (ICP) for its Moorefield Agriculture Center laboratory.

The ICP plays a vital function in the development of West Virginia's agriculture. According to assistant director of Moorefield Environmental Labs Josh Hardy, the ICP is used primarily for the analysis of metals and certain nutrients in both water- and land-applied manure, which allows the lab to develop fertilizer that optimizes plant growth and determines the toxicity of contaminated soil. In addition to manure, this tool is also used to analyze water, food, and motor oil, picking up trace elements that may not be uncovered otherwise.

The ICP replaced a much older machine that was still being utilized in the lab. The new piece of equipment has allowed the agency to keep up with technological advancements, which are common in laboratory settings.

The purchase of the ICP was also necessary to maintain the lab's accreditation and is the only one of its kind owned by the state.

### Division of Labor Purchases Truck Units to Ensure Accuracy of Scales

It is the responsibility of the Weights and Measures Unit of the Division of Labor to ensure the accuracy of commercial scales. One way this is done is through the use of heavy truck units that utilize a specialized buggy and a variety of weights.

The Division of Labor purchased three new units which were used throughout the state. These big-box trucks covered separate territories throughout the state with the sole function of measuring scale accuracy.



**Do you know what an Inductively Coupled Plasma Optical Emission Spectrophotometer is? The Purchasing Division worked with the Moorefield Agriculture Center Laboratory to acquire one to assist in analyzing metals and nutrients.**

“The buggy itself weighs five thousand pounds,” said Director of Weights and Measures Richard McComas. “The truck also carries 20,000 pounds in known weight. Using the buggy and the weight, we can then calibrate the accuracy of scales.”

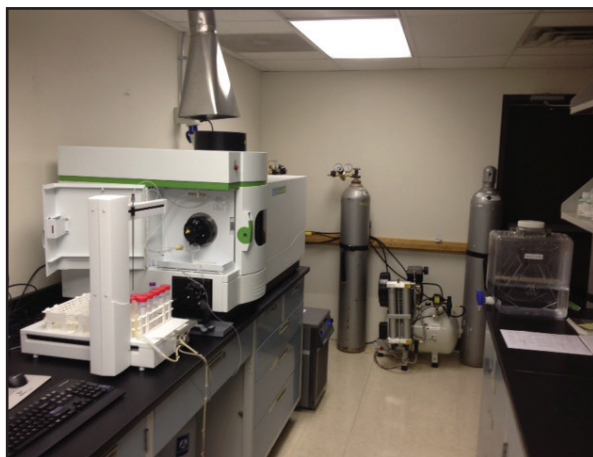
Labor Commissioner John Junkins said verifying the veracity of scale units is vital for commerce. “For example, the Division of Highways requires that they only purchase across certified scales,” Junkin said. “So every bit of gravel or road sale is weighed on scales that these units have confirmed as accurate.” Junkin said the three trucks cost \$538,000 and were paid for through legislative appropriation.

The Division of Labor last bought heavy truck units 17 years ago, and the units are typically expected to have a life span of approximately 20 years. The units are based in Boone County, Buckhannon and the Kanawha Valley.



**Buyer Supervisor Guy Nisbet and Senior Buyer Beth Collins discuss a heavy truck unit with Labor Commissioner John Junkin. The Division of Labor recently purchased three heavy truck units used to calibrate the accuracy of industrial scales.**

### Lab Device for State Police Not Exactly 'CSI'



**Automated extraction robots were purchased for the West Virginia State Police for its forensics lab. This self-contained equipment extracts DNA from cellular material.**

Melissa Runyan, the biochemistry section supervisor for the West Virginia State Police (WVSP), said shows like “CSI” do not quite show what forensics lab work is really like. Her case in point: the automated extraction robots WVSP purchased for its forensics lab. While the Qiagen EZ1 XL may sound like a futuristic piece of machinery a la “Transformers,” Runyan said reality is much different. “In appearance, it is just a box,” she said. “It is not anything fancy at all. You just shut the lid and push the button and the device does all of the chemistry for you. There is not a lot of show to it.”

The device was used by WVSP can extract DNA from cellular material, including that from blood, saliva, hair and skin cells, mostly obtained through cuttings of clothing and swabs.

Runyan said the device saves time by helping eliminate human error from the process. “It can do in 20 minutes what it tradi-

tionally takes a lab analyst an hour to do,” she said. “Plus you can process up to six samples at a time.”

Carol Woodyard, procurement officer for WVSP, said the department purchased three of the units for use at its headquarters in South Charleston. The device is part of the lab’s move toward more automation on the technical side, Runyan said. “This gives the lab analyst more time to work on interpretation of the results and writing up his or her report,” she said.

### DNR Stocks Up with Fish Distribution Tanks

When the Division of Natural Resources (DNR) “stocks up,” it takes on a different context from what you might

expect. DNR purchased a pair of aluminum distribution tanks to be used to stock trout in lakes and streams. The tanks were located at the Spring Run Trout Hatchery in Petersburg.

The two distribution tanks were 64 inches wide by 42 inches deep by 168 inches long, with a water capacity of approximately 1200 gallons. Jim Hedrick, assistant chief of cold water fisheries for DNR, said the new tanks were constructed from high-grade aluminum, whereas previously they were built from plywood.

Purchasing and Inventory Manager Angela Negley said the tanks were specially designed and custom-built. “When the companies bid on this contract, they had to build according to our specifications,” she said. “The specifications were written by employees at the state hatcheries to meet the needs of transporting fish from the hatcheries to the waters for distribution.” The contract was awarded through the Purchasing Division to Aquaneering, Inc., in San Diego, California.



**The Purchasing Division awarded a contract for a pair of aluminum distribution tanks for the Division of Natural Resources. The tanks will be used to stock trout in lakes and streams in West Virginia.**

The tanks were cold water fish management tanks, meaning they were intended for cold water fish. They must keep water temperature regulated, maintain an even water level and re-circulate the water. Each tank contained five compartments for storing the fish on their way to distribution.

Hedrick said the compartments were used as a sorting mechanism for distribution. “The trucks may go to multiple streams and lakes during a run,” he said. “For example, when they load the trucks, the compartments can be utilized to make sure the right poundage of fish goes into the right body of water.”

## Professional Development Encouraged within Purchasing Division

The Purchasing Division strongly encourages professional development and the attainment of certifications and accreditations from its staff members. During Fiscal Year 2015, several members of the Purchasing Division earned national credentials as noted below.

### Certified Professional Public Buyer

During Fiscal Year 2015, Purchasing Division personnel earned national certification credentials through the Universal Public Procurement Certification Council. Purchasing Division Staff Attorney James Meadows, Buyer Supervisor Guy Nisbet, and Administrative Services Manager Samantha Knapp earned their Certified Professional Public Buyer (CPPB) credential, which recognizes public procurement professionals who demonstrate a comprehensive knowledge of public procurement practices by successfully completing an examination.

### Accreditation in Public Relations

Assistant Purchasing Director Diane Holley-Brown received her Accreditation in Public Relations (APR) by the Universal Accreditation Board. The APR certification identifies those individuals who have demonstrated broad knowledge, experience and professional judgment in the field and signifies a high level of competence. The accreditation process includes a comprehensive questionnaire, an oral presentation with a review panel, and a computer-based examination.

