

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

Buyer Reassignment Change Results in Higher Satisfaction

The Purchasing Division greatly appreciates the responses received to our Buyer Reassignment Survey.

Effective July 1, 2004, a change was made from assigning our buying staff certain commodities and services to specific agencies in state government. For the past six months, the division has not encountered any problems and has received positive feedback; however, a survey would elicit more comments on this change.

The responses received indicated that a high number of survey participants have experienced a higher satisfaction in their business relationship with the Purchasing Division. Below is a brief summary of the responses and the satisfaction levels:

Joe Manchin Takes Office on Jan. 17

Governor-Elect Joe Manchin officially takes office on Jan. 17, during a swearing-in ceremony at 12:45 p.m. on the river side of the State Capitol.



Ease of doing business

61% Increased
28% Remained the Same
7% Decreased
4% Not Applicable

Pursuit of Customer Satisfaction

43% Increased
46% Remained the Same
7% Decreased
4% Not Applicable

Communication

54% Increased
35% Remained the Same
7% Decreased
4% Not Applicable

Responsiveness

46% Increased
39% Remained the Same
11% Decreased
4% Not Applicable

Accessibility

53% Increased
43% Remained the Same
4% Not Applicable

Informative

39% Increased
50% Remained the Same
7% Decreased
4% Not Applicable

Professionalism

35% Increased
61% Remained the Same
4% Not Applicable

Accuracy

43% Increased
50% Remained the Same
7% Not Applicable

Understanding of Needs

43% Increased
50% Remained the Same
7% Not Applicable

In ranking the top three qualities of a buyer, the responses indicated responsiveness, communication and understanding of needs were of high priority to our agency purchasers.

Thirty-two (32) percent of our survey respondents indicated that their overall satisfaction increased since the reassignment change, with 61 percent stating that it remained the same and seven percent indicating a decrease.

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- Surplus Property Utilizes GSA Online Federal Auctions to Dispose Property
- State Contract Spotlight: Mabscott Supply Company
- FY04 Statistics Show Slight Percentage of Contracts Protested

THE DIRECTOR'S COMMENTS

Resolutions for Good Purchasing Practices

By Dave Tincher
State Purchasing Director

As the New Year arrives, many of us will be making resolutions in an attempt to improve various aspects of our personal lives, such as losing some unwanted weight or making a positive change to our attitude.

However, professional resolutions also are important to make in our work lives. We need to ask ourselves what we can do better in our role as agency purchasers.

Some resolutions to consider may be to continue improving how we perform our job and to look at more

cost-effective ways of spending our taxpayer's dollars.

Professional development should be on all of our lists for 2005. Attending training classes as well as our 2005 Agency and Vendor Purchasing Conference and Product Exposition on October 23-28 will help us grow as public purchasers.

We should resolve to research our purchases more thoroughly to ensure that the avenues in which we are venturing are in accordance with our specifications and are current in today's market. A review



of our policies, procedures and laws is a routine that perhaps we overlook at times.

Let us not forget the ethics on which all of our agency purchasers must stand firm. It is our responsibility to educate those individuals who may not be aware of the laws and regulations by which we must abide.

Another resolution which benefits us all is to keep the lines of communication open among the Purchasing Division, state agencies, the vendor community and other entities with whom we work with as part of the procurement process. Share with the Purchasing Division staff any ideas, suggestions or concerns that you may have regarding our process and procedures.

I wish everyone a happy and healthy New Year!

Protests Result in Only One Percent of All Contracts

In accordance with a recent report prepared by the Purchasing Division, a total of 25 protests were filed against awards issued or specifications written which were processed by the Purchasing Division.

Of the 1,713 purchase orders issued during the 2004 fiscal year, 1.46 percent resulted in a protest, which is a small number in comparison to the amount of purchase orders/contracts processed. Below is a breakdown of the protests filed:

| Type | Number of Protests | Percentage Filed in FY04 | Total POs by Type in FY04 |
|----------------------|--------------------|--------------------------|---------------------------|
| Agency Blanket | 10 | 42% | 211 |
| Statewide Contract | 1 | 4% | 45 |
| Construction | 4 | 16% | 123 |
| Request for Proposal | 1 | 4% | 18 |
| Regular | 9 | 36% | 351 |

There were no protests filed on any agreement, direct purchase, equipment contract order, special contract order, emergency purchase or expression of interest.

"Considering the large number of purchase orders/contracts that are issued during a fiscal year, I'm pleased that the percentage of protests filed is minimal," said Purchasing Director Dave Tincher. "This signifies that we are doing our job by informing vendors doing business with the state of the procedures established based on state law and regulations."

