

THE BUYERS NETWORK

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

2005 Agency Purchasing Conference

Purchasing Division Begins to Prepare for Agency Conference on Oct. 24-28

The 2005 Agency Purchasing Conference is set...Don't be left out on this valuable training opportunity!

The conference will be held at Mountaineer Race Track and Gaming Resort, beginning Monday, October 24 through Friday, October 28.

Registration will begin at noon on Monday and continue until early evening. A detailed agenda will be mailed to all agency procurement officers, as well as included in an upcoming issue of *The Buyers Network*. Information also will be made available on the division's website at www.state.wv.us/admin/purchase.

The agenda will include various group sessions targeting topics affecting all agency purchasers and smaller concurrent sessions relating to a variety of issues including requests for proposals, statewide contracts, general purchasing courses for all levels (beginners and advanced), surplus property and travel management.

Participants are responsible for making their own lodging reservations and may proceed at this time in calling Mountaineer Race Track at 1-800-489-8192. Please indicate when making your reservations that you will be attending the purchasing conference to ensure you receive the proper discounted rate of \$74 per night.

There is a \$150 registration fee per participant to cover conference materials, group meals and other related expenses.

Additional information is forthcoming; however, if you have any questions, please feel free to contact our conference coordinators: Diane Holley at 558-0661 (dholley@wvadmin.gov) or Debbie Watkins at 558-3568 (dwatkins@wvadmin.gov).



Surplus Property Public Auction Scheduled in Dunbar on August 13

The West Virginia State Agency for Surplus Property is pleased to announce its next Surplus Property public auction on Saturday, August 13, 2005, at 2700 Charles Avenue in Dunbar. Participants may pre-register the week prior to the auction at the Dunbar location or register when the gates open at 9 a.m. on the day of the auction. The auction will begin precisely at 10 a.m., with Auctioneer Lon E. Neal [West Virginia license #386] presiding.



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- **Taking a Closer Look...** at the Records Unit
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THE PURCHASING DIRECTOR'S COMMENTS



Pilot Program Records Employment History

By Dave Tincher
State Purchasing Director

A pilot program recently began affecting professional service agreements issued by the Purchasing Division for contracts expected to exceed \$10,000 as well as those processed through delegated authority for \$10,000 or less. The **Employment History Disclosure Statement** requires vendors to identify any other work, similar or otherwise currently being performed for any agency, institution, educational facility, or

political subdivision of the state of West Virginia. Vendors shall provide the agency name, effective dates, value, general description and time required per week to fulfill the duties of each contract.

The purpose of this form is to require the vendor to disclose other work he or she may be contractually required to complete to the spending agency. As stated on the form, the state of West Virginia reserves the right to reject the bid of any vendor when the state believes any current work may cause problems with the vendor successfully completing the bid or contract in question.

This form is primarily used for professional services, including but not limited to, medical and legal, that are being contracted by the state. The **Employment History Disclosure Statement** may be downloaded from the Purchasing Division's website at <http://www.state.wv.us/admin/purchase/vrc/pforms.htm>.

If you have any questions regarding the use or intent of this form, please contact Karen Byrd, Assistant Director of the Acquisitions and Contract Administration Section, at 558-4317 or by e-mail at kbyrd@wvadmin.gov.

Hospitality Service Request Reminder to Agencies



In January of 2005, the Purchasing Division revised Section 9.7 of the **Purchasing Division Policies and Procedures Handbook** relating to hospitality service requests. The change requires only hospitality service requests in excess of \$10,000 to be submitted to the Purchasing Division for approval.

A **Request for Hospitality Services and Temporary Space** must be used as well as an **Agreement** (in the absence of a facility contract) and are available on the Purchasing Division's Intranet site at <http://intranet.state.wv.us/admin/purchase>.

The guidelines for acquiring hospitality services are as follows:

Over \$10,000

- Purchase Requisition [WV-35]
- Request for Hospitality Services
- WVFIMS Agency Cover Sheet [P- Document]
- Verify vendor eligibility [check for suspension or debarment]
- Original vendor price quote
- No-debt affidavit [signed by vendor]
- Agency justification letter
- Agreement [WV-48] - in absence of a facility contract
- Agreement Addendum (WV-96), if vendor has own terms and conditions
- Non-Conflict of Interest Statement
- Seek competition, where available

Hospitality service requests with appropriate documentation must be submitted

to the Purchasing Division in advance for approval. All required paperwork is to be submitted no less than 30 days prior to the scheduled event.

\$10,000 or Less

Note: *These requests are no longer required to be submitted to the Purchasing Division; however, all documentation must be retained at the agency level.*

- Request for Hospitality Services
- Agreement Addendum (WV-96), if vendor has own terms and conditions
- Verify vendor eligibility [check for suspension or debarment]
- Original vendor price quote
- No-debt affidavit [signed by vendor]
- Agency justification letter
- Seek competition, where available

Documentation must be retained at the agency. State agencies are encouraged to utilize the MOTEL04 contract, where possible, for discounted rates on state facilities. Questions may be directed to Karen Byrd, Assistant Purchasing Director, at (304) 558-4317.