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### Certified Inspector

Members of the Purchasing Division's Contract Management Unit received national certification from the Council on Licensure, Enforcement and Regulation (CLEAR). Contract Manager Alan Cummings and Inspectors Junior Blount, Shane Hall and Mitize Howard earned the certification for inspectors/investigators through CLEAR's national Certified Inspector Training program.

The three-day training program, which is designed for investigators and inspectors working within regulatory organizations, consists of topics such as professional conduct, principles of administrative law and the regulatory process, and report writing. To successfully complete the certification, the contract management staff was required to successfully pass an examination at the end of the three days.



# Program Accomplishments

## Acquisition and Contract Administration Section

The Acquisition 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 *West Virginia 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.

### Non-Competitive, Exempt List of Commodities and Services

Throughout Fiscal Year 2015, the Purchasing Division solicited the assistance of the state agency procurement officers in developing the revised Non-Competitive, Exempt List of Commodities and Services, which is included as Section 9 of the **Purchasing Division Procedures Handbook**. The revised Exempt List became effective on July 1, 2015.

In accordance with *West Virginia Code* §5A-3-10 and the *Code of State Rules* §148-1-4, the Purchasing Director determined that it is not possible to obtain certain commodities and services through the competitive bidding process. Those commodities and services have been identified in the Purchasing Division's Non-Competitive/Exempt List of Commodities and Services.



“The Purchasing Division worked closely with agency designated procurement officers to revise the list. This is the result of approximately 18 months of consultation and internal discussion,” said Purchasing Division Attorney James Meadows. Meadows said the list revision included removing items which were not part of the actual procurement process, such as employee reimbursement, and narrowing down the list to what could be documented, in accordance with the *West Virginia Code* and the *West Virginia Code of State Rules*. It also removed sole source items, since a procedure for sole source procurement exists.

### Inspection Services Responsible for Reviewing Procurement Transactions to Ensure Compliance

Throughout the year, the Purchasing Division inspection staff travels throughout the state to review purchasing records primarily for agency delegated purchasing transactions, those purchases costing \$25,000 or less. With the various requirements and documentation necessary as part of the procurement process, the inspectors are responsible





**Contract Manager Greg Clay (second from left) is pictured with the Purchasing Division Inspectors (l-r) Shane Hall, Junior Blount and Mitzie Howard.**

to make sure that all purchasing records are complete and consistent with the Purchasing Division’s procedures. For additional information on the Inspection Services Unit, please visit [www.state.wv.us/admin/purchase/inspection](http://www.state.wv.us/admin/purchase/inspection).

### Fiscal Year Inspection Statistics

During this fiscal year, the Inspection Services Unit opened and completed 43 individual inspections of various state agencies and related programs. This encompassed more than 56,318 transactions from which 2,592 (approximately 4.6 percent) were

closely scrutinized. Of these transactions reviewed more closely, 615 were determined to have a negative finding (approximately 23.7 percent). \*

Below are percentages based on the total number of transactions for all inspections during Fiscal Year 2015:

Finding	Percentage of Inspected Transactions
Stringing	.70%
Failure to use Statewide Contracts	2.00%
Failure to use Internal Resources	.70%
Bids not documented	8.20%
Failure to check/retain vendor registration	3.80%
Failure to verify Unemployment Compensation and Workers’ Compensation	5.80%
Failure to obtain Purchasing Affidavit	5.40%
Failure to issue a purchase order	.90%
Failure to affix an asset identification tag	.60%
Failure to include the Non-Conflict of Interest form	1.50%
Travel findings	0.00%
Miscellaneous findings	.20%

*\* Due to the large number of transactions with the Division of Rehabilitation Services and Public Defender Services, less than the normal 4% draw was reviewed in the attempt to fulfill our agency’s mission. These two inspections are not reflected in the statistics for Fiscal Year 2015.*

## **Modification Made to Terms and Conditions Relating to Contract Renewals and Extensions**

The Purchasing Division modified its Purchasing Master Terms and Condition in regard to the Renewal Term

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and the Reasonable Time Extension clauses during this Fiscal Year.

To provide more clarity and functionality to Purchasing Division practices, the Reasonable Time Extension clause was eliminated; however, the Renewal Term was expanded to account for the extra 12-month period to allow for a total combined time to be used at the discretion of the agency and/or the Purchasing Division.

With most contracts, the renewal of the contracts are limited to three successive one-year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not to exceed 36 months in total. Prior to this change, contracts could be extended for two successive one-year periods with an option of a reasonable time of up to 12 months to complete a particular project or to rebid a contract.

The updated language in this section reads, “A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to successive one (1) year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not exceed 36 months in total.” This change affected only contracts that are processed and executed by the Purchasing Division.

## Protest Procedures Outlined for Participating Vendors

Guidance is provided to vendors relating to filing a protest to the Purchasing Division. *West Virginia Code of State Rules* 148 CSR 1-8 outlines how and when vendors 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 2015, 26 protests 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 *West Virginia Code* and the *Code of State Rules* to ensure fair and consistent treatment of vendors. Of those 26 protests filed, only 4 resulted in a change to the award of the contract.

Based on the number of transactions processed by the Purchasing Division and the number of protests filed, the Purchasing Division has a 1.66% rate of protests. This statistic reflects the percentage of purchase orders and contracts for which a protest of any type is filed for the fiscal year. The action taken on protests filed may be to modify specifications, deny the relief requested, or change the award decision. In only 0.26% of the total transactions processed was the award decision changed. Stated another way, the award decision made by the Purchasing Division prevailed in 99.74% of all transactions.

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## Communication and Technical Services Section

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The Communication and Technical Services Section is responsible for a variety of programs and services offered to agency purchasers, the business community and the general public. It focuses on technology, communication, training, professional development and administrative functions, such as vendor registration, records imaging, purchase order encumbrance, bid receipt and bid package distribution. The Communication and Professional Development Unit

oversees communication, professional development and a variety of training formats targeting agency purchasers and vendors. The Technical Services Unit maintains various automated applications, networking services and the Division's website. The Support Services Unit manages the administrative functions mentioned above.

## West Virginia Purchasing Bulletin

The **West Virginia Purchasing Bulletin**, which contains bid opportunities for solicitations exceeding \$5,000, 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.