The protest procedures are outlined in the Purchasing Division's Legislative Rule (148 CSR 1). This rule provides participating vendors with the right

to protest specifications and purchase order awards.

For more information on the protest procedures, please refer to section 7.5 of the **Purchasing Division Policies and Procedures Handbook** or review the handbook online at <http://www.state.wv.us/admin/purchase/Handbook/hand7.htm>.

Protest Report

Continued from Page 1

Many favorable comments were offered, including:

All purchasing buyers have been responsive and helpful. Their insight is appreciated and implementing their suggestions helps avoid pitfalls.

Having only one dedicated buyer assigned to us has been very helpful rather than dealing with various buyers according to the commodity.

By and large, this change has been good for my agency.

Surplus Property Utilizes GSA Online Federal Auctions to Dispose Property

In an effort to dispose of federal property currently warehoused in Dunbar, the Surplus Property Unit is venturing into online auctions, with the help of the U.S. General Services Administration (GSA). This federal agency works with each state in disposing federal surplus property to eligible organizations.

"This is the first attempt that we have made in offering federal property as part of these online auctions conducted by GSA," said Ken Frye, Assistant Director of the Purchasing Division for Program Services.

How does it work? It's simple. The Surplus Property Unit gathers a list of federal property that has been on display in its warehouse for at least one year. These are items that would be of interest to a large audience of individuals and can be sold as one item or a 'lot' of items, for example, a specified number of computers.

This list is forwarded to GSA officials, with a description and photograph. The responsibility is then transferred to GSA to make it available on its online auction site (<http://www.gsaauctions.gov>).

At this website, users may "search by state" in order to bid on the items offered in West Virginia by the Surplus Property Unit. The auction is open to the public.



The Purchasing Division staff wishes everyone a happy, healthy and prosperous new year in 2005!

"Our first list of items allowed for individuals to place bids on 16 different items, including snow-mobles, laundry presses, kitchen equipment, a road maintenance system and vehicles," Frye said.

The sale terms and condition also are available at this website; however, a few of these terms are as follows:

- Bidders must be at least 18 years of age
- A credit card is required for all registered users in the online sale. Credit card validation assists in the prevention of fraudulent bidding activity and ensures that bidders are prepared to accept responsibility for their bidding activity and all submitted bids are valid.
- The condition of property is not warranted. Deficiencies, when known, have been indicated in the property descriptions;



however, absence of any indicated deficiencies does not mean that none exist.

- The government does not warrant the merchantability of the property or its purpose.
- Bidders are invited, urged and cautioned to inspect the property prior to bidding.
- Bids are only accepted in whole U.S. dollar amounts.
- The government reserves the right to reject any and all bids.
- Successful bidders will be notified by e-mail and must contact the regional sales office

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MoneyWise...

Tips for the Thrifty

Tips on Saving \$5 a Week

Adopt any one of the five tips and you will save \$5 each week. When you are saving, it is important to pay attention to the small things.

- Organize a lunch swap. One day you make and bring lunch for a co-worker. The next day, she does the same for you.
- Brew your own coffee and bring your own soda. You will save money if you are not throwing money away in the coffee shop cash register or feeding coins into the vending machine.
- Always use your own bank's ATM. Avoid those fees.
- When your favorite shampoo or other personal items goes on sale, stock up so you don't have to pay full price in the future.

- adapted from the Miserly Moms Website

Guidelines Clarified for Hospitality Service Requests

Effective immediately, the Purchasing Division is revising Section 9.7 of the **Purchasing Division Policies and Procedures Handbook** relating to hospitality service

Did You Get What You Asked For?

It is prudent to be skeptical of goods and services being furnished to your agency. It is only good business practice.

Agency purchasers should review their original records of purchase and verify that what was asked for was actually received. This pertains to quality as well as quantity.

If the goods or services were obtained under a contract or purchaser order, verify that the terms and conditions and specifications were met. Notify the vendor immediately if you detect a problem. If no action is rendered, complete a Vendor Performance form or contact the Purchasing Division buyer at once so the situation may be corrected.

Why do these problems exist? In most cases, the problems can be attributed to an oversight or mistake of the supplier. However, don't rule out the fact that a small number of businesses operate unethically.

There have been a small number of cases where goods and services have been billed to an agency but never delivered. Unscrupulous vendors are far and few in between; however, they are counting on you not checking or verifying your purchasing documents.

requests. The change will require 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 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
 - 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.

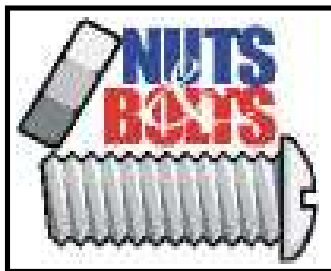
\$10,000 or Less

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 retained at the agency.

