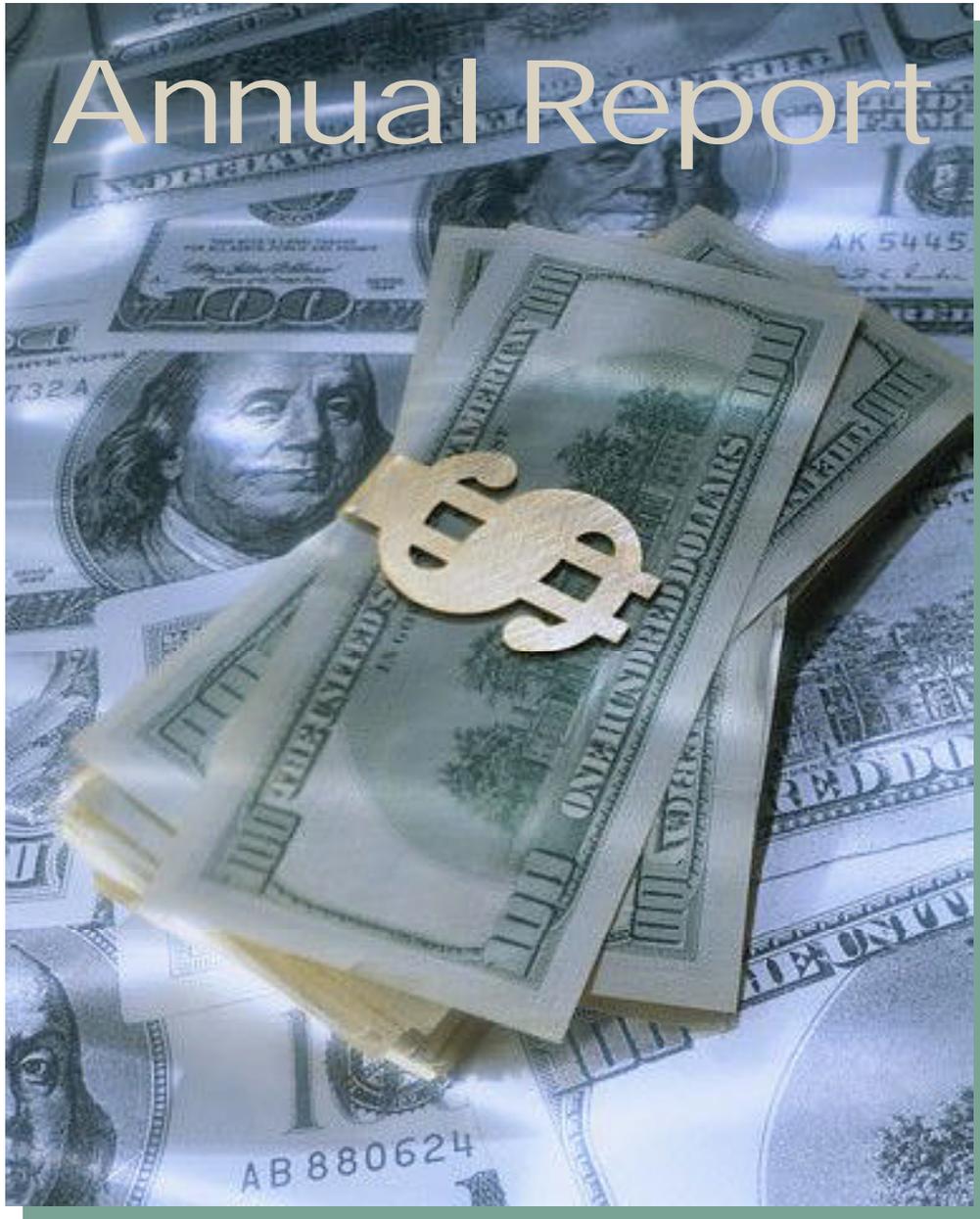

STATE OF WEST VIRGINIA
Purchasing Division



Fiscal Year 2001

www.state.wv.us/admin/purchase



Table of Contents

	<u>Page Number</u>
A Message from the Purchasing Director	1
General Information	2
Statutory Authority	2
Mission Statement	2
Organizational Structure	2
Quick Contact Reference Guide	4
Year 2001 Highlights	5
Financial Statistics	11
Division Accomplishments	12
Acquisition and Contract Administration Section	12
Administrative Services Section	13
Legislative Changes	19
Objectives for Year 2002	20

The West Virginia Purchasing Division is an E.E.O./Affirmative Action Employer



A Message from the Purchasing Director

June 30, 2001

**The Honorable Bob Wise
The Honorable Members of the West Virginia Legislature
Citizens of West Virginia**

With the changing times in West Virginia, the Purchasing Division continues to maintain the high level of professionalism and efficiency in the procurement of goods and services on behalf of the executive branch of state government.

