

THE BUYERS NETWORK

SEPTEMBER 2007 - VOL. 17, ISSUE 9

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

Agency Procurement Officers Encouraged to Assist Purchasing's Staff in Shaping Statewide Contracts

Are statewide contracts meeting your needs? If not, why? How can they be improved? What's missing?

These are just a few, but critical, questions the Purchasing Division staff is asking state procurement officers when evaluating and modifying statewide contracts. The Purchasing Division has developed a questionnaire for agency purchasers to complete and return. The input received is valuable to the Purchasing Division.

"It's important to receive feedback from the agencies about these contracts," said Senior Buyer JoAnn Adkins, who oversees the statewide con-

tracts. "If I don't get any feedback, I don't know what is working and what's not. I use the feedback I receive to modify contracts so that they may better help state agencies."

No detail is too small, Adkins noted, citing a recent example how one agency wanted a certain statewide contract product to be a different color.

"That might not seem like a big deal to many agencies, but for one in particular, it was a benefit for its work-

Nearly 200 Agency Purchasers Register for Purchasing Conference *...Don't Miss Out on This Training Opportunity*

Nearly 200 agency representatives have registered for the 2007 Agency Purchasing Conference to be held at Stonewall Jackson Resort, in Roanoke, West Virginia, beginning Tuesday, October 9 through Friday, October 12.

If you are interested in attending, it's not too late. Simply register online at: www.state.wv.us/admin/purchase/conference/agency/2007.

Due to the large attendance, there are no vacancies at Stonewall Jackson Resort; however, other recommended hotels include:

Hampton Inn (Buckhannon)
Contact: 304-473-0900
\$80 per night

Comfort Inn (Weston)
Contact: 304-269-7000
\$73-79 per night

Please make sure you mention that you will be attending the purchasing conference to receive this discounted rate.

The registration fee is \$200 per participant, which covers materials, group meals, administrative costs and attendance to all workshop sessions.

Questions relating to the conference may be directed to our conference coordinators:

Diane Holley
dholley@wvadmin.gov
(304) 558-0661

Debbie Watkins
dwatkins@wvadmin.gov
(304) 558-3568

Article Continues on Page 5

INSIDE...

- **Director's Comments:** Creating an Agency Procurement Network
- **Statewide Contract Spotlight:** PC Renewal
- Reviving Purchasing Inspection Proves Beneficial
- Process Checklists Revised and Available on Division's Web Site
- Modifications Made to the Purchasing Handbook
- Statewide Contract Update

THE DIRECTOR'S COMMENTS

Creating an Agency Procurement Network

By Dave Tincher
State Purchasing Director

As required in our **Legislative Rule** (Code of State Rules 148CSR1), the Purchasing Division recently requested all spending units to designate an agency purchasing contact to serve as the liaison between the agency and our division. Your quick response to this request was greatly appreciated.

All information relating to purchasing procedures, processes, statutory and regulatory requirements, and activities will be communicated directly to these individuals who were selected by the head of their respective agencies.

It is the responsibility of these individuals to share the purchasing-related information with others in

their organization to ensure compliance with state purchasing laws, procedures and other directives.

According to the **Legislative Rule**, the "person named should take available purchasing training and have responsibility for the function of purchasing. Each spending unit shall process all purchases through this person(s), who shall be responsible for correspondence and communication with the Purchasing Division."

At this time, the Purchasing Division is finalizing the list of designated agency contacts. In some cases, more than one name was offered to serve in this capacity for the agency. However, after further study,



the **Legislative Rule** requires that one individual serve as the designated contact; therefore, one of our staff may contact some agencies to select the primary contact person or to discuss other issues to ensure that the list maintained is accurate and complete.

It is crucial that this professional network of procurement personnel be properly trained in order to efficiently perform the purchasing function for their agency. Therefore, I strongly encourage all designated purchasing contacts to attend our 2007 Agency Purchasing Conference next month (see article on page 1 for additional information).

Purchasing Division representatives will be in contact with the designated agency contacts if they are not registered for this annual training conference to express the importance of the information that will be offered. Our staff looks forward to working closely with our designated agency purchasing network in the future.

Purchasing Division Welcomes Ryan Jett to Staff

The Purchasing Division is pleased to welcome its newest employee, Ryan Jett, who is working for the Communication and Technical Services Section as an Information Systems Specialist.