Solicitation	Agency/Buyer/Category	Dates	Status
Aerohire Wireless Access Points and accessories ARFQ : COR160000002	DIVISION OF CORRECTIONS James R Jones Equipment	Published On : 7/24/15 Amended On : Closing On : 7/29/15 1:00 PM EDT Time Left : 02:55:22 Intent Posted On :	Open
Microsoft Surface Pro 3 Tablets (or equal) and accessories ARFQ : DPS160000003	WEST VIRGINIA STATE POLICE Jonathan Nottingham Miscellaneous	Published On : 7/22/15 Amended On : Closing On : 7/29/15 4:00 PM EDT Time Left : 05:55:22 Intent Posted On :	Open
Polycom system ARFQ : COR160000003	DIVISION OF CORRECTIONS Patti Withrow Equipment	Published On : 7/24/15 Amended On : Closing On : 7/30/15 1:00 PM EDT Time Left : 1 Day, 02:55:22 Intent Posted On :	Open
Request for Information (RFI) to replace MPLS contract CRFI : ISC150000002	INFORMATION SERVICES AND COMMUNICATIONS Guy Nisbet Info Technology	Published On : 6/25/15 Amended On : 7/15/15 Closing On : 7/30/15 1:30 PM EDT Time Left : 1 Day, 03:25:22 Intent Posted On :	Open
Addendum 02 Fairmont (DAC) S, CS, P DEP17176 CRFQ : DEP150000098	DEPARTMENT OF ENVIRONMENTAL PROTECTION Beth Collins Reclamation	Published On : 5/19/15 Amended On : 7/1/15 Closing On : 7/30/15 1:30 PM EDT Time Left : 1 Day, 03:25:22 Intent Posted On :	Open
Addendum 01 Hopeveil Church Refuse and Drainage DEP17143 CRFQ : DEP150000095	DEPARTMENT OF ENVIRONMENTAL PROTECTION Beth Collins Reclamation	Published On : 5/19/15 Amended On : 7/1/15 Closing On : 7/30/15 1:30 PM EDT Time Left : 1 Day, 03:25:22 Intent Posted On :	Open
Addendum No.1: To provide vendor questions and responses. CRFQ : PPA160000001	PUBLIC PORT AUTHORITY Melissa Pettrey	Published On : 7/17/15 Amended On : 7/23/15 Closing On : 7/30/15 1:30 PM EDT Time Left : 1 Day, 03:25:22 Intent Posted On :	Open
RESIDENT BATHING TUBS, INCLUDING WARRANTY AND SHIPPING CRFQ : HOP160000001	DIVISION OF HEALTH April Battle Equipment	Published On : 7/2/15 Amended On : Closing On : 7/30/15 1:30 PM EDT Time Left : 1 Day, 03:25:22 Intent Posted On :	Open

Additionally, vendors may request the Purchasing Division to mail solicitations directly to them. During Fiscal Year 2015, the Purchasing Division received 54 requests for solicitation packages.

## Vendor Registration

A total of 4,249 Vendor Registration and Disclosure Statement and Small, Women-, and Minority-owned Business Certification forms for paid and fee-exempt vendors were processed during Fiscal Year 2015. A total of 2,259 paid registrations were received during Fiscal Year 2015, with revenue generating \$282,375. 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)

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Certification Application as part of the Vendor Registration and Disclosure Statement, in accordance with *West Virginia Code* §5A-3-9 and the *Code of State Rule* §148-2-1. During Fiscal Year 2015, a total of 912 vendors were certified by the Purchasing Division as SWAM businesses.

## Purchase Order Encumbrance and Distribution

All purchase orders and subsequent change orders with a fixed amount are placed in the Purchase Order Encumbrance system. A total of 1,671 purchase orders, including open-end contracts and change orders, were encumbered by the Purchasing Division during Fiscal Year 2015.

## Records and Imaging

All documents beginning with Fiscal Year 2015 transactions were scanned and managed with the division’s imaging system. Total number of pages scanned for the Purchasing Division, which contained purchase orders, change orders, vendor registration forms and all supporting documentation, was 246,376 for Fiscal Year 2015.

## 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 Technical Services Section oversees the requests for records through the Freedom of Information Act (FOIA) process. During Fiscal Year 2015, the Purchasing Division responded to a total of 120 FOIA requests.

## 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 2015, there were 1,411 paper bids received by the Purchasing Division. Through *wvOASIS*, vendors may also submit electronic bids to the Purchasing Division. There was a total of 730 electronic bids received through *wvOASIS* during this fiscal year. The total number of all incoming paper and electronic sealed bids for Fiscal Year 2015 was 2,141.

## Governor’s Internship Program Participation

Since the inception of the Governor’s Internship Program, the Purchasing Division has participated in this valuable partnership with some of the brightest students from West Virginia. During Fiscal Year 2015, the Purchasing Division was fortunate to welcome Kathryn Tweel and Hannah King.

A student at Tufts University in Medford, Massachusetts, Kathryn Tweel worked in the Communication and Technical Services Section, assisting with technical projects including website and application updates. A resident of Charleston and graduate of George Washington High School, Tweel is pursuing her bachelor’s of science degree in computer science. She is



**Kathryn Tweel**

now in her sophomore year at Tufts University.

Hannah King, a sophomore at West Virginia Wesleyan College in Buckhannon, worked in the Communication and Technical Services Section, assisting with communication and legal projects, such as the Purchasing Division's Annual Report and a protest decision summary database.

A resident of Charleston and graduate of Herbert Hoover High School, King is working toward her bachelor's degree in political science with a minor in English and plans to pursue a law degree after graduation.



Hannah King

Government agencies, non-profit organizations and private businesses all give students the opportunity to explore their academic interests in a professional setting through this program. Since the program began in 1989, it has given hundreds of students summer work experience.

## Professional Development and Training



To ensure that West Virginia's state agency purchasers understand and perform the procurement function in the most knowledgeable, ethical, and professional manner possible, the West Virginia Purchasing Division continues to improve its training offerings, from face-to-face workshops to its online presence. These offerings instruct attendees who are required to procure under the West Virginia Purchasing Division's authority on the procurement laws and rules as governed by *West Virginia Code* §5A-3; Title 148, Series 1 of the *West Virginia Code of State Rules*, and the **Purchasing Division Procedures Handbook**.

Below are some of the ongoing improvements and happenings the Purchasing Division encountered during this fiscal year to meet the needs of agencies, vendors, and its staff:

### Vendor Training Initiatives

Following multiple successful webinars geared toward vendors during the last fiscal year, the West Virginia Purchasing Division decided to continue its focus on vendor training during Fiscal Year 2015. On May 29, 2015, the Purchasing Division offered a free webinar to potential and current vendors wishing to conduct business with the state of West Virginia. The webinar was designed to educate vendors about the state procurement process and how they can maximize their opportunity to bid and perform work for West Virginia state government. Some of the topics addressed included:

- Marketing their commodities and services to West Virginia state agencies;

- Registering as a vendor with the Purchasing Division;
- Submitting bids/proposals;
- And much more valuable information.

Purchasing Director Dave Tincher noted that it is the Division's goal to foster open and fair competition in the state procurement process, and by continuing to offer free informational webinars to vendors, the Division is doing its part to ensure that vendors understand the competitive bidding procedures and participate in this process. Twenty-nine vendors participated in this webinar.

### Purchasing Division Offers Three Agency Purchasing Webinar Conferences

Due to the implementation of Phase C of *wvOASIS*, the state's Enterprise Resource Planning system, the West Virginia Purchasing Division chose not to conduct its annual Agency Purchasing Conference during Fiscal Year 2015. Instead, state agency purchasers were asked to participate in one of three webinars, which addressed purchasing procedures, reviewed legislative changes resulting from the 2014 Legislative Session, and allowed participants to ask questions of Purchasing Division personnel. The webinars, each lasting two hours in length, took place on November 6, 13, and 20, 2014.



**Technical Services Manager Mark Totten is pictured during a conference webinar with Buyer Misty Delong.**

Feedback from previous conference evaluations supported the notion that state agency purchasers enjoy learning more about the changes that occur between conferences, versus a high-level overview of processes and procedures that remain the same from year-to-year. Therefore, the webinar focused specifically on changes that had occurred as a result of the implementation of *wvOASIS*, as well as those which materialized following the last two conferences conducted in October and November of 2013.