Taking a close look at the processes currently in place is the key to ensuring that the customers for whom we serve are receiving the highest level of service. To address customer service, there have been several changes to our policies, procedures and operation which are discussed within this **Annual Report**. We continue to place great emphasis on accessibility, quality and service, which we believe are three important facets of our division's philosophy.

I am pleased to offer our 2001 **Annual Report** which will highlight the accomplishments made during this past fiscal year and to reveal our objectives for year 2002. Our organizational structure and other general information concerning our responsibilities, statutory authority and key contact persons are also included within this document.

The Purchasing Division administers a variety of programs which directly affect state government as well as the citizens of West Virginia, including the Surplus Property Program, the fleet management program, the travel management program, Capitol parking, inventory management and other responsibilities that are vital to our state.

Thank you for your interest in the West Virginia Purchasing Division. Please let me and my staff know if we can be of assistance to you.

Dave Tincher, CPPO
Director, West Virginia Purchasing Division



General Information

West Virginia Purchasing Division

2019 Washington Street, East
P.O. Box 50130
Charleston, WV 25305

Telephone: (304) 558-2306

In-state toll-free: 800-BIDS2WV (800-243-7298)

Fax: (304) 558-4115

www.state.wv.us/admin/purchase

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, travel and leasing services to various state agencies.”

The Purchasing Division operates in adherence to its **Legislative Rule** (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

The mission of the West Virginia Purchasing Division is:

- ~ to improve the quality and efficiency of the services provided to all spending units;
- ~ to build lasting and respected relationships with the people and vendors who provide goods and services used by and for the people of West Virginia; and,
- ~ to assure all West Virginians that the services we provide and the purchases we make are conducted fairly and honestly to produce economical and effective results.

Organizational Structure

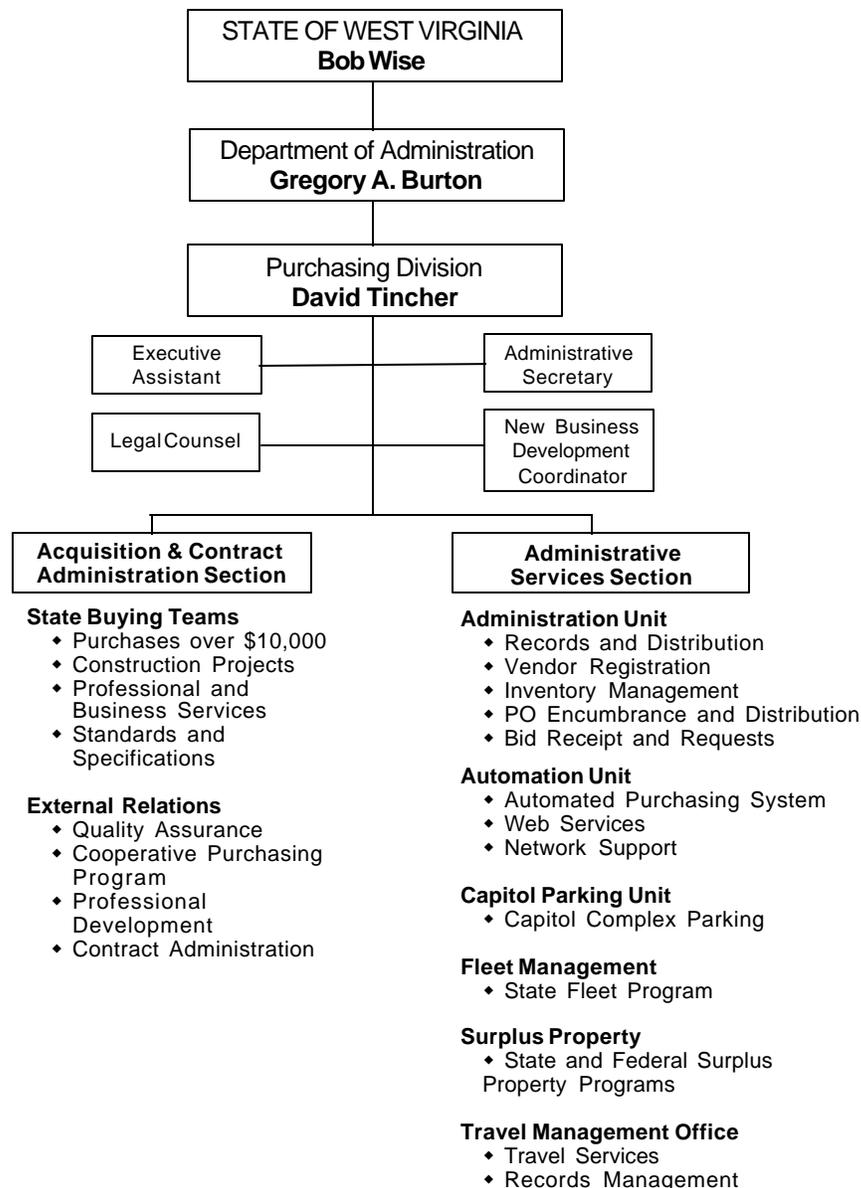
The Purchasing Division is organizationally structured under the Department of Administration. In addition to the Purchasing Director’s office, the division has two sections: Acquisition and Contract Administration and Administrative Services.