State agencies are encouraged to utilize the MOTEL04 contract, where possible, which offers discounted rates on facilities throughout the state.

Questions may be directed to Karen Byrd, Assistant Purchasing Director, at (304) 558-4317.



♦ **Statewide contract for Rental Car Services:** As a clarification, this contract awarded to Enterprise Rent-A-Car is for business rentals **only**. In an initial copy of the contract, the vendor offered discounts to state employees for renting cars for their personal use. However, once this statement was realized, the contract terms were changed. State employees cannot benefit from

a statewide contract because it is considered as 'personal gain' of public employment, a prohibition in the State Ethics Act.

♦ **Baby News at Purchasing:** Congratulations to our vendor clerk, Monica Matthews, who welcomed her first child Sam on December 15. He weighed 9 lbs. and 14 ounces. Best wishes to Monica and her husband Ben on the birth of their son.

Mabscott Supply Company: A Third Generation Business Awarded State Contract for Welding 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.

Three years ago, if Mike Massinople, Vice President of Mabscott Supply Company, had been asked if his company would ever consider doing business with the state of West Virginia, he most likely have thought that his company was not big enough and located in too small of a town.

However, today, this third generation family business has the statewide contract for welding supplies. "We sell predominately to the Division of Highways," he said. "Most of what we sell to the state are welding electrodes, safety supplies, cutting equipment for oxygen and fuel cutting that is used out in the field.



Mabscott Supply Company's headquarters is located in Mabscott, near Beckley, where it first opened its doors in 1942. Pictured above is their newest facility located in Nitro.



Under the statewide contract, Mabscott Supply Company offers items, such as welding electrodes, safety supplies and cutting equipment for oxygen.

Michael's grandfather started the company in 1942 in a small town outside Beckley called Mabscott, with no desire to grow beyond the one location in southern West Virginia. However, with their success, the family decided to expand by opening a facility in Nitro. Future plans include opening more facilities throughout the state.

"When people find out you actually deal with the state, it gives you greater credibility to maybe a higher level," Massinople said. After opening the Nitro facility, he said it enabled them to gain the confidence in the marketplace they needed in order to begin doing business with the state.

Michael's grandfather has since retired, but enjoys keeping up with the progress in the industry. Massinople said it is exciting to be a part of a family business which has been successful in dealing with the state.

"We have a good rapport with many state agencies, who purchase from us," he said. The Division of Highways is their largest consumer with orders received across the state. One of the positive aspects of dealing with the state is the State Purchasing Card, which he said empowers people to use for small purchases with more ease.

Massinople said Mabscott prides itself in that they ship nearly 100% *complete*, meaning orders received at its Nitro facility are generally in stock and shipped the same day. From the state's perspective, agencies are receiving their orders promptly.

"I look forward to maintaining our business relationship with the state," Massinople said. "It has been a great relationship, very smooth and that's exactly what you want. The state has high expectations as do we in what we hope to deliver. It's been a big flag to have on our flagpole."

Current Statewide Contract Update

(As of December 15, 2004)

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. If you need additional information, please contact the respective state buyer of the Acquisition & Contract Administration Section. The names and telephone numbers of our buying staff are listed below.

Contracts to be Bid or Under Evaluation

| <u>Contract</u> | <u>Description</u> | <u>Bid Opening</u> | <u>Under Evaluation</u> |
|-----------------|---------------------|--------------------|-------------------------|
| OIL | Lubricants and Oils | 11/23/04 | Yes |
| R-SHEET | Reflective Sheeting | 11/18/04 | Yes |

Contracts Extended

| <u>Contract</u> | <u>Description</u> | <u>Vendor</u> | <u>Extension Date</u> |
|-----------------|--------------------|------------------------------|---|
| FINEPAP | Computer Paper | Unisource, Zpedx | May utilize under the "Until such reasonable time" clause |
| SELECT | Microsoft Products | Software House International | 03/04/05 |

Contracts Cancelled

| <u>Contract</u> | <u>Description</u> | <u>Vendor</u> | <u>Expiration Date</u> |
|-----------------|--------------------|---------------------|------------------------|
| CANLINER | Plastic Can Liners | Interboro Packaging | 12/31/04 |

Contracts to be 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.