Ryan's duties include the maintenance and operation of the division's technical programs, such as the purchasing automated system (TEAM) and the requisition tracking system (ReqTrak). He will also be working with the West Virginia Financial Information Management System (WVFIMS) in performing his daily tasks. The creation of the weekly online **West Virginia Purchasing Bulletin** will be an important aspect of his job as well as maintaining the division's imaging system.

In addition, Ryan will assist agency personnel with their personal computers, servers, data backup and other related technical issues.

A resident of Pinch, Ryan brings more than 10 years of information technology work experience to the Purchasing Division. He has worked in both the public and private sector, covering a wide range of information technology-related tasks.

In addition to completing various technical training courses, Ryan is a graduate of West Virginia State College and Elk Valley Christian School.



Ryan Jett joins the West Virginia Purchasing Division as an Information Systems Specialist. He will be working on various projects for the Technical Services Unit under the Communication and Technical Services Section.

Statewide Contract Spotlight...

PC Renewal Offers Secure and Cost-Effective Method for Recyclables

A company that specializes in recycling and disposing of computer and office equipment, PC Renewal, is the current vendor for the statewide contract for the recycling of electronic equipment (ERCYCL07).

Started in 2004 by Carl and Susan Crosco, the company is located in Morgantown, West Virginia. The ERCYCL07 contract is the company's first contract with the state of West Virginia. PC Renewal states it offers a secure and cost-effective way for state agencies to dispose of retired computers and other office equipment safely while conforming to EPA standards.

Prior to contacting PC Renewal, state agencies must first have a release order (WV103 or WV39) from the Surplus Property Unit for any items that are to be recycled. After receiving the order, PC Renewal schedules a pick up time to remove the items listed on the form. A certificate of destruction/recycling is then issued to the agency along with a weight total.

Among some of those items included in the contract are fluorescent bulbs, cellular phones, camcorders,

copiers, digital cameras, hard drives, keyboard/mouse/peripherals, laptops, monitors, telecommunications equipment and microwaves, as well as some office furniture and fixtures.

"There are actually two entities responsible for the agencies' recyclables, the Surplus Property Unit, who makes the decision as to what is to be picked up, and PC Renewal," said Susan Crosco. She added that it is helpful if the agencies know where property is located and to separate each item prior to pick up.

After collection, the material is taken to PC Renewal for evaluation and assessment, where it is manually processed and run through a pass/fail test. If the equipment passes the test, it is then refurbished and either remarketed or donated. If the equipment fails the test, it is shipped to an EPA regulated facility in the United States for further de-construction and recycling.

According to PC Renewal officials, prior to their contract with the state, they collected a total of 297 tons of electronic waste in West Virginia in 2006, which would have otherwise

PC Renewal is the vendor for the statewide contract for the recycling of electronic equipment (ERCYCL07). Once an agency schedules a pickup, PC Renewal offers a secure and cost effective way to get rid of retired computers and other office equipment by conforming to EPA standards.



been taken to a landfill. In the first quarter of 2007, after their contract came into effect, they collected 60.5 tons and, in the second quarter of 2007, 113.85 tons of electronics.

Crosco said she believes the large amounts of electronics collected prove the need for an on-going electronics recycling business in the state. For questions regarding PC Renewal's services, contact:

Susan or Carl Crosco
PC Renewal
3848 Grafton Road
Morgantown, WV 26508
(304) 291-8550
(304) 291-8552 fax
PCRenewal@comcast.net

This contract is available on the Purchasing Division's web site at: www.state.wv.us/admin/purchase/swc/ERCYCL. Prior to using any statewide contract, agencies are encouraged to check the web site for contract provisions that may apply.

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

West Virginia Code, §5A-3-5, authorizes the Purchasing Director to promulgate and adopt standard specifications based on scientific and technical data for appropriate commodities and services. This establishes the quality to which commodities and services to be contracted for, by the state must conform. These standard specifications are used to establish statewide contracts for commodities needed on a repetitive basis. **No agency may be exempt from using statewide contracts without prior written approval from the Purchasing Director.**

Revising Purchasing Inspection Provides Clarity and Understanding to the Process

One initiative resulting from last year's purchasing reform legislation was the creation of an Inspection Program within the Purchasing Division. Formed nearly one year ago, the primary goal of the Inspection Program is to review and audit state spending unit requests, purchases, other transactions and performance within the division's authority.