Acquisition and Contract Administration Section

This section is responsible for the acquisition of products and services over \$10,000 for all state agencies, with emphasis on buying the best quality for the least cost to taxpayers. The External Relations Unit serves as the liaison for the Purchasing Division, state agencies, vendors and political subdivisions. The administration of the State Purchasing Card Program is monitored by this section. Other areas of responsibility include professional development, contract management, quality assistance and the political subdivision Cooperative Purchasing Program.

Administrative Services Section

This section is responsible for various programs and services, including the automated purchasing system (TEAM), fleet management, State Capitol parking, inventory management, records management, Surplus Property Program, travel management, vendor registration, and purchase order encumbrance.



STATE OF WEST VIRGINIA

Purchasing Division

Quick Contact Reference Guide

	<u>Telephone#</u>	<u>Location</u>
DIRECTOR'S OFFICE		
David Tincher, Director	(304) 558-2538	Main Office
Diane Holley, Executive Assistant	(304) 558-0661	Main Office
Debbie Watkins, Administrative Secretary	(304) 558-3568	Main Office
<u>New Business Development</u>		
Scott Padon, Executive Director to Agency Head	(304) 558-3488	Main Office
ACQUISITION & CONTRACT ADMINISTRATION		
Curt Curtiss, Assistant Director	(304) 558-7838	Main Office
<u>Acquisition Teams</u>		
Team 1		
Ron Price, Buyer Supervisor	(304) 558-0492	Main Office
John Johnston, Senior Buyer	(304) 558-2402	Main Office
Pam Jones, Senior Buyer	(304) 558-0067	Main Office
Charlyn Miller, Senior Buyer	(304) 558-2596	Main Office
Team 2		
Evan Williams, Buyer Supervisor	(304) 558-2316	Main Office
Jim Jackson, Senior Buyer	(304) 558-0468	Main Office
<u>External Relations</u>		
Karen Byrd, Manager	(304) 558-4317	Main Office
ADMINISTRATIVE SERVICES SECTION		
<u>Automation Unit</u>		
Dan Miller, Manager	(304) 558-2314	Main Office
<u>Administration Unit</u>		
Jo Ann Dunlap, Manager	(304) 558-0059	Main Office
<u>Capitol Parking</u>		
Janice Boggs, Manager	(304) 558-0086	Main Office
<u>Fleet Management Office</u>		
Janice Boggs, Manager	(304) 558-0086	Main Office
<u>Surplus Property Program</u>		
Ken Frye, Manager	(304) 766-2626	Dunbar
<u>Travel Management</u>		
Catherine DeMarco, Manager	(304) 558-2613	Main Office



Highlights from 2001

Agency Meetings

Purchasing Director Dave Tincher and Assistant Director Curt Curtiss began conducting meetings in March of 2001 with various purchasing officials from agencies that purchase a high volume of products and services. The goal of these meetings was to discuss current issues of importance and to provide problem resolution on particular situations pending.



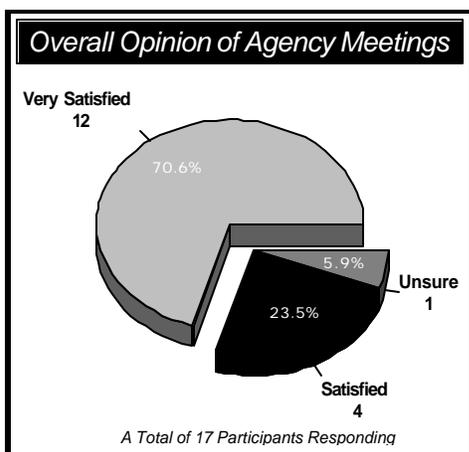
According to an evaluation of those individuals attending these meetings, nearly 95 percent indicated that their level of satisfaction was high (see chart below).

All of the respondents noted that they found the meetings beneficial. "This feedback reinforces our decision to continue to meet on a regular basis with our agency representatives," said Tincher. "Many of the individuals with whom we have met indicated that opening the lines of communication has resulted in the development of new solutions to old problems."

The informal manner in which the meetings are conducted was applauded. Each of the agency representatives agreed that these meetings should continue. "When we met with Dave and Curt, we could roll up our sleeves and talk about important issues," according to an evaluation respondent.

The survey analysis revealed that 100 percent of those surveyed indicated that their problems or issues of concern were addressed, with all but one respondent stating that a resolution was reached during the meeting.

"This meeting gave us a rare opportunity to see and hear the Purchasing Division's perspective on various issues and concerns," said Mark Miller of the Bureau of Employment Programs. "It also gave us the opportunity to make the Division aware of upcoming events and issues that we will need the assistance and support of Purchasing."



