

# THE BUYERS NETWORK

MAY 2011 - VOL. 21, ISSUE 5

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

## Successful State Programs Rely on Procurement's Supportive Role for Completion and Implementation

One of the perks of working in procurement is seeing the finished products. Recently, the Purchasing Division played a role in an unique transaction when the state Office of Miners' Health, Safety and Training (MHST) had a formidable project come to fruition. The agency unveiled a specially-built mobile command and response vehicle designed primarily for use at coal mining sites. Officially named the Command Unit Rapid Response Task Force 1 and Mine Rescue Truck, the vehicle is a result of recent coal mine disasters.

"Officials with The Miners' Health, Safety and Training and the Southern West Virginia Community and Technical College were involved in writing the specifications for this vehicle. Once they were complete, we bid it out through the normal bidding process," said Senior Buyer Frank Whittaker.

The design and features of this state-of-the-art

tool will support mining and mine rescue operations across the state, and if requested, around the country and world for emergencies.

This vehicle will also be used to perform mine site evaluations to identify baseline atmospheric readings in order to recognize mines with potential atmospheric problems before an accident.

"The agency was

**Please see ROLE, Page 2**



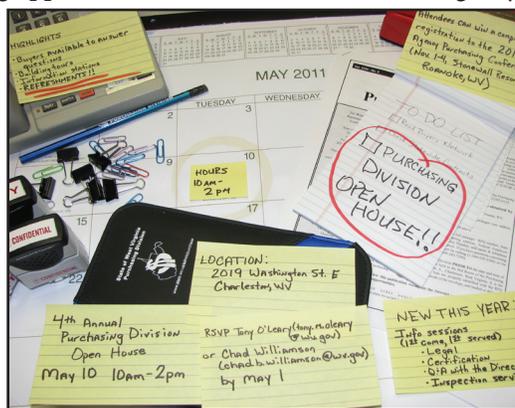
The Command Unit Rapid Response Task Force 1 and Mine Rescue Truck was recently acquired.

## Don't Miss Out Attending the Purchasing Division's 4<sup>th</sup> Annual Open House on May 10

The Purchasing Division is gearing up for its 4<sup>th</sup> annual **Open House** on Tuesday, May 10 from 10 a.m. – 2 p.m. at the agency's office located at 2019 Washington Street East. *Are you planning to attend?*

This year, along with the networking opportunities with our staff and other agency purchasers, there will be four 30-minute informational presentations offered on a first-come basis relating to legal issues, certification, inspection and an informal session with Purchasing Director Dave Tincher. Attendance to our **Open House** and to one of our informational presentations will earn procurement officials *one class credit* toward our Basic Purchasing Certification program.

Don't miss out on this year's event!



## INSIDE...

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## THE DIRECTOR'S COMMENTS

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# Preparing for Our 2011 Fiscal Year End Takes Cooperation

By Purchasing Director Dave Tincher

Each year, the Purchasing Division works with the staff members of the Finance Division under the Department of Administration and the State Auditor's Office to coordinate the closing of the books for the existing fiscal year in the West Virginia Financial Information Management System (WVFIMS). And, because of this cooperation, enhanced technology and improved logistical communication, this process, which in past years was an overwhelming endeavor, now runs more smoothly and efficiently.

One of the primary reasons for this positive transformation between the existing and new fiscal years is establishing timelines which are reviewed by each party and communicated to all state agencies.

The portion of these timelines for which the

Purchasing Division is heavily involved is the encumbrance (purchase order) year-end processing.

On Page 3 of this issue of *Buyers Network*, the encumbrance (purchase order) year end timelines are outlined. At the end of March, we distributed an e-mail with a link to these year-end processing policies, with the first important date being April 4, 2011. This date was the starting point for transactions to be distinguished as expiring funds.

The primary objectives for year-end processing are to prevent a backlog of transactions in the Purchasing Division and the State Auditor's Office and to ensure the timely processing of agency transactions. The key to accomplishing this goal is the cooperation of each agency in adhering to the year-end processing plan.