JANUARY

| | |
|-------------|-------------------------------|
| PAINT | Paint and Paint Supplies |
| PCARD | Purchasing Card Program |
| PHOTO | Photography Film and Supplies |
| TEMPS | Temporary Personnel Services |
| WELD | Welding Supplies |

FEBRUARY

| | |
|---------------|----------------------------|
| CRENTAL | Car Rental Services |
| FILTER | Filters: Oil, Air and Fuel |
| LGLOVES | Latex Gloves |

Purchasing's Honored Recipients for 2004 Employees of the Month



At the Department of Administration's 2004 **Employee of the Year** ceremony, the recipients from the Purchasing Division are pictured: (l-r) Ron Price, Carol Jarrett and John Johnston. We are very proud to have these employees on our staff! The 2004 **Employee of the Year** was Rick Morris of the General Services Division.

FOR MORE INFORMATION...

Who Are You Going to Call?

Below is a list of the Purchasing Division buyers who are assigned specific agencies. Betty Francisco is responsible for all statewide contracts.

| | |
|---------------|-----------------------------------|
| File 21 | Charlyn Miller (558-2596) |
| File 22 | Vacant |
| 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) |

PURCHASING CONNECTION

A Possible New Year's Resolution?

Avoid Frustration at Work ... Maintain Positive Attitude

It's time to start thinking of some New Year's resolutions that you implement in your life. We often look at things we can change in our personal lives; however, there are many things we can also change in our work lives.

If you want to remain or become a positive force in the workplace, you need a strategy. Follow the suggestions below to get yourself on your way:

- Ask three people you consider positive forces how they maintain their attitudes.
- Survey your use of language and change it when necessary. This includes inner talk and outer talk. Change your negative words and thoughts into positive ones.
- Surround yourself with as many positive people as possible.
- Appreciate yourself. Accept yourself for who you are, not who you ought to be.
- Don't worry about something that has already happened. If there is a lesson to be learned, learn it and move on.
- Accept that you are going to make mistakes.
- For one entire day, commit yourself to using all of your energy to be positive.
- Realize that how you feel about something is your choice.
- Take charge of your life, and give yourself credit when you do.

*Adapted from **The 6 Success Strategies for Winning at Life, Love & Business** by Wolf J. Rinke.*



It's Amazing How Time Flies When...

The Purchasing Division staff has a vast amount of state government experience.

Of the division's 48 employees, the average state government experience of our staff is nearly 14 years of service.

Sixteen of our employees have over 20 years of experience. Their dedication and experience is working hard for our customers each and every day.

GSA Online Auctions

Continued from Page 1

within two business days from the date the e-mail notification was sent.

- Property must be paid for within two business days and property removed within 10 business days from the time and date of the e-mail notification of sale results, unless otherwise specified in contract.

According to Frye, the government auction process is similar to E-bay, with items being made available with minimum bids established. Bids must be made in increments as indicated on the item bid rules.

A maximum bid may be offered, allowing that bidder to be successful if no bids exceed that amount; however, the next increment amount will be added to the bid. For example, if the maximum bid is \$500 and the next highest bid is \$200, with a \$100 bid increment, the successful bidder who placed the maximum bid of \$500 will be awarded the item at \$300.

In the past, the Surplus Property Unit would conduct an annual federal auction at its Dunbar location. Due to staffing decreases, alternative

methods of disposing federal property was researched, with the GSA online auctions viewed as the most cost-efficient option.

"The online auctions offer an excellent way to dispose federal property throughout the year," Frye said. "It's easy for us. We just compile a list of items, with descriptions and a digital picture and GSA does the rest."

In addition, all payment is made directly to GSA. "Frye added that a cooperative agreement was made between the Surplus Property Unit and GSA which reimburses the Surplus Property Unit 50 percent of the bid amount. It is the responsibility of the bidder to provide transportation to remove the property from the Surplus Property location.

If this first online auction proves successful, Frye said he anticipates offering a list of approximately 20 items twice a month for sale.

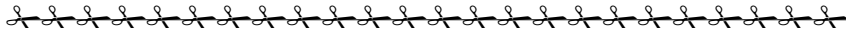
If you have comments or suggestions regarding these online federal property sales through GSA, please contact Ken Frye at 766-2626 or via e-mail at kfrye@wvadmin.gov. For details on property listed at the GSA website at www.gsauctions.gov, contact Federal Property Supervisor Danny Layton at 766-2626.

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?

- Positive feedback from a recent survey on the buyer reassignment was realized... **See Page 1.**
- Only about one percent of all purchase orders and contracts result in protests... **See Page 2.**
- The United States General Services Administration offers a website where the public can bid on federal surplus property... **See Page 3.**
- An agreement and additional documentation is required with hospitality service requests.. **See Page 4.**
- Mabscott is highlighted in our Statewide Contract Spotlight ... **See Page 5.**

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