

# THE BUYERS NETWORK

AUGUST 2006 - VOL. 16, ISSUE 8

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

## Standard Mileage Reimbursement Rate Changes

### **Mileage Reimbursement Rate Increase for State Employees**

Effective July 26, 2006, the state of West Virginia joined the Internal Revenue Service and the U.S. General Services Administration in increasing the standard mileage rate for business use of an automobile from 40.5 cents per mile to 44.5 cents per mile.

Along with sedans and sport utility vehicles, the term *automobile* includes vans, pickups and panel trucks.

The standard rate for business is based on an annual study of the fixed and variable costs of operating

an automobile. The primary reason for the mileage increase is higher prices for fuel.

If you need additional information regarding this change in the mileage reimbursement rate in West Virginia or any other state travel-related questions, please do not hesitate to contact:

Catherine DeMarco  
State Travel Manager  
Travel Management Office

(304) 558-2613  
[cdemarco@wvadmin.gov](mailto:cdemarco@wvadmin.gov)



### **Purchasing Division Issues its Listing of Non-Competitive Commodities / Services**

In accordance with §5A-3-10 of the *West Virginia Code* and the Code of State Rules 148CSR1-4:

*The director may establish a list of commodities and services that are not possible to bid. Purchases of the commodities and services on this list that have been pre-approved by the Purchasing Division shall be made directly by the spending unit. A contract or purchase order for these commodities and services is not required to be approved by the Purchasing Division.*

This listing replaces Section 9: Sole Source Acquisitions, included in the existing **Purchasing Division Policies and Procedures Handbook**. This pre-approved list by the Purchasing Division does not supersede or replace approval *as to form* by the West Virginia Attorney General's Office.

The following commodities and services comprise the "non-competitive / exempt list of commodities and services" and may be purchased

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# THE PURCHASING DIRECTOR'S COMMENTS



## Public Works Issues Performance Report

By Dave Tincher  
State Purchasing Director

At a recent press conference, Gov. Joe Manchin joined officials of Public Works LLC, a consulting firm, to announce the implementation of *common sense* recommendations for cost savings.

In this analysis of state government operation, specific areas were identified within three sections of state government: Transportation, Health and Human Resources, and Purchasing.

Those recommendations affecting state procurement included:

- ♦ **e-Procurement:** Establishing a regional partnership with the Commonwealth of Virginia. I, along with members of my staff and representatives of the Office of Technology, am working closely with Virginia procurement officials to proceed with this recommendation.
- ♦ **Multi-State Contracting:** With recent changes made to the **West Virginia Code** as a result of Purchasing Reform, this type of purchasing alliance may now be explored.
- ♦ **Agency Delegated Purchasing Authority at a Single Level:** As a result of Purchasing Reform and recent changes made to the Code, agencies under the authority of the Purchasing Division are now consistent with Higher Education limits at \$25,000.
- ♦ **Online Solicitations:** The Purchasing Division began making solicitations available electronic-

ally in April on the division's website.

- ♦ **Attaching WV96 to Bid Packages:** The Purchasing Division concludes that attaching the Agreement Addendum to all bid packages would not be necessary and could inadvertently hamper the purchasing processing time. In addition, no cost savings would be experienced.
- ♦ **Multi-Year Contracting:** This allowance was in the early drafts of the Purchasing Reform Code changes; however, during the process, it was later eliminated.
- ♦ **Combine Service Cards:** This recommendation suggests the combination of the State Purchasing Card and the Travel Card. The division will work with the State Auditor's Office on the implementation of this recommendation.
- ♦ **Elimination of the Dual Bid Receipt:** In cooperation with the State Auditor's Office and through legislative changes in the **West Virginia Code**, effective June 8, 2006, the requirement of a duplicate copy of the vendor's bid to the Auditor's Office was eliminated.

This performance review report, the first phase of a two-phase plan to improve the fiscal management of state government operations while maintaining the services to the citizens, represents the latest step in the Governor's continuing serious of "Responsible Government" initiatives.

## 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.)*

- ♦ **Department of Administration**  
Request to provide exterior cleaning and masonry repairs to the State Capitol Building.
- ♦ **Division of Homeland Security and Emergency Management**  
Request to provide technical support, maintenance and repair during the expansion of the state flood warning system equipment.
- ♦ **Department of Health and Human Resources**  
Request to upgrade or replace the current mailing system to meet postal regulations.
- ♦ **West Virginia Racing Commission**  
Request to provide an inspector to study the statute and rule compliance pertaining to the eligibility of greyhounds in the West Virginia Greyhound Breeding Development Fund.
- ♦ **Department of Agriculture**  
Request to furnish uniforms, mats and related items.