The timelines established in this year's fiscal year-end processing guidelines are located at the Finance Division's website at:

<http://www.wvfinance.state.wv.us/FY11pol.htm>



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## ROLE

Continued from Page 1

great to work with and very receptive to any changes to the specifications or bidding documents that were suggested by the Purchasing Division to ensure a successful bid process and award," Whittaker said. "This vehicle has such a vast array of capabilities, I am sure it will be a great asset to the agency and the state for many years to come."

Another recent purchase which was processed by the Purchasing Division related to Twin Falls Resort State Park. Major renovations have been completed at this Wyoming County state park, which brought about a lodge expansion, new furnishings and a new atmosphere.

Years before he was named as the Twin Falls Resort State Park superintendent in 1979, Scott Durham learned the importance of having purchasing regulations in place. It was at his first state parks job that he remembers a fellow employee ordering tools to be used for the grounds. "I learned that the policies and procedures put in place through the years were done so for a reason," Durham said. "I certainly understand their importance and I am glad we have them."

Durham has good reason to reflect positively on the relationship between Twin Falls and the Purchasing Division. "Every day, when I come to work, I think to myself, 'Do I really get to work here?' The new building expansion and the new features have added a really good feeling to the park," Durham said.

The new addition increased the lodging from 20 to 47 new rooms, with an indoor pool, hot tub and



**Twin Falls Resort State Park recently renovated its facility by increasing the number of lodging rooms and adding an indoor pool, hot tub and fitness center.**

fitness center. The lodge lobby and conference and meetings rooms were expanded. Durham said the expansion was just the beginning of another series of procurements, noting how chairs, sheets, pillows, televisions, furniture and waste baskets were among the many items that had to be purchased.

"Once the building was complete, it was basically a shell. We continued to do a great deal of work with the Purchasing Division to get the many furnishings needed for the inside and the Purchasing Division has been great to work with all along," Durham said. "This is the fourth and final phase of a long-term master plan for Twin Falls which dates back to the mid-1980s and so much of these projects involved working through the Purchasing Division."

# Fiscal Year-End Purchasing Procedures Outlined

To facilitate a smooth transition for encumbrance document processing between fiscal year 2011 and 2012, the Department of Administration, in conjunction with the Finance Division and the State Auditor's Office, has formulated the following plan for the fiscal year-end processing of encumbrance documents.

The following remaining deadlines are offered as a guide for each agency for encumbering purchasing transactions through the Purchasing Division:

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## Expiring Accounts - Appropriated General / Special / Federal Revenue

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These accounts follow a year-end time line that allows for a 31-day close out period for payment of transactions, but purchase orders must be encumbered by June 30, 2011. These accounts will be closed out on July 29, 2011.

### Purchasing Division Time Line

**June 1:** First day fiscal year 2012 Encumbrance documents may be entered into WVFIMS. These transactions can only be approved to the Purchasing Division, Org. 0200. The Purchasing Division may not be able to electronically approve these transactions to the State Auditor's Office until July 1, 2011.

**June 3:** Last day that non-bid requisitions, (change orders, emergency purchase orders, and/or equipment contract orders) referencing expiring funds may be submitted to the Purchasing Division for processing. After June 3, 2011, agencies may walk through expiring requisitions up to 1 p.m. by June 30, 2011.

Please note that the Attorney General's approval may be required for processing. After Purchasing has executed the purchase order, the agency is responsible for obtaining all necessary signatures and having all paperwork in order and returned to the Purchasing Division by 3 p.m. for encumbrance to occur by June 30, 2011. Agencies must deliver all paperwork to the Auditor's

Office by 4 p.m. in order to complete the transaction by close of business.

**July 1:** First day the Purchasing Division will be able to encumber and electronically approve fiscal year 2012 encumbrance documents to the State Auditor's Office.