Liberty Distributors Provides Agencies with Sanitary Supplies

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

Liberty Distributors, Inc., a family owned and operated business since 1987, services the statewide contract for sanitary supplies [SANPAP], such as towels, sanitary paper and tissues.

Located in Triadelphia, the company was awarded the state contract in April and since that time, Mark Peluchette, the company's president, said they have been kept busy with orders. "I know it's hard to believe, but there is a nationwide shortage on paper. Who would have ever thought it would be difficult to get toilet tissue."

However, Peluchette said despite the high demand, the company was able to meet its customer's needs. Currently, they have about 6,000 cases on hand. "The process has been great. It's made it real easy and the purchasing cards help out a lot



Mark Peluchette, President of Liberty Distributors, indicates that recently they have had to deal with a national paper shortage and a higher than expected demand.



Liberty Distributors, Inc. first began in the living room of a house, but now operates from 90,000 square feet of office space with distribution capabilities.

since about 98% of the orders are charged," he said.

Liberty Distributors prides itself on being a business that is all about service. They have been turning their orders around to the state in less than a week, which is better than expected. "We now have a good supply of products and everything is working smoothly," he said.

The company has been doing business with the state since their inception, but have placed a more concerted effort into pursuing state business 10 years ago. "This was the first year we were really in a good position to do business with the state," said Peluchette. "We deliver about 75% of the orders on our own trucks. The other 25% of the orders are freighted by a third party."

Peluchette credits his 68 employees with making the business successful, along with his fleet of 15 trucks on the road making daily deliveries. They operate with about 90,000 square feet of office space and distribution capabilities, quite a

difference from their humble beginning in the living room of his mother's home 18 years ago. At that time, the company consisted of his father, mother, brother and sister acting as employees and with one six-foot pickup truck for deliveries.

Although, Pittsburgh is just 50 miles away and Columbus a mere 100 miles, Liberty Distributors' market is primarily in West Virginia. "They ship in a timely manner and give us good service," said Henry Kerns, Supervisor II for the Elkins Division of Highways. "Their invoices are always correct which is a big plus for us because when you deal with credit cards, you have to make sure the prices are correct and match your documentation."

The company's purchasing director Steve Shallcross said the bid process for this contract was their first experience. While it was new for them, he said that Purchasing Division's Senior Buyer Betty Francisco was a

Continued on Page 5

Purchasing Division Makes a Switch in Records Retention

Twenty years ago, the Purchasing Division purchased a new system to index and microfilm all purchase orders and supporting documentation. The indexing system was upgraded several times through the years and served the division well. However, with the changes in technology and the difficulty in finding replacement parts for the microfilm camera, it was time to explore the market for a new system.

"Scanning documents is the most up-to-date form of technology in maintaining important records," said Jo Ann Dunlap, the Assistant Director of the Administration and Inspection Services Section. "We chose to go this route to upgrade our process."

The primary procurement was for the imaging software and a high-speed scanner. The Purchasing Division supplied all other hardware and software, including the client workstation and Microsoft SQL server. This approach saved both time and money. In addition to the Purchasing Division's technical staff, excellent assistance and support was received from Rita Fernatt, Ed Nelson, and other staff members of the Information Services and Communication Division (IS&C).

"A major increase in speed is achieved by scanning both sides of the paper on one pass through the scanner, as opposed to sending it through twice," said Dan Miller, Purchasing's Technical Services Manager. "Access Systems submitted the lowest bid meeting specifications and was awarded the contract to implement the system." A total of six bids were received.

"I am really looking forward to working with this new system," said Joan Adkins, Office Assistant II for the Purchasing Division. She was originally hired 18 years ago as the

microfilm clerk in the division and says the difference in the two systems is like night and day. "It's going to be easier because the new scanning system will scan both the front and back simultaneously, unlike the microfilm system which did not have duplex capabilities." Another favorable feature is seeing the document on the monitor as it scans, eliminating the wait for the microfilm to be developed in order to verify the document.

Prior to scanning the documents, Adkins removes staples, paperclips and other bindings. She places a card on the front of it, writes down the purchase order number and the file location of the hard copy for easy retrieval. It is particularly important that these two procedures be precise. Being able to easily locate these important documents is crucial. Once all this is done, Adkins verifies the documents are correct and begins the scanning process.

All documents beginning with Fiscal Year 2006 transactions are currently being scanned and managed with the new system.



Office Assistant Joan Adkins adjusts to her new workstation where she scans all purchasing documents.

MoneyWise...