"The Inspection Program's charge currently is more about reviewing and educating rather than auditing and enforcement," said Contract Manager Mike Sheets, who oversees the Contract Management Unit which includes this program. "Presently, the inspectors are looking at procedures and proper documentation. In time, per Legislative Rule, they will be looking into performance issues which goes beyond just procurement procedure. Eventually, our inspectors will be evaluating if agencies are meeting

their stated missions and goals in their contracts."

One of the most important parts of any system is feedback. This is the part of the system that informs the other components of the system output. This data can then be used to refine processes and procedures so that the entire system functions better. Audit and review provide that critical feedback data which allows systemic improvement.

"In the time that the inspectors have been reviewing purchases, we have been able to provide feedback, not just to the spending units, but also to the Purchasing Division," Sheet said. "Several changes to our (procedures) handbook were a direct result of situations encountered in the field."

The Department of Administration was the first state agency to be inspected. The inspectors have

since been working with various state boards and commissions in the past 10 months and visits to other executive branch agencies have recently begun. Inspectors are available to answer most procedural questions or will research the question for the agency.

"Certainly we want to make the process as simple as possible for the agencies. We realize we are asking people to take time out of their busy schedules to meet with our inspectors," Sheets said. "Everybody has been very positive about the program and what we are wanting to accomplish."

Some of the areas in which the inspectors are reviewing include:

- Stringing
- Statewide availability
- Internal resources
- Bids documented
- Vendor registration
- BEP search report
- Affidavits
- Proper awards
- Purchase orders issued
- Fixed assets
- Receiving

The Purchasing Division Inspection team consists of three inspectors: Junior Blount, Shane Hall and Susan King. Agencies are generally given three days advance notice of an inspector's visit or more depending upon the volume of transactions.

With the completion of the first year of the program, Sheets is confident the program will continue to make a positive impact. He said the goal for the first year was to focus on creating an effective system to ensure the proper purchasing procedures are being followed and to assist in educating agency purchasing personnel.

Mission accomplished.

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.)

- **Administration**
Request to provide an e-mail encryption system.
- **Division of Culture and History**
Request to conduct an intensive historic resource survey of the state park system.
- **Division of Veteran Affairs**
Request to provide an open-end contract for physical and occupational therapy for the West Virginia Veterans nursing facility.
- **Lottery Commission**
Request to provide necessary services to operate instant and online lotteries.
- **Division of Highways**
Request to provide an open-end contract to provide security guards at the Dry Branch facility.
- **Department of Environmental Protection**
Request to provide landfill mowing.

Taking a **CLOSER** Look at the Purchasing Division's Procedures Handbook

Process Checklists Revised to Assist Agencies in Preparing for Purchases

The **Purchasing Division Procedures Handbook** provides a series of process checklists which agency purchasers should use in preparing for their purchasing transactions.

The purpose of these checklists is to expedite the process by outlining to agency purchasers the various documents and approvals necessary during the transaction. The recently revised checklists may be found in Appendix O of handbook at www.state.wv.us/admin/purchase/Handbook/default.htm. Buyers are advised to review the checklists periodically in case of any changes.

The checklists address the following types of transactions:

- Change Order
- Direct Purchase Order
- Equipment Contract
- Emergency Purchase
- Expression of Interest
- Piggybacking
- Request for Proposal
- Request for Quotation

There are two new sets of checklists now available: Piggybacking Contracts and Expressions of Interest.

PiggyBacking Contracts

Piggybacking allows state agencies to make purchases off the contracts of other state and non-state agencies. Three new piggybacking checklists have been developed: West Virginia state agency contract with piggyback provisions; West Virginia state agency contract without piggyback provisions; and non-West Virginia state agency contract.

The steps described in the article apply to both West Virginia state agency contract without provisions and non-West Virginia state agency contracts.

Expression of Interest

The Expression of Interest (EOI) checklist has been split into two lists: for projects less than \$250,000 and for projects in excess of \$250,000.

Request for Quotation

The Request for Quotation checklist adds that the Purchase Requisition or RQH screen in the TEAM automated purchasing system, signed by an agency, must include estimated value and maximum budgeted amount. This specified budgeted amount is required by law if the agency wishes to utilize negotiation efforts.

Request for Proposal

On the Request for Proposal check-

list, agencies now are required to submit a formal written request to use this best value process. Other requirements on this checklist were clarified to provide better understanding.

These are just a few highlighted changes to the checklists. Agency purchasers are encouraged to visit our web site to learn more of the requirements for each type of transactions.