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## Non-Expiring Accounts - Non-appropriated Special Revenue / Re-appropriated

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### Accounts

These accounts follow a June 30, 2011, year-end time line for close out. These accounts will no longer be valid after June 30, 2011, for process fiscal year 2011. After this date, non-appropriated special revenue account transactions with a fiscal year of 2011 on the split screen will not be accepted.

Non-appropriated special revenue accounts will have to be processed with a fiscal year of 2012 on the split screen after this date. If the account has been re-appropriated to fiscal year 2012, prior fiscal years will be accepted on the split screen for process fiscal year 2012.

### Purchasing Division Time Line

**June 3:** Last day to submit fiscal year 2011 Encumbrance (purchase order) documents to Purchasing for Non-appropriated Special Revenue and/or Re-appropriated Special Revenue accounts. Any document not processed in fiscal year 2011 will be processed in fiscal year 2012.

**June 10:** All Encumbrance transactions (WVFIMS Purchase Orders and Purchase Order Adjustments) that were unable to be processed by the Purchasing Division by this date will be rejected to the agency of origin.

**July 1:** Agencies may modify any encumbrance document that was rejected to their agency due to year end processing to reflect the correct fiscal year on the split screen. Agencies may also be-



gin approving fiscal year 2012 transactions.

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## Procurements with Start Dates of July 1, 2011

Any encumbrance document (purchase order) processed that contains a start date of July 1, 2011 clause will be held by the Purchasing Division until the funds associated with the contract can be encumbered on WVFIMS for fiscal year 2012. The scheduled date for encumbrance of these funds is July 1, 2011.

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## Walk Through of Transactions

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The Purchasing Division will permit walkthroughs of expiring fund requisitions after June 3, 2011. The Auditor's Office will permit transactions to be walked through the system after June 17, 2011.

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## Summary of Procedures

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For the complete procedures for fiscal year-end, please visit the Finance Division's website at:

<http://www.wvfinance.state.wv.us/FY11pol.htm>

Questions regarding the Purchasing Division's fiscal year-end timeline should be directed to Dan Miller at (304) 558-2314 or via e-mail at [Daniel.E.Miller@wv.gov](mailto:Daniel.E.Miller@wv.gov).

## Statewide Contract Spotlight...

# West Virginia Company, Matthews Lubricants, Keeps the Wheels of State Government Greased

Much debate could be spent on who actually keeps the wheels of state government rolling, in a figurative sense. However, the company that truly keeps the wheels of state government rolling can be pinpointed to Matthews Lubricants, Inc.

This Clarksburg-based company is the sole vendor on the statewide contract **OIL10**, which provides lubricants, oils and greases to state agencies and political subdivisions. Matthews Lubricants provides top line Conoco and branded Mobile products, all which meet or exceed the specifications required on **OIL10**. Matthews Lubricants has 14 fulltime employees with additional facilities in Charleston to better serve state agencies.

Ron Roby, president of Matthews Lubricants, said the Division of Highways is the company's primary customer among the approximate dozen state agencies which the company has dealt with since becoming the **OIL10** vendor.

"We appreciate the opportunity to work with the many state employees we have come in contact with since becoming a vendor on this statewide contract," Roby said. "Getting to know them has been rewarding. And, we hope to continue to provide quality service to all of state employees and agencies now and in the future."

Roby certainly knows the value of customer service, having been the president of Matthews



**A West Virginia Company, Matthews Lubricants provides lubricants, oils and greases to state agencies and political subdivisions on the statewide contract, OIL10.**

Lubricants since 1995 when he and a partner purchased the industrial side of Matthew Brothers Wholesale. Prior to that acquisition, Roby began working at Matthew Brothers Wholesale in 1948.

The company's philosophy, Roby said, is to provide each customer with an individualized approach with agreed-upon solutions to meet their specific needs. This enables Matthews Lubricants to remain a valued and diversified single-source supplier of petroleum related products and services, he said.