## Winans Sanitary Supply Co. Attempts to Keep Costs Down and Customers Happy

Keeping costs down and their customers happy are two priorities of Winans Sanitary Supply Company, Inc. As a statewide vendor for household supplies contract (HOUSE06), Winans provides the state of West Virginia with such janitorial/cleaning products as Brillo Window Cleaner, Simoniz non-Phosphate Laundry Detergent, Murphys Oil Soap and heavy duty plastic buckets and brushes.

To make shopping easy for state agencies, Winans has added a state of West Virginia link on its website ([www.winanssupply.com](http://www.winanssupply.com)). By clicking on this link, state employees may browse to see what products are included in the contract as well as the prices.

"We have had success with various versions of this contract over the last few years," said Vice President Sam Winans, "which basically condensed HOUSE, BRUSH and BUCKET statewide contracts into one easy-to-use purchasing device. It covers most cleaning solutions for housekeeping departments."

Winans is proud of the business his father, James, started in 1959 out of a family garage in Parkersburg. Over the last 47 years, the company has grown to five family members, along with 800 associates. They have been doing business with the state for the last 20 years.

"I really enjoy working with the agencies," he said. "We find this to be a very easy contract to administer ...I wish every customer was as easy to deal with. Our representative, Elise Smith, has been working with the same contact people for years."

He is most appreciative of Purchasing Division's Senior Buyer Betty Francisco whom he says has never failed to ask questions or get opinions on the commodities included in the contract. He adds that she always puts the state's interests first, but also understands the importance of allowing the successful bidders to make a profit on the contracts.

When it comes to customer relations, West Virginia Division of Rehabilitation Storekeeper George

*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.**

Otey gives Winans very high marks. "I have dealt with them for years. They are outstanding people to work with, very cooperative and accommodating. There have been situations where we needed a quick response from a vendor and Winans pulled through in a timely fashion."

For questions concerning the products offered by Winans Sanitary Supply Company, Inc., or for more information, please contact:

Sam Winans or Elise Smith  
Winans Sanitary Supply Co.  
430 - 29th Street  
Parkersburg, WV 26101  
(800) 759-4004  
(304) 485-7570 (fax)

You may also visit its website at [www.winanssupply.com](http://www.winanssupply.com). This contract is available on the purchasing website at [www.state.wv.us/admin/purchase/swc/HOUSE.htm](http://www.state.wv.us/admin/purchase/swc/HOUSE.htm).

Prior to using any statewide contract, agencies are strongly encouraged to check the website for contract provisions that may apply.



**(Pictured l-r) Winans' Bernie Lyons, Elise Smith and Tony Mercer make shopping easy for state employees. Winans Sanitary Supplies provides the state with janitorial/cleaning products on the statewide contract for housecleaning supplies (HOUSE).**

# Current Statewide Contract Update

(As of July 15, 2006)

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](http://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](mailto:bfrancisco@wvadmin.gov).

## Contracts Awarded

Contract	Description	Vendors	Effective Date
LABSUP06A	Laboratory Supplies	Thomas Scientific	07/15/06
FILTER07	Automotive and Equipment Filters	Vehicle Maintenance Program	08/01/06

## Contracts Under Evaluation

Contract	Description	Bid Opening	Under Evaluation
TCARD	Travel Card Services	10/20/05	Yes
ITECH	IT Temporary Workers	03/14/06	Yes
ABATMNT	Asbestos Abatement	07/12/06	Yes
CELPON	Cellular Telephones	07/24/06	Yes

## Contracts Out for Bid

Contract	Description	Pre-Bid Meeting	Bid Opening
XRAY07	X-Ray Film and Accessories	None	07/26/06
FLRCOV07	Carpet/Vinyl Tile	08/09/06	08/22/06
SYSFURN07	Systems Furniture	08/16/06	09/06/06

## Contracts Renewed

Contract	Description	Vendor	Expiration Date
IP04A-D	Information Processing Equipment	(A) Pomeroy; (B) Ncompass Networks; (C) Hourly Computer Services; (D) Computer Store Inc. of WV	08/31/07

## Contracts Extended

Contract	Description	Vendor	Extension Date
OFFICE 02	Office Supplies	Office Max	08/31/06

## Miscellaneous Action

Contract	Description	Vendor	Comment
ENTPRZ05	Software	Software House Int'l	Change price list; Amend enrollment