Questions relating to the checklists should be directed to your agency procurement officer or to your assigned buyer within the Purchasing Division. For a list of the buyer assignments for the various agencies, visit the Purchasing Division's web site at:

<http://www.state.wv.us/admin/purchase/byrassign.pdf>

Statewide Contracts

Continued from Page 1

ers," Adkins said. "But, if the agency doesn't take the time to pass along even the slightest detail like this, then I can't, in turn, make such a change. This is a great example of how someone taking the time to respond to our questionnaire gives us insight to the changing needs of agencies."

Questionnaires are sent to a small number of agency purchasers when a statewide contract is ready to expire. It is not time consuming to complete, with only 10 questions asked about a particular statewide contract. An opportunity is also available to sub-

mit suggestions or ideas in improving the contract.

"We take all information submitted to us very seriously. Procurement officers are doing us and them a valuable service by taking the time to fill them out and return to us."

Questionnaires may be also be obtained upon request from the Purchasing Division and returned to Rita Withrow at rwithrow@wvadmin.gov or by regular mail at:

WV Purchasing Division
2019 Washington Street, East
PO Box 50130
Charleston, WV 25305
Fax at 304-558-6026



Current Statewide Contract Update

(As of August 15, 2007)

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 **JoAnn Adkins** at (304) 558-8802 or via e-mail at joadkins@wvadmin.gov.

Contracts Awarded

| <u>Contract</u> | <u>Description</u> | <u>Vendors</u> | <u>Effective Date</u> |
|-----------------|-------------------------------|---------------------------|-----------------------|
| MPLS07 | Multi-Protocol Label Switches | Verizon Business Services | 08/01/07 |
| LABSUP08 | Laboratory Supplies | Thomas Scientific | 08/15/07 |

Contracts Under Evaluation

| <u>Contract</u> | <u>Description</u> | <u>Bid Opening</u> | <u>Under Evaluation</u> |
|-----------------|--------------------|--------------------|-------------------------|
| BEDDING07 | Bedding, All Types | 07/26/07 | Yes |
| MEDSUP08 | Medical Supplies | 08/14/07 | Yes |

Contracts Out for Bid

| <u>Contract</u> | <u>Description</u> | <u>Pre-Bid Meeting</u> | <u>Bid Opening</u> |
|-----------------|---|------------------------|--------------------|
| LDPHONE08 | Long Distance Telephone Service | 07/12/07 | 08/30/07 |
| DWASH08 | Dishwasher Dispensing Equipment and Supplies | N/A | 08/28/07 |
| FOOD08 | Food Items | 08/27/07 | 09/13/07 |
| LAN07 | Local Area Network Hardware, Software and Service | N/A | 08/29/07 |

Contracts Renewed

| <u>Contract</u> | <u>Description</u> | <u>Vendor</u> | <u>Expiration Date</u> |
|-----------------|-------------------------|--------------------------------|------------------------|
| DCBATT07 | Dry Cell Batteries | West Virginia Electric Supply | 09/14/08 |
| LADPLAT06 | Ladder Platforms | Ladder Platforms International | 09/30/08 |
| LAUNDRY05 | Laundry Products | Ecolab Inc. | 08/31/08 |
| LAWN06B | Lawn Equipment | Moore's Tractor Sales | 07/31/08 |
| XRAY07 | X-ray film and Supplies | Amis Systems Inc. | 09/14/08 |
| SYSFURN07 [H] | System Furniture | KI Kreuger | 10/31/08 |

Contracts Extended

| <u>Contract</u> | <u>Description</u> | <u>Vendor</u> | <u>Extension Date</u> |
|-------------------|---------------------------------|---|-----------------------|
| LDPHONE [A] | Long Distance Telephone Service | Sprint | 10/09/07 |
| DIGCOP04 [E, H-I] | Copiers | [E] Ikon Office Solutions; [H] Xerox Corporation; [I] Oce' Imagistics | 02/14/08 |
| DWASH04 | Dishwashing Materials | Ecolab Inc | 09/30/07 |
| TRAVEL04 | Travel Services | National Travel Service Inc. | 03/31/08 |
| WVARF04 | State Use Program | WV Association of Rehabilitative Facilities | 09/30/07 |

Contracts Reviewed

Statewide contracts are reviewed approximately three months prior to the actual expiration date.