"Between Matthews Brothers Wholesale and Matthews Lubricants, we have been associated with Conoco and Exxon Mobile for 63 Years. We are the sole supplier to many commercial fleets, power plants, chemical plants, national gas transmission industries, and mining companies. We are considered a leader in the finished petroleum lubricants industry," Roby said. "Over the past several years we have grown, which has made it possible for us to provide a wide variety of services and products to our customers."

And now, the state of West Virginia benefits as well. To learn more about Matthews Lubricants, Inc., contact Ron Roby or Irene Rogers at:

(800) 424-3361  
(304) 623-3361 Ext 17  
(304) 623-3364 (fax)

[irogers@matthewslubricants.com](mailto:irogers@matthewslubricants.com)  
[www.matthewslubricants.com](http://www.matthewslubricants.com)

### Save the Date!

## 2011 Agency Purchasing Conference

The Purchasing Division is finalizing the itinerary and workshop topics for the 2011 Agency Purchasing Conference, scheduled for November 1-4 at Stonewall Resort in Roanoke, West Virginia.

Registration is set to open this July. Additional information on lodging and registration will be shared with our agency purchasers in the upcoming months. However, several new features and classes are expected to be included at this year's conference.

Remember that if you are a designated purchasing liaison for your office, you are expected to attend this annual training event. It is at this conference that a full agenda of information is provided to our agency partners.

For more information on the conference, please contact Staff Development Specialist Samantha Knapp at [Samantha.S.Knapp@wv.gov](mailto:Samantha.S.Knapp@wv.gov) or by telephone at (304) 558-7022.



## Acquiring Three Bids May Present Challenges in Rural Areas of State

*West Virginia Code of State Rules* 148CSR authorizes state agencies to make purchases of \$25,000 or less on certain commodities and services. One of the requirements associated with this process is that agency procurement officials are to seek three verbal bids for purchases of \$2,500.01 to \$5,000 and three written bids for purchases \$5,000.01 to \$25,000.

This process can occasionally present a challenge for procurement officers in the state's rural areas where availability of certain commodities and services may be limited but agency purchasers are strongly encouraged to be conscientious in meeting this requirement.

"The state does present geographic limitations for some of our procurement officials. An agency may need certified public accountant services and for those working in rural areas, that service may be available

on a very limited basis compared to a larger city, such as Charleston," said Mike Sheets, Assistant Director for the Acquisition and Contract Administration Section. "Even so, every effort should be made to obtain three verbal or three written bids and document all attempts to gather those bids and show the sources used to get those bids, whether it be the telephone directory, Internet or some other source."

Sheets said obtaining three bids may not always be possible, but the important factor to keep in mind is the documentation of the attempt to get the bids.

"It is crucial that procurement officials document in each purchasing file all the activity that went into the process of soliciting at least three bids," he said. "All purchases are public record and for those living in rural areas, such circumstances are taken into account. Even so, it is important for procurement officers to do due diligence."

Sheets recommends for each bidding process to contact more than three vendors for that particular service or commodity, noting that not every vendor responds with a bid. When obtaining verbal bids, a **Verbal Bid Quotation Summary** (WV-49) should be used. When three written bids are required, an agency **Request for Quotation** (WV-43) should be used. An **Agency Purchase Order** (WV-88) is required for purchases exceeding \$2,500. Awards are to be made only to vendors who are properly registered with the Purchasing Division and have paid the fee (if applicable). Signed fax bids or electronic bids are acceptable. Screen prints from Internet sites are not acceptable as a valid bid.

Prior to seeking competitive bids, agencies must first check the following mandatory contracts or internal resources: statewide contract or agency open-end contract existing for the commodity or service, West Virginia State Agency for Surplus Property, Correctional Industries and the West Virginia Association of Rehabilitation Facilities.

For additional information about agency delegated acquisition procedures, visit the Purchasing Division Procedures Handbook at <http://www.state.wv.us/admin/purchase/Handbook/default.html>. Links to the forms WV-43, WV-49 and WV-88 may be found in Appendix B of the handbook.

Questions may be directed to your assigned buyer at the Purchasing Division.