## Miscellaneous Action

Contract	Description	Vendor	Comment
DIGCOP04 [B, D]	Copiers	(B) Lanier (D) Aarons Products	Model changes
SELECT04	Software	Software House Int'l	Change price list
IP06	Computers	Lenovo	Update price list
PPHONE05	Pay Phone Services	Embarq (formerly Sprint)	Change vendor name
FOOD04A	Food	AF Wendling	Change price list
LAN04H	Wide Area Network	Verizon	Change address
PAPER06 [B, C]	Paper	(B) Unisource (C) Liberty Distributors	(B) Revise price list (C) Price change; delete two items; Correct pricing page
MV06 [E, H]	Motor Vehicles	(E) Jack Garrett (H) Stephens Auto	(E) Delete Class 26 (H) Add Class 26
WAN04	Wide Area Network	Verizon	Change price list
CANLINE06	Canliners	All American Poly	Canceled / Reissued; Change pricing page
CABLE06A	Cable	Graybar Electric	Revise pricing page
SANPAP05A	Sanitary Paper Supplies	Liberty Distributors	Change package size
PC06A	Police Cruisers	Country Club Chrysler	Add 2007 model

## Contracts Reviewed

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

### AUGUST

WAN ..... Wide Area Network Hardware, Software and Service  
 JITLECT ..... Multimedia Courseware Development  
 ERYCLE ..... Recycling of Electronic Equipment

### SEPTEMBER

HOUSE ..... Household Supplies  
 IP ..... Information Processing Equipment  
 LAN ..... Wide Area Network  
 LIGHT ..... Lighting; Bulbs  
 OIL ..... Oils: Motor, Hydraulic, Transmission, Multi-Purpose  
 PAINT ..... Paint and Supplies  
 PAPER ..... Various Paper  
 PPHONE ..... Pay Phone Services  
 RSHEET ..... Reflective Sheeting

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## **Non-Competitive Listing**

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directly by spending units without advertisement or bid:

**1. Aviation Fuel:** *(Excluding bulk purchases for delivery to state dispensing stations)*

**2. Cash Advances:** In accordance with §5A-3-17(2) of the **West Virginia Code**, the head of any spending unit, or the financial governing board of any institution, may, with the approval of the Purchasing Director, make requisitions upon the State Auditor for a sum to be known as an advance allowance account, in no case to exceed five percent of the total of the appropriations for any such spending unit, and the State Auditor shall draw his warrant upon the State Treasurer for such account; and all such advance allowance accounts shall be accounted for by the head of the spending unit or institution once every thirty days or more often if required by the State Auditor or Purchasing Director.

**3. Employee Expense Accounts and Reimbursements**

**4. Fees Imposed by Other Government Entities**

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

(1) the principal purpose of the relationship is the transfer of money, property, services or anything of value to the local government or other recipient in order to accomplish a public purpose of support or stimulation authorized by federal and/or state statute rather than by acquisition, by purchase, lease or barter, of property or services for the direct benefit or use of the state government; and, (2) no substantial involvement is anticipated between

the executive agency acting for the state government and the local government or other recipient during the performance of the contemplated activity.

**6. Hospitality:** Hospitality expenses include food, non-alcoholic beverages, facility rental, entertainment and other expenses **relating to conducting state business**. All hospitality events for functions estimated to cost \$25,000 or greater must have prior approval of the Purchasing Division, while those costing less than \$25,000 may be submitted for payment without approval of the Purchasing Division. A Request for Hospitality Form TMP 3.0 must accompany the invoice regardless of the amount.

**7. Entertainers:** Individuals and/or groups contracted at the request of the state to entertain or to assist in the production of entertainment.

**8. Interagency Agreements:** Interagency Agreements do not need to be processed by the Purchasing Division. However, no check will be issued in payment for Interagency Agreements, as payment will be made only by WVFIMS adjusting entry. In no event shall Interagency Agreements be used to subvert the requirement of competitive bidding.

**9. Media License Fees:** *(Program license fees for radio or television)*

**10. Medical Fees:** Fees for medical services (behavioral and physical) from individual doctors, dentists, clinics, hospitals, audiologists, county medical examiners, physical and occupational therapists, behavioral counseling and evaluations, etc. for patients, inmates and clients where the state is responsible for payment. This does not include inmate health care management, hospital management, consulting, etc. for state agencies.

**11. Postage:** (Stamps, metering, overnight services, i.e., Federal Express, Airborne, UPS, etc.). Does not include postage available from statewide contracts.

**12. Professional Association Dues**

**13. Promotional:** All promotional items, events or functions estimated to exceed \$5,000 must have prior approval of the Travel Management Office of the Purchasing Division, while those costing \$5,000 or less may be submitted for payment without approval of the Purchasing Division. Promotional expenditures may include display booths, promotional items at trade shows or similar events. Promotional items, except for sole source items, shall be purchased under the normal purchasing guidelines.