June Casto of the Division of Environmental Protection was in agreement. "The open dialogue was great," she said. "It gave our agency the opportunity to voice any concerns we had and let us know what was going on with the Purchasing Division. We also discussed a burning issue that we needed to resolve. After brainstorming ideas, we came to a conclusion."

Best Value Purchasing

Recent changes have been made to the Best Value Purchasing process and as a result, revisions to the **Purchasing Division Policies and Procedures Handbook** went into effect June 1, 2001. The standard format for opening responses to a Request for Proposal (RFP) changed to a two-part process, and a more thorough evaluation of proposals has been implemented.

Best Value Purchasing is a purchasing method used to acquire services where the specifications or scope of work may not be well-defined and/or cost is not the sole factor in determining the award.

Best Value Purchasing techniques, including RFP's, Expressions of Interest (EOI), Life Cycle Cost (LCC) and Design-Build, are used to solicit proposals from potential bidders, taking into consideration the vendors' ability, resources, experience, and proposed methods to provide the required services.

The following information details the changes to this process:

RFP STANDARD FORMAT

All Requests for Proposals shall follow the standard format defined by the Purchasing Division. This format addresses required areas and enables the agency to modify the background and scope of work to meet its needs.

Evaluation Criteria

All evaluation criteria must be clearly defined in the specifications section and based on a 100 point total score. Based on a 100 point total, cost shall represent a minimum of 30 of the 100 total points in the criteria.

Proposal Format and Content

Proposals shall be requested and received in two distinct parts: technical and cost. The cost portion shall be sealed in a separate envelope and will not be opened initially.

Proposal Submission

West Virginia Code, §5A-3-11, states that "all bidders submitting bid proposals to the Purchasing Division are required to submit an extra or duplicate copy to the State Auditor. Both copies must be received at the respective offices prior to the specified date and time of the bid openings."

Technical Bid Opening

The Purchasing Division and the State Auditor will open only the technical proposals on the date and time specified in the Request for Proposal. The Purchasing Division representative will read aloud the names of those who responded to the solicitation to confirm receipt by the State Auditor and to confirm that both original packages contained a separately sealed cost proposal.

Technical Evaluation

An evaluation committee will review the technical proposals, assign appropriate points and make a final written consensus recommendation to the Purchasing Division buyer. If the buyer approves the committee's recommendation, the information will be forwarded to an internal review committee within the Purchasing Division.

Cost Bid Opening

Upon approval of the technical evaluation from the internal review committee, the Purchasing Division shall notify the State Auditor and schedule a time and date to publically open and read aloud the cost proposals. The agency and the vendors shall be notified of this date.

Cost Evaluation

The evaluation committee will review the cost proposals, assign appropriate points and make

final consensus recommendation to the Purchasing Division. The Purchasing Division will provide guidance on the determination of the Resident Vendor Preference, if applicable.

Contract Approval and Award

After the cost proposals have been opened, the evaluation committee performs its review and makes its recommendation based on the highest scoring vendor to the Purchasing Division buyer.

Once approved by the buyer, the contract is signed in the Purchasing Division, forwarded to the Attorney General's Office for approval as to form, encumbered and mailed to the appropriate parties.

New Business Development

The Purchasing Division has become proactive in the development of new businesses participating in the state bidding process.

Focusing primarily on West Virginia businesses, Scott Padon, the division's new business development manager, has been working closely with the Small Business Development Centers. These centers around the state assist individuals who have started a new business or are in the growing stages. In a cooperative effort,



meetings have been conducted to explain to individuals the changes that have occurred that will make it easier to do business with the state.

The division is participating in three aspects of small business development education that are being conducted by or co-hosted by the Development Office: start-up workshops, regional quarterly *"How to Market Your Business to the State of West Virginia"* seminars, and local, specialized meetings to target those individuals who have just begun operation and those who intend to enhance their growth through expanded commerce with state government and political subdivisions.

Some of the changes that have resulted in the Purchasing Division relate to the review and modifications of processes, including the payment aspect. The implementation of the state purchasing card program has also enhanced the ease of conducting state businesses.

"We not only want individuals to start new businesses in the state, but we want those start up and growing businesses to build lasting and profitable relationships," Padon said. "It will be a profitable solution for them and for us."

Customer Relations

To provide improved services to all of our customers, the Purchasing Division recently made changes in how certain services are offered. Our goal is to make our employees more accessible and improve the efficiency and effectiveness of our services.

Telephone Coverage

The Purchasing Division has worked closely with our telephone provider to make adjustments to improve our ability to answer calls promptly. Noticable differences have been realized by our customers. The division wants its customers to have the opportunity to speak to a “live” person if they so choose.

Work Hours

The work hours of the Purchasing Division were expanded from 8:15 a.m. to 5:00 p.m.