## New Training Module Added to the Purchasing Division's Website

The Purchasing Division continues to add new segments to the Online Training Modules on the agency website.

The new module recently posted to the site is **Special Purchasing Processes: Emergency and Sole Source Purchases**. This is the fifth online training module to be added to the Purchasing Division website.

These online training tools are designed for procurement agency officials to review from the convenience of their offices.

Each module counts as one credit in a procurement official's participation in the Purchasing Division Certification Program. Please note that upon reviewing any of the Purchasing Division's online training modules, it is important to print a **Certificate of Completion** for the specific module.

The certificate is to be signed by the employee and his or her supervisor and must be mailed to Staff Development Specialist Samantha Knapp of the Purchasing Division in order to receive credit. Please contact Knapp at (304) 558-7022 or by e-mail at [Samantha.S.Knapp@wv.gov](mailto:Samantha.S.Knapp@wv.gov) if you have any questions.

For a direct link to this and all of our online training modules, please visit:

[www.state.wv.us/admin/purchase/training/modules.html](http://www.state.wv.us/admin/purchase/training/modules.html)



# Purchasing Recognizes Certification Recipients



The Purchasing Division salutes its latest recipients in West Virginia Procurement Basic Certification (WVPBC) program.

Jo Bess and Susie Teel of the Department of Health and Human Resources and Charlyn Miller of the Division of Rehabilitative Services join Purchasing Division Senior Buyer Tara Lyle as the most recent recipients in the WVPBC program. The number of state procurement officials who have earned this certification now stands at 12.

Approximately 35 state procurement officials are enrolled in the WVPBC program, which was introduced at the 2009 Agency Purchasing Conference. The Purchasing Division created a State Certification Program to strengthen the education and training of those involved in the state procurement process. The WVPBC program is open to agency procurement officers and Purchasing Division buying staff. Those who complete this certification are eligible to enroll in the West Virginia Procurement Advance Certification program.

For a complete list of the program's requirements and the newly posted re-certification requirements, visit <http://www.state.wv.us/admin/purchase/training/Certification/>. Procurement officials interested in this program should contact our Staff Development Specialist Samantha Knapp at (304) 558-7022 ([Samantha.S.Knapp@wv.gov](mailto:Samantha.S.Knapp@wv.gov)) or Diane Holley-Brown, Assistant Purchasing Director, (304) 558-0661 ([Diane.M.Holley@wv.gov](mailto:Diane.M.Holley@wv.gov)).

Purchasing Division Senior Buyer Tara Lyle was one of the four most recent recipients in the West Virginia Procurement Basic Certification (WVPBC) program.

## Maximum Budget Amount Required on All Purchase Requisitions Submitted to Purchasing Division

Agency procurement officers are reminded that it is required that all spending units shall submit a valid maximum budgeted amount for each requisition submitted to the Purchasing Division, which cannot be changed after the bid opening. This requirement also includes requisitions for open-end contracts.

The maximum budgeted amount is the dollar amount that the agency can spend out of its budget to pay for the commodity or service that is being requested.

The Purchasing Division will not disclose this information to the bidders at any time prior to the award of a contract.

If all bids meeting requirements exceed this budgeted amount, the Purchasing Division may negotiate a lower price

within budget with the lowest bidder. If the negotiation does not lead to the budget amount being met, the Director may negotiate a lower price with the next lowest bidder and continue negotiations with participating bidders after negotiation closes with the preceding bidder.

For this reason, it is vital that all incoming requisitions state the maximum budgeted amount for the transaction. This information is requested on the Purchasing Requisition (WV-35).

If the agency does not provide its budgeted amount for the requisition prior to the bid opening, the Purchasing Division

is unable to negotiate, in accordance with *West Virginia State Code* §5A-3-11a.



Interested in past issues of *The Buyers Network*? Check them out at:  
<http://www.state.wv.us/admin/purchase/BN/bnlist.html>

# Current Statewide Contract Update

(As of April 15, 2011)

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 <http://www.state.wv.us/admin/purchase/swc>. For more information, please contact your assigned agency buyer.