SEPTEMBER

| | |
|---------------|-----------------------------------|
| AUDIT | Single Audit Services |
| JITLECT | Multimedia Courseware Development |
| SBUS | School Buses |
| TOOL | Tools |
| WATER | Water Treatment Chemicals |

OCTOBER

| | |
|--------------|---|
| HOUSE | Housekeeping Materials |
| IP | Information Processing Equipment |
| LEXNEX | Lexus Nexus Online Research Service |
| LITTER | Litter Grabbers |
| OIL | Oil: Motor, Transmission, Hydraulic, Etc. |
| PAPER | Various Paper |
| PPHONE | Pay Telephones |

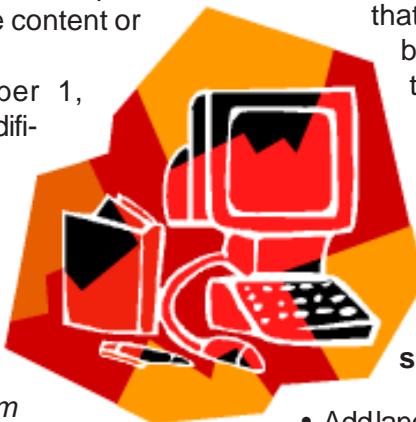
PURCHASING CONNECTION

Modifications Made to the Online Purchasing Procedures Handbook

Modifications have recently been made to the **Purchasing Division Procedures Handbook** to either provide clarification or to update information within the content or appendices.

Effective September 1, 2007, the following modifications have been made and are noted at the Purchasing Division's website at:

<http://www.state.wv.us/admin/purchase/Handbook/default.htm>



Section 1: General Information

- Add language to the Mission Statement in Section 1.1 to clarify importance of seeking the lowest possible price.

Section 4: Acquisition Planning

- Clarifying language in Section 4.7.3 "Life of Contract" to note that "Contracts should be issued for no more than a twelve (12) month period or cite a specific time for completion for the project or service."

Section 6: Agency Delegated Acquisition Procedures

- Add language to Section 6.2.3 "Award Process" stating "all contracts should be entered into for a firm, fixed price per unit of goods or service. In such cases where the nature of the procurement prohibits a firm, fixed price, the **Agreement**

Addendum (WV-96) must be made a part of the contract."

- Modify language in Section 6.3 "Receiving Procedures" to note that "Agencies must verify shipment against the specification in the purchase order and retain a copy of the receiving report prepared for the Auditor's Office with the purchasing file."

Section 7: Formal Acquisition

- Add language to Section 7.2.5 "Expression of Interest" stating, "For guidance, refer to 7.2.4. and Appendix P for the EOI Standard Format."

Section 9: Sole Source Acquisitions

- Add exemption: "30. Livestock: West Virginia Department of Agriculture purchases for livestock for sale to state institutions."

Appendix O: Agency Process Checklists

- The checklists for all processes were updated to reflect recent changes.

Appendix P: Expression of Interest Standard Format

- Standardized language for the Expression of Interest purchasing method was added as an appendix to the handbook.

Table of Contents

- Updated table of contents to reflect insertion of Appendix P.

A complete summary of these modifications is available at the Purchasing Division's web site, along with the original version released on July 1, 2007, which will be archived for reference only.

MoneyWise...

Tips for the Thrifty

Adult Kids Cellular Bills

About 42 percent of U.S. households had a family cellular telephone plan last year, according to Forester Research. Nearly 40 percent of 18- and 21-year-olds in the U.S. say their cellular telephone bills are paid by someone other than themselves.

Of these individuals, some are well into their 20s and are in no hurry to take on their own bills. Often parents with group plans don't realize how much they spend.

One recommendation: Give adult kids a gift of one year of cellular service to prepare them for paying their own bills or ask kids to pay a portion of the bill. Some parents are more blunt and just tell the adult children they refuse to pay anymore.

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 _____

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In This Issue... Did You Read About?

- Purchasing Division Requests Feedback on Statewide Contracts... **See Page 1.**
- Agency Purchasing Conference to Offer Training to More than 200 Purchasers... **See Page 1.**
- An Agency Procurement Network Forms in Accordance with Legislative Rule.. **See Page 2.**
- Statewide Contract Spotlight:** PC Renewal ... **See Page 3.**
- Purchasing's Inspection Program Brings Clarity and Understanding to the Process... **See Page 4.**
- Current Statewide Contract Update... **See Page 6.**

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