Purchasing Division Policies and Procedures Handbook

In an attempt to better guide state purchasing officers and their support staff, the Purchasing Division decided to go back to the drawing board and rewrite the Agency Purchasing Manual. The Purchasing Division used a team effort in creating a more user-friendly agency purchasing handbook. “Our goal was to offer agency purchasers a *hands-on* resource that can walk them through different purchasing scenarios they experience each day,” Purchasing Director Dave Tincher said.

What criteria does it take to write an inclusive manual? Knowledge, experience and competency. These characteristics were used to recruit a committee of Purchasing Division staff and agency procurement officers, consisting of:

Purchasing Division

Curt Curtiss, Jo Ann Dunlap, Diane Holley, John Johnston, Charlyn Miller, Ron Price, Debbie Watkins;

Agency Representatives

Beverly Carte (DNR), Diane Connelly (Administration), Dennis Meadows (DHHR), and Steve Tucker (State Police).

These individuals dedicated two days creating a draft of the new Agency Purchasing Manual. After some fine-tuning and input from other Purchasing and agency staff members in the review process, the finished product was distributed at the 2000 Agency Purchasing Conference to agency procurement officers and their staff. The manuals continue to be available through the Purchasing Division, with revisions being made when appropriate.

“We are pleased with the effort made by this committee in such a short time frame to get the job done,” Tincher said. “This manual is a valuable resource to many people who have the responsibility of purchasing goods and services on behalf of the state of West Virginia...we wanted to make sure we offered them the appropriate tools to do their job.”

Recognition Awards

Recognizing excellence in state government won the spotlight at the Agency Purchasing Conference banquet on October 17, 2000 when the recipients of the fifth annual Agency Procurement Officer of the Year and the first-ever Partner in Purchasing awards for 2000 were announced.

2000 Agency Procurement Officer of the Year
Lendin Conway



Lendin Conway, Procurement Officer for the Division of Environmental Protection, was selected as the fifth Agency Procurement Officer of the Year. This award honors the expertise and cooperation of one individual who demonstrates the qualities which are extremely important in the purchasing profession.

With more than 30 years of service in state government, Lendin has dedicated the past 20 years to public purchasing.

Lendin is noted for his high level of communication with all agency purchasing staff, the ability to train at the agency level to ensure that procedures are clear and understood, the good working relationship with the Purchasing Division, his organizational skills, enthusiasm toward the job and, most importantly, his values and ethics in observing and advocating the state's purchasing rules, regulations and procedures.

Past winners of this award includes Edi Barker (Bureau of Employment Programs), Susie Teel (Department of Health and Human Resources), Lt. Col. Jim Powers (State Police) and Jo Miller (Department of Health and Human Resources).



2000 Partner in Purchasing Award
Brent Kessinger

Brent Kessinger, Fleet Manager for the Division of Environmental Protection (DEP), was selected as our first **Partner in Purchasing** recipient. This award targets one agency representative who plays a major role in one of the other programs administered by the Purchasing Division, including fleet, travel, fixed assets, surplus property, TEAM and parking.

In Brent's role as agency fleet coordinator, he is most noted for his creativity, which is demonstrated daily with those within DEP and the State Fleet Management

Office.

Another important quality of Brent is communication through written and verbal methods. His high level of performance and dependability have made others refer to him as "the Energizer Bunny."

Training Conferences

The Purchasing Division conducted two training conferences during the fiscal year for West Virginia vendors and state agency purchasing personnel, respectively.

Agency Purchasing Conference

The Agency Purchasing Conference was conducted on October 16-19, 2000 at Canaan Valley State Resort and Conference Center, with approximately 265 agency representatives in attendance.

Twenty workshops were available for participants, including Agency Tips of the Trade panel discussion; Automated Purchasing; Correctional Industries; Fixed Assets; High-Tech Contracts; Leasing State Vehicles; Odds and Ends; P-Card for Beginners; PO Encumbrance; Prevailing Wage Rates; Read All About It...The New Purchasing Manual; Real Property Leasing; Road Map to State Capitol Parking; Shopping for Vehicles?; The "I's" Have It! Our Internet and Intranet Sites; Travel Management; Understanding the RFP Process; Waste Not, Want Not...Saving with Surplus; Who Wants to Be a Millionaire?; and WVARF...Sheltered Workshop Services.

Vendor Purchasing Conference

The 3rd Annual Vendor Purchasing Conference was held on April 4-6, 2000 at Canaan Valley State Resort and Conference Center, with 63 state vendors attending.

Small workshop sessions, addressing payment issues, bid and award procedures, the vendor registration process, and the Purchasing Division's website, were conducted as well as one-on-one consultation sessions. Panel discussions provided participants an opportunity to learn how to market to state agencies and the benefits of selling to the state.



Financial Statistics

FISCAL YEAR 2001 Purchase Order Summary

Resident Vendor Analysis:

Vendor	Count (#)	Percent (#)	Value (\$)	Percent (\$)
West Virginia	1,245	64%	\$254,196,867.48	68%
Non West Virginia	710	36%	\$117,781,814.62	32%
TOTAL	1,955	100%	\$371,987,682.10	100%

The average purchase order amount for FY 2001 was \$190,270.43.