Additionally, procurement officers certified through the West Virginia Procurement Certification Program who were seeking re-certification and required to attend two of the three Agency Purchasing Conferences from the time of their initial certification date were able to participate in and count one of the webinars toward this requirement.

The Webinar Conferences had a total of **199** participants, with a breakdown of **105** participants at the November 6, 2014, webinar; **55** attendees at the November 13 webinar; and **39** individuals participated in the final webinar on November 20.

An evaluation of the conference webinars showed satisfaction in the quality of the instructional training. For a sampling of the some of the responses, please see below:

- **91%** of the conference webinar respondents agreed that the overall quality of the training was professional and effective;
- **85%** of the conference webinar respondents indicated they better understood the purchasing methods utilized by the West Virginia Purchasing Division after attending the webinar;

- 87% of the conference webinar respondents agreed that after the webinar, they better understand the importance and role of the agency designated procurement officer;
- 87% of the conference webinar respondents agreed they have a better understanding of the changes which resulted from the legislative changes, including definition changes, reverse auctions and cease and desist orders.
- 81% of the conference webinar respondents indicated they will use the information learned as part of their job function; and,
- 77% of the conference webinar respondents agreed that the webinar method of training was conducive to learning.

### In-House Training Curriculum



**Buyer Melissa Pettrey discusses the Request for Quotation process during an In-House Training session. These sessions are offered as part of the West Virginia Purchasing Training Program, and count toward the West Virginia Procurement Certification Program.**

The West Virginia Purchasing Division continues to expand and improve its In-House Training Program, with a mixture of classes ranging from one to six hours in length. Although the Purchasing Division took a two month hiatus from offering In-House Training sessions during *wvOASIS*'s Phase C implementation, classes picked back up in late August of 2014, and the number of sessions offered during Fiscal Year 2014 to Fiscal Year 2015 increased from 12 sessions to 17.

During Fiscal Year 2015, topics were combined to offer a more complete overview of specific purchasing processes and address related topics. For example, the Implementing Special Purchases class, which previously highlighted emergency and sole source purchases only, was expanded to include the topics of piggybacking contracts and exempt purchases. Likewise, the topics of specification

development and contract drafting were combined to offer a more comprehensive look at the language included in contracts and its impact on contract interpretation.

Furthermore, the Vendor Registration class, which previously focused solely on the laws and rules governing vendor registration, was expanded from one hour to two to offer additional information and guidance on the new steps required in *wvOASIS* to add or modify a vendor's record with the Purchasing Division.

### Staff Professional Development Training

The Purchasing Division continued its staff professional development training during Fiscal Year 2015. Due to several changes to *West Virginia Code* §5A-3, James Meadows, the Purchasing Division Staff Attorney, conducted various sessions relating to the State Code and Legislative Rule. Meadows focused on specific topics for each session and encouraged staff to ask questions.

This lecture and discussion format allowed Purchasing Division personnel to obtain the necessary knowledge, while gaining insight on various procurement requirements.

## Webinars

Webinars are offered for agency purchasers who are unable to travel to Charleston for training or whose schedules conflict with the scheduled In-House Training dates and times. The webinars offered during Fiscal Year 2015 covered basic topics applicable to most of the state's agency purchasers, including Vendor Registration, Public Procurement: The Basics, Specification Development, and Vendor Registration Procedures and Vendor/Customer Creation and Maintenance. Nearly 100 individuals participated in these free webinars.

## Agency Resource Modules

The Purchasing Division's agency resource modules continue to be a valuable training resource for state agency purchasers. These modules are self-paced and available on the Purchasing Division's website to view in the agency purchaser's office, at home, or while on-the-go.

There are currently 11 modules covering varying topics, from basic purchasing and request for quotations to agency delegated purchasing and evaluation and award. During Fiscal Year 2015, the modules were viewed 113 times.

ONLINE MODULES			
<b>Agency Delegated Purchasing</b> Activity Module Click here for certificate	<b>Basic Purchasing</b> Activity Module Click here for certificate	<b>Best Value Procurement/ RFP</b> File Size: 115 MB Click here for certificate	<b>Change Orders and Addenda</b> File Size: 62 MB Click here for certificate
<b>Emergency and Sole Source Purchases</b> File Size: 84 MB Click here for certificate	<b>Evaluation and Award Process</b> File Size: 82 MB Click here for certificate	<b>Fixed Assets</b> File Size: 73 MB Click here for certificate	<b>Request for Quotation</b> File Size: 85 MB Click here for certificate
<b>Vendor Registration</b> File Size: 69 MB Click here for certificate	<b>Vendor Remedies</b> File Size: 86 MB Click here for certificate	<b>Writing Specifications</b> Activity Module Click here for certificate	

## Purchasing Division Procurement Certification Program

To promote the skillset and professionals of public procurement, the Purchasing Division Procurement Certification Program provides recognition to procurement officers who exhibit excellence in the procurement function within state government.

During Fiscal Year 2015, three agency purchasers successfully completed the Basic Certification Program, bringing the total number of recipients to 42. The Advanced Certification Program has a total of 12 procurement officers, with no additional recipients during Fiscal Year 2015.

To maintain their certification, recipients must meet re-certification requirements every three years. These requirements include:

- Attending two of the next three Agency Purchasing Conferences, from the date of the recipient's certification/re-certification.
- Attending a minimum of twenty hours of classes, learning sessions, or Purchasing Certified Events in the three year period from the date of the recipient's certification/re-certification.
- Submitting a verification form for re-certification with the appropriate signature from the recipient's immediate supervisor and agency head, and if applicable, approval from the department's designated procurement officer.

Five (5) certification recipients re-certified during Fiscal Year 2015. A complete list of certified individuals, their dates of certification/re-certification, and their applicable expiration dates can be found on the Purchasing Division's website by visiting [www.state.wv.us/admin/purchase/training/Certification](http://www.state.wv.us/admin/purchase/training/Certification).

This webpage also contains the requirements to successfully complete the basic and advanced-level certifications.



## 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 the attendance for Fiscal Year 2015:

Description	Statistics
Total Number of State Employees Trained through the Purchasing Division's Training Program	602
Number of State Officials Trained on Purchasing Procedures and Purchasing Card Program	275
Number of In-House Training Sessions	17 sessions; 37 hours
Number of Agency Webinars	4 sessions; 5.5 hours
Number of Total Attendance at In-House Sessions	235
Number of Participants on Agency Webinars	90
Number of Agency Conference Participants	199
Number of Online Training Modules	11
Number of Online Modules Viewed and Certified	113
Number of WV Procurement: Basic Certified	3
Number of WV Procurement: Advanced Certified	0
Number of Certification Recipients Re-Certified	5

## Purchasing Division Procedures Handbook

The **Purchasing Division Procedures Handbook** is a valuable resource for procurement officers, managers and employees in learning more about programs, procedures and services administered by the Purchasing Division. Because this reference document is available online, it allows for more readily made updates to ensure that current and accurate information is available to state agency procurement officers.

During this fiscal year, three revisions to the **Purchasing Division Procedures Handbook** were made, effective *July 29, 2014, October 8, 2014* and *February 13, 2015*. The current **Purchasing Division Procedures Handbook**, along with archived editions, is available online at the Purchasing Division's website at [www.state.wv.us/admin/purchase/Handbook](http://www.state.wv.us/admin/purchase/Handbook).