Tips for the Thrifty

Think Twice When it Comes to Accepting Credit Card Offers

The old adage, "If it sounds too good to be true, it probably is," has never been more relevant than when it comes to offers sent by credit card companies. Consider the following before signing up for an offer:

- **Transferring balances.** If the offer is to transfer balances from other credit cards to a 0% interest deal, be careful. Interest on new purchases may be an excessively high amount.
- **Signing enclosed checks.** These are cash advances and have higher interest rates and no grace periods.
- **Skip payments.** These are good deals IF you pay before the 90 days. If not, the interest starts accruing from day one and is added to the purchase cost.
- **Offers to insure your credit cards.** You are only liable for \$50 in charges that you didn't make. Offers to insure your cards are not worth it.

- adapted from *Your HomeXpert: John Baethke & Sons*

ReqTrak System Enhanced to Include UNSPSC Commodity Code

The Purchasing Division's internal requisition tracking system was recently enhanced to include a field for the United Nations Standard Products and Services Code® (UNSPSC®).

This code provides an open, global multi-sector standard for efficient, accurate classification of products and services. The UNSPSC offers a single global classification system that can be used for:

- Company-wide visibility of spending analysis
- Cost-effective procurement optimization
- Full exploitation of electronic commerce capabilities



The Technical Services Unit developed this enhancement in order to improve the capabilities of its reporting function. By entering a commodity code when a requisition is received, the Purchasing Division can quickly create a report detailing all requisitions currently in the purchasing process that are of a certain commodity classification.

Although this extra field requires more information to be entered at the beginning of the requisition cycle, it gathers necessary data for future reporting needs. "We continuously seek ways to provide better accountability and data collection on purchases processed through the Purchasing Division," said Purchasing Director Dave Tincher. "It is through innovative methods and our qualified in-house technical experts that we are able to provide high-quality service to our state agencies and vendor community."

Reminder Offered on Capitol Complex Alteration Rules

The Capitol Building Commission recently distributed a reminder that the commission must review and approve, modify or reject any substantial physical or aesthetic changes that alter the Capitol Building or the surrounding complex. The approval of the commission is mandatory before a contract may be released for work which constitutes a substantial physical change or before changes are started if the work is not done under a contract.



For more information or questions, contact Troy Body, Commission Chairman, at 558-0220, ext. 119 or via e-mail at troy.body@wvculture.org.

Statewide Contract Spotlight

Continued from Page 3

great help. "We're very excited to have this contract," Shallcross said.

Peluchette said the company is very happy with the extra business. "It's been a good marriage. One product which we once only sold 50 cases a month, we're now selling 1,000-1,500 cases a month. The people in state government didn't really know too much about us before. So, this has been good exposure for us and that's what we were looking for," said Peluchette.

For information and questions concerning orders contact:

Mark Peluchette, President
Liberty Distributors, Inc.

P.O. Box 498

Triadelphia, WV 26059

(304) 547-0414

www.paulp@libertydistributors.com

What's State Government Buying?

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

- ♦ **Lottery Commission**
Request to design, print and deliver tamper-proof, secure instant scratch-off lottery tickets.
- ♦ **Division of Juvenile Services**
Request to install security cameras and intercoms at the Kuhn Juvenile Center.
- ♦ **Secretary of State's Office**
Request to provide mail-in voter registration forms.
- ♦ **All State Agencies**
Request to provide x-ray film and processing chemicals to all agencies of the state of West Virginia and political subdivisions.
- ♦ **State Police**
Request to construct a West Virginia State Police detachment in Martinsburg.

Current Statewide Contract Update

(As of July 15, 2005)

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

Contracts Awarded

<u>Contract</u>	<u>Description</u>	<u>Vendors</u>	<u>Effective Date</u>
ENTPRZ05	Microsoft Enterprise Agreement	Software House International	06/01/05
LAUNDRY05	Laundry Products, Dispensers and Services	Ecolab	09/01/05

RFQs Out for Bid

<u>Contract</u>	<u>Description</u>	<u>Pre-Bid Meeting</u>	<u>Bid Opening</u>
AUD052942	WV Procurement Card Services	06/17/05	007/19/05
FASTEN05	Nuts, Bolts and Screws	---	07/12/05

Contracts Under Evaluation

<u>Contract</u>	<u>Description</u>	<u>Bid Opening</u>	<u>Under Evaluation</u>
XRAY	XRay Film and Chemicals	06/28/05	Yes

Miscellaneous Action on Statewide Contracts

<u>Contract</u>	<u>Description</u>	<u>Vendor</u>	<u>Comment</u>
WVARF04	Various	WVARF	Added some new products and price sheets
TEMP04A	Temporary Workers	WVARF	Price adjustments
CABLE02	Cable	SESCO - State Electric	Correct extension to 08/31/05
TEMP04E	Temporary Workers	Express Services Inc.	Change payment address
FUEL05B	Gasoline, Kerosene,	Guttman Oil Company	Revise pricing page