Agency Analysis:

Top 10 Agencies	Count (#)	Percent (#)	Value (\$)	Percent (\$)
Highways	585	30%	\$132,037,666.16	35%
DHHR*	199	10%	\$44,430,324.62	12%
DEP	123	6%	\$32,430,144.51	9%
Reg'l Jail & Corr.	69	4%	\$22,787,646.79	6%
Administration	87	4%	\$15,877,521.81	4%
Natural Resources	123	6%	\$8,756,283.17	2%
Public Transit	26	1%	\$7,973,460.61	2%
Employment Prog.	41	2%	\$6,098,885.56	2%
State Police	53	3%	\$5,706,922.34	2%
Div. Eng. Facilities	22	1%	\$5,333,993.25	1%
Others	627	33%	\$90,545,833.28	25%
TOTAL	1,955	100%	\$371,978,682.10	100%

*The transactions for state hospitals, the Board of Medicine, and the Board of Pharmacy were considered separately and individually and are not included in the DHHR totals.



Division Accomplishments

Acquisition and Contract Administration Section

The Acquisition and Contract Administration Section is responsible for the procurement of products and services for all state agencies, with emphasis on buying the best quality at the lowest cost to taxpayers. The administration of the State Purchasing Card Program is monitored by this section. Professional development and education of purchasing personnel also is addressed by this section. An External Relations Unit was created to enhance customer service and ensure quality control.

Acquisitions Unit

State Purchasing Card Program

The State Purchasing Card Program has captured 35,000 small dollar transactions per month for a total average of \$7 million monthly.

Acceptance of the State Purchasing Card Program is a requirement to receive an award on a statewide contract. The Purchasing Division has implemented this requirement on 95 percent of all current statewide contracts in order to reduce transaction costs in processing payment. Effective June 1, 2001, the program was expanded for use on agency contracts.

Best Value Purchasing Training Sessions

Training is a requirement for all Best Value Purchasing committee members. Monthly training sessions have been established by the Acquisitions and Contract Administration Section and are offered on the 2nd and 4th Tuesday of each month.

Redefined Grants as a Sole Source Acquisition

Effective March 21, 2001, the definition of grants was re-defined as follows:

State agencies shall use a grant as the legal instrument reflecting a relationship between state government and a local government or other recipient whenever:

- (1) the principal purpose of the relationship is the transfer of money, property, services or anything of value to the local government or other recipient in order to accomplish a public purpose of support or stimulation authorized by federal and/or state statute rather than by acquisition, by purchase, lease or barter, of property or services for the direct benefit or use of the state government; and,

(2) no substantial involvement is anticipated between the executive agency acting for the state government and the local government or other recipient during the performance of the contemplated activity.

External Relations Unit

In response to Legislative Performance Audit recommendations, a new unit was established in the Acquisitions and Contract Administration Section. The External Relations Unit focuses on quality assistance, professional development, contract administration, and political division's Co-operative Purchasing program.

Administrative Services Section

Administrative Services Section is responsible for various programs and services, including the automated purchasing system, vendor registration, inventory management, travel management, fleet management and the Surplus Property Program.

Administration Unit

The Administration Unit oversees several purchasing-related functions, including the production of the *West Virginia Purchasing Bulletin*, vendor registration, purchase order encumbrance, West Virginia Financial Information Management Fixed Assets System, microfilming and distribution of all executed purchase orders, and distribution of bid packages and receipt of incoming bids.

West Virginia Purchasing Bulletin

This publication is published twice monthly and mailed to more than 6,400 registered vendors. It contains information on purchasing requisitions in excess of \$10,000.

Vendor Registration

A total number of 9,961 Vendor Registration and Disclosure Statement forms were processed during the 2001 fiscal year. Of this number, 5,294 were vendor renewals and 1,143 were new vendors. The remaining forms were for exempt vendors or for vendors updating their status with the Purchasing Division.

Purchase Order Encumbrance, Distribution and Microfilming

The West Virginia Financial Information Management System (WVFIMS) Purchase Order Encumbrance Module was successfully implemented May 1, 1998. As a result, all purchase orders and subsequent change orders with a fixed amount were placed on the Purchase Order Encumbrance system. The total number of purchase orders and change orders encumbered by the Purchasing Division, which includes all purchase orders and change orders executed by both the Purchasing Division (3,673) and Higher Education colleges and universities (1,400), was 5,073.

Total documents microfilmed for the Purchasing Division, which contains, purchase orders, change orders, vendor registration forms and all supporting documentation is 221,767.

Fixed Assets (Inventory Management) System

The Purchasing Division successfully completed the implementation of the WVFIMS Fixed Asset system in 1996. State agencies reporting to the Purchasing Division are required to submit a certification to the Purchasing Division on or before July 15 of each year, indicating that assets have been properly documented and retired in accordance with policy and procedures.