## Vendor Procurement Guide Revised with Goal of Informing and Educating

The Vendor Procurement Guide was revised during Fiscal Year 2015, with a targeted goal of educating and informing existing and potential vendors with the State of West

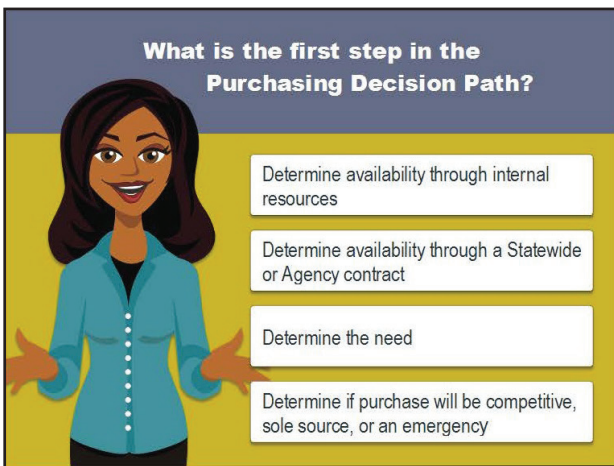


Virginia. The Guide is available on the Purchasing Division's website within the Vendor Resource Center, which serves as the catalyst for all vendor-related information.

An informed vendor has a full understanding of the procedures, laws and rules that state agencies must follow. Having this knowledge ensures proper compliance with procedures and contractual terms and conditions. When the Purchasing Division revamped the Vendor Procurement Guide, its intent was to closely mirror the content and format of the **Purchasing Division Procedures Handbook**.

For obvious reasons, some information that is contained in the **Purchasing Division Procedures Handbook**, including that which is geared toward agency procurement officers, would not apply to vendors or any processes relating to state procurement officers only, was not included in the Vendor Guide. However, it is important for vendors to be aware *at a high level* of the requirements that agency purchasers and the Purchasing Division must follow.

The guide is currently available in a pdf format, which allows for easy searching and, if necessary, printing. Archived versions of this guide are also available on the Purchasing Division's website.



## Purchasing Division Shifts to More Interactive Online Modules

With eleven agency resource modules already posted to the Purchasing Division's online Purchasing Training Center, the Purchasing Division focused its efforts during Fiscal Year 2015 on converting the current modules' audio and video format into a more hands-on, animated one.

Three agency resource modules were converted during this year, including *Agency Delegated Purchasing*, *Basic*

*Purchasing*, and *Writing Specifications*.

The new format allows participants to listen and then actively participate by testing their knowledge about state purchasing procedures, all while receiving immediate feedback. State employees required to procure under *West Virginia Code §5A-3* can view these modules from the convenience of their office, for free, at their own pace. State employees can view these modules at [www.state.wv.us/admin/purchase/training/modules.html](http://www.state.wv.us/admin/purchase/training/modules.html).

## Purchasing Division Offers 8th Consecutive Open House Event

The Purchasing Division hosted the annual Purchasing Division Open House on Tuesday, May 5, 2015, for the eighth consecutive year with more than 60 procurement officers in attendance. It took place from 10 A.M. to 2 P.M. at the agency's office at 2019 Washington Street East.

The event provided opportunities for agency personnel to network with their peers and Purchasing Division staff, as well as attend informational sessions, enjoy refreshments, and more. All individuals required to procure for their agency under *West Virginia Code §5A-3* were encouraged to attend.

Four informational sessions were offered, covering the topics of *Know the Rules, They're Changing* (presented twice); *I'm New to Purchasing... Understanding the Steps*; and *Vendor Registration Creation and Maintenance*. All sessions, which lasted 30 minutes each, were at full capacity.

“The informational sessions have been extremely popular and successful in the past, and they have become a regular part of this event,” said Purchasing Director Dave Tincher. “This year, we had three different session topics, with one repeated due to the importance of its content.”



**(Top) Purchasing Director Dave Tincher is pictured talking to representatives of the Department of Transportation; (Bottom) More than 60 people attended this year's Open House event, which provided an opportunity for the Purchasing Division staff to network with agency purchasers.**

The Purchasing Division staff, including purchasing Director Dave Tincher, buyers, inspectors, and other professional

and administrative staff, were on hand throughout the event to discuss various issues with attendees. Agency procurement officers were encouraged to make appointments in advance to ensure that they had one-on-one time with the Purchasing Division's staff.

“I'm always pleased to see so many people attend the Open House event, especially the informational sessions. The turnout between agencies and Purchasing Division staff demonstrates our collaborative efforts as new information is shared,” said Tincher. “Keeping communication lines open is key to ensuring our state agencies receive the commodities and services they need.”

Tincher added that the Open House event was a great opportunity for agency procurement officers and the Purchasing Division to further support the procurement goals and objective of our state government.

*“I'm always pleased to see so many people attend the Open House event, especially the informational sessions. The turnout between agencies and Purchasing Division staff demonstrates our collaborative efforts as new information is shared.”*

**David Tincher, CPPO, Director  
West Virginia Purchasing Division**

## Purchasing Division Merges Two Units within the Communication and Technical Services Section

Although operations of the Communication and Professional Development units within the Communication and Technical Services Section of the West Virginia Purchasing Division were previously organized independently of each other, their functions and responsibilities often overlapped. To serve state government more efficiently, the Division opted to combine the two units into one, creating the new Communication and Professional Development Unit.

Some responsibilities of the new unit include coordinating the gathering and dissemination of information through newsletters, resource documents and other publications as well as organizing special events related to

the division and the individual programs which are administered by the Division.

This unit also oversees the planning, logistics, program development and implementation of all conferences and seminars, online agency resource modules, in-house training workshops, webinars, and the West Virginia Procurement Certification Program.

All communication and training efforts provide instruction and guidance to the state agency procurement officers and their field and support staff which are required to procure under the Purchasing Division's authority.

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

In accordance with *West Virginia Code* §5A-3-10(e), the Purchasing Division is responsible to select the Executive Secretary of the Governor's Committee for the Purchase of Commodities and Services from the Handicapped. Technical Services Manager Mark Totten was appointed to this position on November 19, 2014.

## Technological Initiatives

The Purchasing Division maintains an innovative technical team to address various application issues and technological initiatives and projects, as well as our website and intranet. The Technical Services Unit plays a vital role in many of the accomplishments that are outlined within this Annual Report.

Some of the initiatives that were completed during Fiscal Year 2015 included:

### Purchasing Division's Electronic Document Management System

The Purchasing Division's Electronic Document Management System (EDMS) underwent a hardware and software upgrade in Fiscal Year 2015. The EDMS system, used for the scanning and retention of the Purchasing Division's permanent archive of state contracts and other vital documents, was originally implemented in 2005 to digitally preserve hard copies of contract documents retained by the Purchasing Division. This year, the original server, which stores the state's contract archive, was replaced in order to expand the speed and capacity of the imaging and document-recall process that is used internally by our staff. The Technical Services Unit, in conjunction with the Office of Technology, compiled specifications to meet Purchasing's EDMS needs for the future, and after procuring the hardware through agency-delegated procedures, implemented the new server in Building 15.