Contracts Renewed

<u>Contract</u>	<u>Description</u>	<u>Vendor</u>	<u>Expiration Date</u>
DIGCOP04 [A-I]	Digital Copiers	Sharp Electronics, Lanier Worldwide, Komax Business Systems, Aarons Products Inc., Ikon Office Solutions, Kyocera Mita America, Superior Office Service, Xerox Corp., Imagistics International, Inc.	08/15/06
LDPHONEA	Long Distance Service	Sprint Communications Company	08/09/06
LITTER04	Litter Pickup Devices	Arcmate Manufacturing Corporation	09/30/06
WATER03A	Water Treatment Chemicals	CI Thornburg Co.	08/31/06

Contracts Extended

<u>Contract</u>	<u>Description</u>	<u>Vendor</u>	<u>Extended Date</u>
FINEPAP02C	Paper	Xpedx	09/30/05
FINEPAP02B	Paper	Unisource	09/30/05

Contracts Reviewed

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

AUGUST

ALCOHOL Ethyl Alcohol
 JITLECT Multi-Media Development
 WAN Wide-Area Network Hardware, Software and Services

SEPTEMBER

RECMGT Records Management Services
 TCARD Travel Credit Card Services

PURCHASING CONNECTION

Senate Bill Affects Change in Grant Reporting Procedures

Although grants are not normally processed through the Purchasing Division, agencies must abide by certain requirements which are imposed as a result of Senate Bill 348 that passed during the 2005 Legislative Session.

According to a memorandum from Legislative Auditor Aaron Allred, this legislation requires all state agencies making grants to:

- 1) Notify the legislative auditor of the amount of funds to be disbursed under the grant, the identity of the person receiving the grant and the purpose and nature of the grant within 30 days of making the grant or authorizing the disbursement of the grant funds;
- 2) For state grants prior to July 1, 2005, provide the legislative auditor with the information concerning the grants by September 29, 2005;
- 3) Report persons failing to file a required report within the required time period for any state grant

disbursed after July 1, 2003, to the legislative auditor for purposes of debarment from receiving state grants; and,

- 4) Provide a copy of any report submitted by a grantee that provides evidence of a reportable condition or violation of grant requirements to the legislative auditor within 30 days of receipt of the report.

The reporting procedure will include an easy-to-use website for the reporting of this data to the legislative auditor. Data about the grants will be entered by the granting agency's representative. This data will include grant awardee, date of award, amount of award, FEIN of the awardee and other pertinent information considered necessary for this process.

There are two ways to enter this data. The first to be implemented will be that of direct entry by the agency's representative via a webpage

interface. For agencies with only a few grants, direct entry via the web may be the only submission required. For agencies with a large number of grantees or a large amount of historical data (two years worth as approved in Senate Bill 248, back to 2003), there will be a download procedure in which the granting agency will submit a comma delimited ASCII file to the legislative auditor for the purpose of being imported into the State Agency Grant Awards database (SAGA).

Questions regarding this process may be directed accordingly:

Process and Requirements

Aaron Allred
allred@mail.wvnet.edu

Technical Questions

Dennis Loudermilk
dennisL@wvnet.edu

Website Questions

Dave Martin
dvmartin@mail.wvnet.edu

Surplus Auction

Continued from Page 1

The items scheduled to be sold include a Dewalt radial arm saw, a Grizzley 10" table saw, a Rockwell 18" planer and belt sander, an Onan electrical plant, computer equipment, office furniture, vehicles (Jeep Cherokees, Ford Crown Victorias, Dodge Stratus, and more). There are no minimum bids at the auction.

Property may be inspected the week prior to the auction, August 8, 2005 - August 12, 2005, from 8:30 a.m. to 4:30 p.m.

Successful bidders may pay by credit card (Visa, Mastercard), cash and/or check. All property is subject to prior sale.

For additional information or questions, contact Surplus Property at 766-2626 for more details or visit its website at www.state.wv.us/admin/purchase/surplus.

Need Procurement Assistance?...

Listed below are the Purchasing Division buyers who are assigned specific agencies. For a list of the agencies assigned to each buyer, please visit <http://www.state.wv.us/admin/purchase/commod.htm>. Betty Francisco is responsible for all statewide contracts.

File 21	Charlyn Miller (558-2596)
File 22	Marc Roberts (558-0067)
File 23	Chuck Bowman (558-2157)
File 31	Evan Williams (558-2316)
File 32	Mike Sheets (558-2544)
File 33	John Johnston (558-2402)
File 41	Ron Price (558-0492)
File 42	Betty Francisco (558-0468)

Questions?...Just Ask Us!

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

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

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



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

In This Issue... Did You Read About?

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