Agencies are required to enter their fixed assets with an acquisition value of \$1,000 or more into the WVFIMS Fixed Asset system. As such, property retirement procedures must be followed or the assets will remain in the agency's inventory. Total dollar assets entered into the Fixed Asset system for Fiscal Year 2001 was \$120,510,830.10. Total dollar assets currently in the system is \$993,508,809.56.

Bid Package Requests and Incoming Bids

The Administration Unit received and responded to 8,680 bid requests from vendors and received 3,642 incoming bids from vendors.

Automation Unit

The Automation Unit has three primary objectives:

- **Administration of the automated purchasing system (TEAM);**
- **Maintenance of the Purchasing Division's Internet and Intranet web pages;**
- **PC and network support.**

DHHR Roll-out of TEAM

Worked closely with the Department of Health and Human Resources staff to train and roll out the TEAM system to the state hospitals.

Migration to Ethernet

Began the process to migrate from Token-Ring to Ethernet as the standard network interface for the Purchasing Division's local area network.

Migration to Microsoft Office Suite

Developed an internal migration plan to convert from Corel WordPerfect to Microsoft Office Suite.

Online Cooperative Purchasing Program

A section pertaining to the Cooperative Purchasing Program was added to the Purchasing Division's website. Political subdivisions may now participate in the program by requesting state-wide contracts electronically.

E-Purchasing System

Completed a requirements analysis for a new E-Purchasing system. Objectives for the new system include:

- Web-based requisition entry
- Web-based order tracking
- Distribution of bid documents via the Internet
- On-line access to view contract information

- On-line vendor registration using a credit card
- Imaging of bids and other non-automated documentation (This objective will be considered separately from other objectives.)
- Computer-based training modules and procedure manuals
- Inter-operability with the West Virginia Financial Information Management System

Fleet Management Office

The Fleet Management Office provides management services for approximately 1,500 vehicles and ensures that these vehicles are appropriate for the transportation needs of the users. This office interfaces with all levels of state government and coordinates the involvement of state agencies that lease vehicles from the Purchasing Division.

State Vehicle Purchase

Completed the purchase of 331 vehicles for the model year 2001. The total amount spent on this year's vehicle order was approximately \$6,000,000. A majority of these vehicles were financed through a third party, while some were paid in full with cash. The Fleet Management Office met with each vendor on the statewide vehicle contract to explain the ordering process to try and eliminate any problems of delivery that would prevent payment of a vehicle. Billing codes were included on the new model vehicle ordering forms to provide more accurate billing reports.

Vehicle Lease/Maintenance Program

A new maintenance/service contract for all vehicles was bid and awarded to PHH Vehicle Management Services. Several agencies including the West Virginia State Police and some higher education institutions have continued to participate in the Vehicle Lease/Maintenance Program even though these agencies are exempt from our program.

Gasoline/Maintenance Credit Card Fee Reduced

The current gasoline/maintenance credit card fee was lowered from \$.80 a card per month to no charge.

One-Time Annual Vehicle Lease Rate Reduction

A one-time annual reduction of the administrative portion of vehicle leases was implemented. This reduction will apply to all vehicles in the program regardless of model year or financing status. In the past, the administrative portion of the lease rate ranged from \$45 to \$100 per month per vehicle. For fiscal year 2002, this rate will be \$17 per month per vehicle. This rate will be adjusted as needed in future fiscal years.

Future Plans

- Continue to improve the vehicle ordering process to ensure agency needs are satisfied; Overhaul the new and retired vehicle process to ensure efficiency and accountability; Evaluate the current fleet; Retire vehicles that are five years old or with 100,000 miles and replaced with new vehicles; Reassign vehicles that are not driven the required 1,500 miles a month to an agency with a greater demand.
- Continue to meet with each Agency Fleet Coordinator to review vehicle orders. This action ensures that the agency is ordering a vehicle that accommodates the task for which the vehicle would be utilized.

- Establish a direction for Fleet Services into the year 2002 and develop several strategies to be followed. Within each strategy are goals that will aid the Fleet Section in measuring our progress.
- Issue a new credit card to give drivers greater accessibility to service around the state and nationwide.

State Capitol Parking

The State Capitol Parking Unit oversees approximately 3,000 parking spaces for employees, visitors and legislators at the State Capitol Complex in compliance with the rules and regulations as set forth by the Cabinet Secretary of the Department of Administration.

Capitol Parking Space Reallocation

All parking spaces around the campus were reallocated, effective January 4, 2001. Groups of parking spaces were allocated to various state agencies. Allocations made in the Parking Building and the Transportation Building were assigned by floor on an equal percentage basis.

Handicap Parking Spaces

Eleven additional handicap spaces were allocated to state employees and 13 spaces were added for visitors.

New Parking Decals

Employees have been assigned a newly designed colored hanging decal to be displayed from the rearview mirror of vehicles. These decals will help the guards in identifying and enforcing reserved parking.