### Surplus Property Wireless Project - Phase 2

The second phase of modernization to construct a wireless network "bubble" throughout the West Virginia State Agency for Surplus Property's (WVSASP) Dunbar facility was completed this year. The Purchasing Division Technical Services Unit completed the "Phase 2" goals of this effort to bring secure Wi-Fi capabilities to the remainder of the Surplus Property lot. Phase 2 sought to extend the existing wireless network coverage to the



The Purchasing Division combined the functions of communication, professional development and training into one organizational unit under the Communication and Technical Services Section.

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Vehicle Lot and remaining outdoor space not covered by Phase 1. The expanded coverage will allow employees to take advantage of on-location data entry throughout the rest of the agency's property. In addition, the wireless "bubble" will be available during the upcoming construction of the new combined warehouse and administration building at WVSASP.

### Building 15 Re-Cabling Project

The Purchasing Division's main office in Building 15 underwent minor renovation this year, in both visible ways and not-so-visible ways. In conjunction with a project replacing the carpeting throughout the building that required the dismantling of all offices and work areas, the Technical Services Unit, with intra-agency support from the Office of Technology, designed and executed the complete re-cabling of the building's 1990s-era CAT-5 network cabling with modern and higher-bandwidth CAT-6A cable, improving network capacity to all network locations in Bldg. 15. This re-cabling project greatly increased the speed and capacity of Building 15's data infrastructure, improving performance of all network-connected PCs, printers, scanners, Building 15's wireless "bubble," and Purchasing's VOIP telephone system.

### Purchasing Website Statistics

The Purchasing Division maintains an Internet website and a site on the state's intranet. Information is regularly updated to accommodate changes in statewide contracts, bids and downloadable bid documents.

The Fiscal Year 2015 statistics, as noted below, pertain to the Purchasing Division's website, *WVPurchasing.gov* and the division's intranet:

#### **Purchasing Division's Internet Site Statistics:**

Total Hits:	15,594,800
Unique Visitors:	176,468
Visitor Sessions:	1,110,658
Average Visitors Per Hour:	20.15
Files Downloaded:	45,275

#### **Purchasing Division's Intranet Site Statistics:**

Total Hits:	237,095
Unique Visitors:	3,003
Visitor Sessions:	22,436
Average Visitors Per Hour:	0.34

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## **Program Services Section**

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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

In accordance with *West Virginia Code* §5A-3-34 through 37, the Purchasing Division has full authority over inventories and property. The head of every spending unit of state government shall, on or before July 15th of each year, file with the director 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 into the *wvOASIS* enterprise resource planning system and retire obsolete equipment in accordance with policy and procedure. During Fiscal Year 2015, there were 1,999 retirement documents (assets removed from the state's inventory) for a total dollar amount of \$100,590,878.



**Sherry Fewell, who serves as the Fixed Assets Coordinator, led several hands-on instructional sessions for agency asset coordinators on processing records.**

The total dollar amount of assets entered into the *wvOASIS* system for Fiscal Year 2015 was \$47,800,159.03. The total dollar amount of assets currently in the system, as of June 30, 2015, is \$2,125,477,649.55.

The Fixed Asset Unit conducted several hands-on training sessions for agency asset coordinators to assist them in navigating through the new *wvOASIS* system. For additional information on these fixed asset training sessions, please see Page 6.

## Surplus Property Program

The West Virginia State Agency for Surplus Property (WVSASP) has assisted thousands of eligible organizations by offering quality, usable property at a substantially reduced price for more than 70 years. WVSASP is authorized to market state property to the general public if eligible organizations do not express a need.

Additionally, WVSASP works closely with the U.S. General Services Administration in administering the federal surplus property program for eligible organizations.

### Fiscal Year 2015 Statistics

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

Federal Property Service Charge	\$22,204.60
State Property Service Charge	201,355.50
Public Auctions	0
Public Daily Sales	1,050,770.01
Statewide Sealed Bids	0
Online Auction	280,740.29
Scrap	<u>\$14,127.82</u>
<b>Total Revenue</b>	<b>\$1,569,198.22</b>

## State Vehicles

Approximately 335 vehicles were sold during Fiscal Year 2015. Below is a breakdown of the method by which they were sold:

Public Auction	0	\$0
Public Daily Sales	246	956,217.47
Online Sales	63	184,683.32
Negotiated Sales	26	187,850.00
<b>Totals</b>	<b>335</b>	<b>\$1,328,750.79</b>

## Online Sales

Since 2009, the West Virginia State Agency for Surplus Property (WVSASP) has utilized the online auction process to retire property that is not easily transportable to the Dunbar location; located too far from Charleston for it to be reasonably picked up; unusual; 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 129 items through the online sales site during Fiscal Year 2015 for a total amount of \$280,740.29. Items sold through online sales included 63 vehicles, 2 Myacht Houseboats, a storage building, heating and air conditioning units, gymnasium bleachers, National Geographic magazines, a Ford Tractor, a Samsung End Loader and a Leeboy Grader.

For additional information on Surplus Property’s online sales and how you or your organization may participate, please visit [WVSurplus.gov](http://WVSurplus.gov) or contact WVSASP at (304) 766-2626 or toll-free at (800) 576-7587.

## Daily Public Retail Sales

Since June of 2008, the West Virginia State Agency for Surplus Property has had the authority to sell state property to the public through its daily retail sales. 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 Avenue in Dunbar.

As a result of the daily public retail sales, \$1,050,770.01 was generated in revenue during Fiscal Year 2015.

## Hours Extended during the Summer of 2014 at Surplus Property

The West Virginia State Agency for Surplus Property offered extended summer hours on the first Monday of each month throughout the summer in 2014. WVSASP’s hours of operation lasted until 7 p.m. to give extra hours for



**Many customers of the West Virginia State Agency for Surplus Property enjoyed the extended hours during the summer of 2014.**

customers who would not be able to visit the agency's warehouses in Dunbar during regular business hours.

Assistant Purchasing Director and WVSASP Manager Elizabeth Perdue said the extra shopping hours offered more of the public a chance to stop and shop. WVSASP's regular business hours are 8:30 a.m. to 4:30 p.m. Perdue said the additional hours worked for the agency.

"Our extended hours gives an added opportunity for individuals who work during the same hours we are normally open, and the result was a good flow of customers both new and familiar," she said. State employees, with the exception of Purchasing Division employees, are eligible to purchase state surplus property for their own use through public sales.

Due to the construction of new warehouse space in Fiscal Year 2015, WVSASP was unable to offer the extended hours during the 2015 summer months, but plans to revisit this promotional offering in the summer of 2016.

### Surplus Property Changes its Appearance during Fiscal Year 2015

While the new year typically gives most individuals and organizations a chance to make plans for change, the West Virginia State Agency for Surplus Property (WVSASP) spent the early winter months of Fiscal Year 2015 making changes to its warehouses in Dunbar.

"We have spent time reorganizing the warehouses, making items easier to find, and systematically grouping things together better, so that it feels more like a typical retail operation," said Assistant Purchasing Director and WVSASP Manager Elizabeth Perdue. "Our efforts have included adding new shelves to stock various merchandise, as well as clearing out the warehouse of property and opening up the layout."

Perdue said the goal of the work is to make the shopping experience at WVSASP friendlier and easier. "We want to best utilize this space to make the shopping experience more convenient for state agencies or daily sales customers who come to the warehouses to browse, so they may find exactly what they are looking for."