## Out for Bid

Contract	Description	Pre-Bid Meeting	Bid Opening
FRMTIRE11	Farm tires	03/29/2011	03/24/2011
TEMP11	Temp employee services	03/16/2011	04/05/2011

## New Awards

Contract	Vendor	Description	Dates
FOOD10A	AF Wendling	Supply food	03/29/2011-03/28/2012
FOOD10B	US Foodservice	Supply food	03/29/2011-03/28/2012
CEREAL11A	US Foodservice	Various cereals	04/01/2011-03/31/2012
CEREAL11B	AF Wendling	Various cereals	04/01/2011-03/31/2012

## Under Evaluation

Contract	Description	Bid Opening	Under Eval
WAN11	Installation and support wide area network	03/22/2011	Yes
FOOD10	Food for all agencies	02/22/2011	Yes
NTIRES11	New tires	02/17/2011	Yes
CEREAL11	Various cereals	03/17/2011	Yes

## Renewals

Contract	Vendor	Description	Date
ITECH10U	Global Nest LLC	Technical support	03/01/2011-02/29/2011
MOTL10CB	Centennial Motel	Hotel accommodations	01/01/2011-12/31/2011
ITECH10N	Digital Management Inc.	Technical support	03/01/2011-02/29/2012
ITECH10T	Global Information Services Inc.	Technical support	03/01/2011-02/29/2011
SUPFOOD10	Grove Medical Inc.	Supplemental food	07/01/2011-06/30/2012
ITECH10AQ	Verizon Business Svcs	Technical support	03/01/2011-02/29/2012
MOTL10AZ	Holiday Inn Express	Hotel accommodations	01/01/2011-12/31/2011

## Contracts Extended

Contract	Vendor	Description	Date
WAN08A	Advanced Technical Solutions	Network hardware and service	04/01/2011-04/30/2011

## Contracts Extended

Contract	Vendor	Description	Date
SIP2008EA	Software Information Systems	Servers and PC peripherals	05/01/2011-07/01/2011
SIP2008D	Pomeroy Solutions Inc.	Servers and PC peripherals	05/01/2011-07/01/2011
SIP2008C	Ncompass Networks	Servers and PC peripherals	05/01/2011-07/01/2011
SIP2008A	Advizex Technologies LLC	Servers and PC peripherals	05/01/2011-07/01/2011

## Miscellaneous Actions

Contract	Vendor	Commodity	Description of Change
SYSFURN10B	Capitol Business Interiors	Office furniture	Reinstate line of furniture
CANLINE10A	Calico Industries Inc.	Trash can liners	Cancel contract
CPHONE07DA	Verizon Wireless	Cell phones	Change current plan
LDPHONE8	Method One services	Telephone Communications	Update pricing
CPHONE07A	Ntelos	Cell phones	Update rate plans
ENTPRZ08	Shi International	Reseller for Microsoft	Update price list

## 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.

### MAY

CLRM	Classroom furniture
ENTPRZ	Microsoft Enterprise products
ERCYCL	Electronic equipment recycling
HRDEV	Human resources related personnel development tools
LAWN	Lawn maintenance equipment
MOVE	Moving services
RECMGT	Records management
SIP	Personal computers and peripherals

### JUNE

CLRM	Classroom furniture
ENTPRZ	Microsoft Enterprise products
ERCYCL	Electronic equipment recycling
HRDEV	Human resources related personnel development tools
LAWN	Lawn maintenance equipment
RECMGT	Records management
SANPAP	Sanitary paper supplies

# 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-Brown, Assistant Director  
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## In This Issue... Did You Read About?

- Purchasing Division's 4<sup>th</sup> Annual Open House is May 10 from 10 a.m. to 2 p.m. Don't miss out on this event!  
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- All **Purchase Requisitions** submitted by agencies must include a maximum budget amount ... [See Page 6.](#)

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