Parking Building Issues

- Compact spaces were eliminated in the Parking Building (except for the 1st floor).
- One hundred ninety-seven visitor parking spaces were moved from inside the new parking garage to the DMV lot.
- An additional shuttle stop was added at the Piedmont Road exit of the Parking Building.

State Vehicle Parking

Parking has been provided for most state vehicles at the Laidley Field Stadium area.

State Capitol Parking Website

A website was created detailing various aspects of parking at the State Capitol (www.state.wv.us/admin/purchase/parking).

Future Plans

- Update the Capitol Complex Parking Manual.
- Continue to monitor the parking situation to provide the most convenient parking for employees and people doing business at the Capitol Complex.

Surplus Property Unit

The Surplus Property Unit coordinates the acquisition of federal surplus property for resale to eligible organizations. It approves the disposal of retired state-owned property and oversees the sale of retired state property to eligible organizations and the general public through auctions and sealed bids.

Fiscal Year 2001 Statistics

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

Federal Property Service Charge:	\$ 278,552.05
State Property Service Charge:	605,641.23
Public Auctions:	728,432.84
Weekly Sealed Bids:	212,250.18
Statewide Sealed Bids:	<u>68,433.34</u>
Total Revenue:	\$1,893,309.64

State Vehicles

Approximately 476 vehicles were sold during Fiscal Year 2001. Below is a breakdown of the method by which they were sold:

Public Auction:	236	\$532,490.00
Weekly Sealed Bids:	54	180,110.54
Statewide Sealed Bids:	42	19,909.99**
Negotiated Sales:	144	583,675.00
<i>Municipalities</i>	53	
<i>Non-profit Organizations:</i>	38	
<i>County Commissions:</i>	24	
<i>State Agencies:</i>	13	

The organizations listed purchased the majority of the vehicles. Public service districts, boards of education, fire departments, housing authorities, and committees on aging purchased other vehicles.

***Most of the vehicles sold through the statewide sealed bid process were in scrap condition; therefore, the revenue received is substantially less than those in drivable condition.*

Travel Management Office

The Travel Management Office develops, administers and revises travel regulations for most executive branch agencies. Several statewide contracts are utilized to offer the most cost-efficient and beneficial services to state travelers.

Car Rental Statewide Contract:

In 2000, the total rental days decreased to 8,124 based on an annual expenditure of \$315,329.00, raising the average cost of a rental car per day to \$38.81. Overall, without a preferred car rental contract, the normal daily rate is \$61.00 for a savings of \$180,235.

Diners Club Statewide Contract:

The Diners Club contract covers CDW insurance when renting a vehicle, with a savings of \$94,920 for the fiscal year (based on \$20.00 a day for insurance and 4746 rental days). An additional \$112,620 could have been saved if all State travelers used their Diners Club cards for car rentals, based on Diners Club reports.

National Travel Contract:

The state's revenue share agreement with National Travel, which is based on volume, earned \$6,192 in savings.

United Airlines Contract: Discount resulted in savings of \$85,829.00

USAirways Contract: Discount resulted in savings of \$72,96812. The state could have enjoyed an additional \$30,062.16 in savings if E-tickets were not declined.

Delta Airlines Incentive: Five free tickets earned for an estimated value of \$2,500 to \$5,000.



Legislative Changes

House Bill 2331

This legislation requires wage rates to be *noted* in a contract proposal rather than actually attaching to the construction contracts.

Senate Bill 124

This legislation creates preferences for use of domestic steel products in state-supported projects.

Senate Bill 448

This legislation, referred to as the Sunset Bill, continues the Purchasing Division within the Department of Administration until July 1, 2002.

Senate Bill 476

This legislation establishes information technology access for the blind or visually impaired. It provides access to information technology for visually impaired individuals through the procurement of compatible technology by the Purchasing Division; provides for development of nonvisual access standards; and requires nonvisual access requirements in all future state contracts for procurement of information technology.



Objectives for 2002

- ~ To research alternatives to achieve electronic purchasing capabilities.
- ~ To be proactive in reaching new businesses and encourage their participation in the competitive purchasing process.
- ~ To improve our communication and business relationships with agency purchasing representatives through enhanced customer service.
- ~ To create an Internal Buyers Guide to assist in maintaining consistency and efficiency in the bid, evaluation and award of contracts on behalf of state agencies.
- ~ To develop an online vendor registration process that would offer easier access to doing business with state government.
- ~ To offer an Internet-based auction system through the West Virginia State Agency for Surplus Property that would allow for more competition for the sale of state property.
- ~ To develop online requests for contracts through the Cooperative Purchasing Program so that political subdivisions in West Virginia may share in the savings by purchasing from statewide contracts issued by the Purchasing Division.
- ~ To recommend the introduction of legislation to permit cooperative purchasing with other states.
- ~ To recommend the introduction of legislation that combines the responsibility and oversight of purchasing, travel and fleet under one organization.