Items available at WVSASP continue to be unique and diverse, with staple items such as office furniture and chairs, as well as more interesting items such as wall art, coffee makers, and books.

"Things are ever-changing at WVSASP, and we always encourage people to come and look around and find not just what they are looking for, but also what they never knew they needed," Perdue said.



**Surplus Property staff reorganized the display shelves at the West Virginia State Agency for Surplus Property.**





## Surplus Property Receives Valuable Feedback from its Various Eligible Organizations

During Fiscal Year 2015, the West Virginia State Agency for Surplus Property (WVSASP) surveyed its current list of eligible organizations on topics that ranged from convenience of location and hours to the types of property offered and requested. More than 60 organizations responded to the survey, providing valuable feedback to WVSASP.

Of the respondents, approximately one-third indicated that they visit WVSASP monthly and more than fifty percent noted they visit the warehouse at least annually. The survey revealed that nearly all respondents were interested in both the federal and state surplus property programs, with the most commonly-acquired items being office furniture (73 percent), vehicles (63 percent), generators (47 percent), and hand tools (43 percent).

Although the majority of the responding organizations expressed interest in both the federal and state surplus property programs, approximately 75 percent were not familiar with how to screen the federal property through the U.S. General Services Administration's website nor had they ever requested federal property before. Despite this statistic, more than 50 percent indicated they had plans to utilize federal property through WVSASP.

“This survey serves as an excellent gauge for us in our ongoing outreach efforts to our eligible organizations,” said Assistant Purchasing Director and WVSASP Manager Elizabeth Perdue. “It is always beneficial to receive feedback from the people and organizations with whom we do business. Doing so will make us a better organization.”

## 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:

### Travel Expenditures

The total amount of travel expenditures statewide for Fiscal Year 2015 was \$54,672,365.12.



### Statewide Contract for Car Rentals [Enterprise and Hertz]

To provide more cost-effective service to the state, the Purchasing Division elected to piggyback car rental contracts entered into a cooperative contract through the Western States Contracting Alliance with Enterprise and Hertz. Below is the information relating to the piggyback contracts for rental vehicles.

#### *Enterprise*

The total number of rental days for the Fiscal Year 2015 was 65,649, based on an expenditure of \$1,772,566.55, making the average cost of a rental car per day as \$27.00.

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Without a preferred car rental contract, the normal (average) daily rate today is \$75.00, for a savings of \$3,151,109.00.

### *Hertz*

The total number of rental days for the Fiscal Year 2015 was 1,782, based on an expenditure of \$70,721, making the average cost of a rental car per day \$39.69.

Without a preferred car rental contract, the normal (average) daily rate is \$75.00, for a savings of \$62,929.00.

### *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 \$30.00 per day. Based on 67,431 rental days, the state has saved \$2,202,930.00 on rental insurance.

### Statewide Contract for Travel Management Services [National Travel]

Year-end transactions include:

Exchanges	552
Refunds	32
Airline tickets	7,614
Service fees paid	\$187,300.95
Total Transactions	14,428
Cost	\$4,354,794.69
Full Fare	\$13,371,030.20
Savings	\$9,016,235.51

### Statewide Contract for Travel Charge Card Services [United Bank MasterCard]

The rebate for .40% of the qualifying annual volume was \$12,018.37.

The Delta Partnership results in a savings as detailed below:

Tickets:	2,285
Cost:	\$1,295,103.99
Full Fare:	\$3,778,786.00
Savings:	\$2,483,682.01

### Mileage Reimbursement Rate

In accordance with the Department of Administration's bi-annual review of the state's mileage reimbursement rate for privately owned vehicles, which is determined in January and July of each year, the state's reimbursement rate for the use of employees' privately-owned vehicles remained at 47 cents per mile for the July 2014 and January 2015 review periods.



## Recognizing Excellence

The Purchasing Division continued its tradition in Fiscal Year 2015 by recognizing excellence in state procurement. With hundreds of employees working in state procurement at the West Virginia government level, many of our hardworking procurement professionals demonstrate noteworthy qualities on a daily basis, with many cost savings results.

Some of their characteristic traits include dedication, loyalty, exemplary work ethics, strong decision-making skills, a willingness to serve the public and a desire to continually learn and develop their skills.

During Fiscal Year 2015, the Purchasing Division did not conduct an Agency Purchasing Conference but opted to present three conference webinars in its place. This change was due to the implementation of Phase C of the *wvOASIS* enterprise resource planning system. Although the annual purchasing conference was not conducted, that did not stop the Purchasing Division from proceeding with its *Agency Procurement Officer of the Year* award. This recognition was announced during a special ceremony at the recipient's agency location.

The criteria for this award includes such qualities as tenure, performance, internal training efforts, communication, cooperation and exerting a positive image.

### 2015 Agency Procurement Officer of the Year

*The Agency Procurement Officer of the Year award began in 1996. Its purpose is to recognize on an annual basis one individual working in the procurement field who has demonstrated high levels of performance and professionalism.*

In the fall of 2014, the Purchasing Division was pleased to announce the recipient of the *2014 Agency Procurement Officer of the Year* award, **Bryan Rosen** of the West Virginia Department of Health and Human Resources.

#### **Procurement Officer Bryan Rosen West Virginia Department of Health and Human Resources**

During a special ceremony at the Department of Health and Human Resources' office at One Davis Square, Bryan Rosen was named the recipient of the *Agency Procurement Officer of the Year*.

Purchasing Director Dave Tincher joins DHHR Cabinet Secretary Karen Bowling in presenting Bryan Rosen, the agency procurement officer for DHHR, with his certificate for his recognition as Agency Procurement Officer of the Year.



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Bryan has worked for DHHR for approximately 15 years, with the last four years serving as the director of purchasing. According to his staff, Bryan's attributes are endless. Some of his noted accolades include always delivering quality work products to all parties involved; being fluent in purchasing terminology; offering hands-on assistance during the recent transition to *wvOASIS*; and being proactive in training his staff and other department officials.

Although the Purchasing Division decided to offer agency webinars in place of an off-site conference this fiscal year due to the implementation of Phase C of *wvOASIS*, the continuance of the *Agency Procurement Officer of the Year* award was important to the division. "This award showcases the value that procurement officers offer to each of our state agencies," said Purchasing Director Dave Tincher. "Bryan epitomizes the professionalism and ethical character that we seek when making our selection for this prestigious honor. The *Agency Procurement Officer of the Year* program recognizes individuals who have demonstrated high levels of performance and professionalism.

This program provides an avenue for state employees to nominate co-workers who have served as role models in the purchasing profession. Bryan continues to enhance his knowledge by attending procurement training sessions and working one-on-one with DHHR's staff as well as individuals in other agencies and within the Purchasing Division. Recently approved by the Universal Public Procurement Certification Council (UPPCC) as a Certified Professional Public Buyer (CPPB), Bryan also has attained the Basic and Advanced Level of Certification in the Purchasing Division Procurement Certification Program. Bryan is also a member of the National Institute of Governmental Purchasing (NIGP) and the West Virginia Chapter of the NIGP.