**14. Railroad Car Hire Fees:** National association fees required from all railroads to monitor the location and use of railroad cars for the owners. Bar codes on railroad cars are scanned into a computer database which in turn notifies the owner of the location and remits the user fees to the appropriate owner.

**15. Resale Items:** Items that are acquired specifically for resale by the state agency to the general public should be selected on the basis of quality and customer demand.

**16. Shipping Charges and Freight:** *(Not connected in any way to a formal encumbered purchase order or agency purchase order for the delivery of goods)*

**17. Student Activities:** *(Lecturers, entertainers, athletic events, referees, etc.)*

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## Office of Technology Clarifies IT Exemptions

Chief Technology Officer Kyle Schafer recently issued a memorandum providing clarification to Senate Bill 653 which passed during the 2006 Regular Session of the State Legislature in regard to exemptions:

### **§5A-6-8. Exemptions.**

(a) The provisions of this article do not apply to the Legislature, the judiciary or any state constitutional officer designated in section two, article seven, chapter six of this code.

(b) Notwithstanding any other provision of this article to the contrary, except for participation in the compilation and maintenance of an inventory of information technology infrastructure of the state authorized by section four of this article, the provisions of this article do not apply to the West Virginia Board of Education, the West Virginia Department of Education or the county boards of education. However, the West Virginia Board of Education, the West Virginia Department of Education and the county boards of education will attempt to cooperate and collaborate with the Chief Technology Office (CTO) to the extent feasible.

Effective June 10, 2006, any information technology procurements sent to the CTO by an exempt state organization listed above will *only be reviewed and not approved* by the CTO.

## SURPLUS PROPERTY PUBLIC AUCTION

**Mark your calendar now... for the next Surplus Property public auction.**

The next public auction scheduled by the West Virginia State Agency for Surplus Property is Saturday, August 5, 2006, at 2700 Charles Avenue in Dunbar.

State employees are welcome to participate. Approximately 40 vehicles as well as a large variety of office equipment, furniture and other items will be available.

Call Surplus Property at 766-2626 for more details or visit [www.state.wv.us/admin/purchase/surplus](http://www.state.wv.us/admin/purchase/surplus).

### **Non-Competitive Listing**

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**18. Subscriptions:** (*Newspapers and publications*)

**19. Training Activities:** (*Lecturers, honorariums, copyrighted test and training materials, etc.*)

**20. Tuition, Stipends, Accreditations and Registration Fees**

**21. Utilities (Regulated Services by the Public Service Commission):** (*Natural gas, water, sewage, electric, telephone, garbage, cable television service, connection fees, trash hauling and dumpster rental [if only one PSC approved hauler is in the area]*). **Agency Purchase Order, WV-88** or **Agreement, WV-48**, is required for cable service and trash hauling in excess of \$1,000 per year. Propane gas and coal must be competitively bid.

**22. Attorneys and Law Firms:** Must be pre-approved by the West Virginia Attorney General's Office. Includes hearing examiners.

**23. Advertising:** Any advertisement

placed directly with newspapers, trade magazines, etc. Does not include radio, broadcast television, cable television, etc. Does not include any indirect placement, promotional items, advertising consultant services, broadcast of Lottery prize drawings, etc.

**24. Governor's Mansion Furnishings:** Any unique or handmade items used by mansion occupants purchased with public funds. Includes furnishings donated. Includes all furnishings that remain in the mansion throughout future administrations. Does not include commercially available items from more than one source.

**25. Artwork and Historical Items:** Includes purchase of and service to artwork and historical items, i.e. restoring governors' portraits, refurbishing chandeliers, etc. Must receive written approval from the Purchasing Division prior to making any purchase in excess of \$25,000.

**26. Subject Matter Experts and Witnesses:** For administrative hearings and legal procedures. Does not include agency consulting services nor ex-employees retained by their agency or hired by another agency.

**27. Court Ordered Placements:** Children placed by West Virginia courts or the West Virginia Department of Health and Human Resources at various educational and/or behavioral centers.

**28. Medical Fees, Emergency Trauma Reimbursement:** Provides for the Department of Health and Human Resources to remit fees to State of West Virginia Level I or Level II Emergency Medical Services trauma physicians for services rendered, to supplement insurance premiums and other costs when required to maintain certain levels of certification. Limited to qualified trauma physicians that meet the overall trauma performance requirements determined by the Office of Emergency Medical Service guidelines. The physicians to be contracted with will have credentials to meet the identified needs of a Level I or Level II trauma center.

# 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  
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Name \_\_\_\_\_  
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Need Information about \_\_\_\_\_  
\_\_\_\_\_

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