Bryan's co-workers noted that he always makes himself available to anyone needing assistance with purchasing issues. They added that Bryan values his staff and has set the bar high for quality performance by leading through example of always providing clear, concise work products. To demonstrate his mentoring and managerial attributes, the DHHR Office of Purchasing was recognized by the UPPCC as a 2014 recipient of the UPPCC's Agency Certification Award in the small agency category.

The award criteria includes tenure, performance, communication, internal training, professional development, cost-saving ideas, cooperation with other state agencies, creating a positive image for the organization, establishing and following good purchasing practices and participating in professional purchasing organizations. Rosen practices to ensure that we comply with all necessary laws and rules, while also spending our state dollars wisely.

Focusing on the value of expertise and cooperation of those individuals at the state level who handle the daily purchasing operations, this award has honored many prestigious winners throughout the years. These recipients are listed below:

**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)

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**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)



# Financial Annual Statistics

## NEW AWARD DOCUMENT SUMMARY

### Resident Vendor Analysis:

Vendor	Count (#)	Percent (#)	Value (\$)	Percent (\$)
West Virginia	1,058	67.60%	\$581,200,649.35	48.61%
Non-West Virginia	507	32.40%	\$605,843,863.71	51.39%
<b>TOTAL</b>	<b>1,565*</b>	<b>100%</b>	<b>\$1,187,044,513.06*</b>	<b>100%</b>

The average purchase order amount for Fiscal Year 2015 was **\$758,494.90**. This summary does not include within the count statistics the change orders processed during Fiscal Year 2015.

\*Note that West Virginia state government implemented new wvOASIS system on July 8, 2014, which has different reporting functionality. There was a substantial amount of data that was converted from previous systems. See the "Prior Year Comparison Limitation" subheading on Page 3.

### Agency Analysis:

Top 10 Agencies	Count (#)	Percent (#)	Value (\$)	Percent (\$)
Highways	330	21.09%	\$170,594,234.01	14.37%
Environmental Protection	206	13.16%	\$87,751,126.04	7.39%
Health & Human Resources	185	11.82%	\$156,095,478.02	13.15%
Administration	168	10.73%	\$103,484,545.13	8.72%
Div. of Natural Resources	92	5.88%	\$19,667,398.67	1.66%
State Police	54	3.45%	\$11,523,838.15	0.97%
Div. of Corrections	51	3.26%	\$57,196,748.84	4.82%
Adjutant General	49	3.13%	\$233,923,206.28	19.71%
Division of Public Transit	48	3.07%	\$15,190,186.14	1.28%
Agriculture	41	2.62%	\$8,470,952.61	0.71%
Other	341	21.79%	\$323,146,799.17	27.22%
<b>TOTAL</b>	<b>1,565*</b>	<b>100.00%</b>	<b>\$1,187,044,513.06*</b>	<b>100.00%</b>



# Legislative Action

The following information reflects the legislative changes that occurred during Fiscal Year 2015, which affected the state procurement process:

## Revisions to the West Virginia Code of State Rules

With the passing of Senate Bill 142 during the 2015 Legislative Session, the West Virginia Purchasing Division and agencies required to procure under its authority can expect some changes to Title 148, Series 1 of the *Code of State Rules*. The updates, which clarify critical aspects of the requirements set forth in *West Virginia Code* §5A-3, went into effect on July 1, 2015.

Below is a high-level listing of some of the changes made as part of this legislation:

### Training for designees (*Code of State Rules* 148-1-3)

- Requires all spending unit procurement designees to take at least 10 hours annually of available purchasing training.

### Remedies (*Code of State Rules* 148-1-5)

- Outlines State remedies, including but not limited to the Director's authority to cancel a contract, re-award a contract, and suspend or debar a vendor.

### Registration, Advertising, Bidding, and Awarding (*Code of State Rules* 148-1-6)

- Clarifies vendor registration requirements, including those vendors required to register and pay the annual fee and those exempted from such requirements.

### Reverse Auctions (*Code of State Rules* 148-1-12)

- Outlines authority of spending unit to request from the Purchasing Director that a reverse auction be utilized to procure commodities.
- Requires vendors participating in a reverse auction to be prequalified.
- Defines "pre-qualification."
- Requires that a reverse auction be advertised in the same manner as a request for quotation.
- Outlines award procedures for reverse auctions.

### Master Contract; Direct Ordering Process (*Code of State Rules* 148-1-13)

- Requires spending units wishing to establish a master contract with a subsequent direct ordering process to provide justification and obtain written pre-approval from the Director.
- Outlines advertising requirements relating to master contracts with direct ordering bidding procedures.
- Outlines limitations to the master contract and direct ordering process.

### Change Orders (*Code of State Rules* 148-1-14)

- Adds procedures relating to contract change orders, including review and approval, change order submission, documentation, rejection, Attorney General approval as to form, and timing of work.

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### Encumbrance (Code of State Rules 148-1-15)

- Adds procedures relating to encumbrance, including account designation, Purchasing Division review, and encumbrance amounts.
- Further outlines clarification of encumbrance procedures for one-time purchases, contracts spanning multiple years, contracts to begin in a future year, and open-ended and statewide contracts.

### Agency Delegated Purchases (Code of State Rules 148-1-7.2.b.)

- Outlines Director remedies for agency failure.

### Cooperative/Piggyback Contracts (Code of State Rules 148-1-12)

- Clarifies that approval of each purchase from a piggyback contract is not required. Specifically states that the Director may sign an agreement with a vendor that has the effect of adding state spending units to a contract issued by agencies of the federal government, agencies of other states, other public bodies, or other state agencies.

### Protests (Code of State Rules 148-1-8.4-5)

- Adds procedures for protests related to reverse auctions and master contracts/direct ordering.
- Clarifies that protests must be delivered to the Purchasing Division.

### Specification Drafting (Code of State Rules 148-1-6.5)

- Requires that agencies specify what constitutes “or equal” in the solicitation.
- Requires that any state spending unit request to disqualify a vendor on the grounds that the vendor has bid an unequal product be accompanied by written justification listing the mandatory component that is unequal and explain how the product bid is unequal.

## **Senate Bill 361: Prevailing Wage**

Senate Bill 361 changed prevailing wage. The new application threshold, as governed in *West Virginia Code* §21-5A-3 (effective April 13, 2015), applies “only to contracts for public improvements whose cost at the time the contract is awarded will be paid with public money in an amount greater than \$500,000.”

## **Senate Bill 409: Project Labor Agreements**

Senate Bill 409 added *West Virginia Code* §5-22-3, expressly states that the State cannot require, prohibit, favor or disfavor a “project labor agreement” on construction projects, with a project labor agreement defined as an agreement with organized labor that sets terms for employment on a project.

## **House Bill 2632: Exemptions from Purchasing Division’s Authority**

House Bill 2632 exempted the procurement of certain instructional materials for use in and in support of public schools from Purchasing Division requirements, as well as exempted the State Police Forensic Laboratory and the West Virginia Office of Laboratory Services from these same requirements.





# Goals and Objectives

## Objective 1

Ensure that the purchasing process functions in an expeditious and conscientious manner.

## Objective 2

Continue the forward progression on e-procurement initiatives as part of the Enterprise Resource Planning (ERP) project, *wvOASIS*.

## Objective 3

Provide educational and informative tools to agency procurement officers and the vendor community to ensure the State is achieving best value.

## Objective 4

Ensure accountability to the State through proactive auditing and documentation review.