

# 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

## Well-Attended Open House Event Brings the Purchasing Staff and Agency Buyers Together

When it comes to the Purchasing Division's annual Open House, a packed room is always a good sign. And so it was at the sixth annual event May 14 at the agency office on Washington Street in Charleston. Nearly 60 procurement officers representing approximately 30 agencies took the time to meet with Purchasing Division staff to informally discuss topics of interest.

Highlights of the day included three 40-minute informational sessions; virtual tours of the Purchasing Division website and an opportunity to meet specifically with any Purchasing Division staff member, including Purchasing Director Dave Tincher, the buyers, inspectors, training representatives and technical services personnel.



The Purchasing Division's sixth annual Open House brought procurement officers together with Purchasing Division staff for a chance to informally discuss various aspects of procurement for state government.

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Purchasing Division Welcomes Agency Purchasers to Annual Open House Event
- Surplus Property Offers Customer Appreciation Day on July 25
- Correctional Industries' Betty Slack Values the Mission of Her Agency

## Purchasing Division to Discontinue the Secondary Bidding Process

Purchasing Director Dave Tincher recently notified agency designated procurement officers that in recent months the secondary bidding process has been reviewed by various entities within state government.

Subsequent to those reviews, a decision was made to discontinue the use of the secondary bidding process in the procurement of goods and services. He noted that contracts which currently contain a secondary bidding process are being cancelled; new contracts to

obtain those goods and services may be awarded through the state's normal competitive bidding processes.

Pursuant to *West Virginia Code of State Rules* §148-1-7.16.2, the Director of the Purchasing Division is authorized to cancel a contract for any reason or no reason by providing a vendor with 30 days notice of the cancellation.

Accordingly, agency purchasers have been advised that unless the contract

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# Purchasing Division Pleased to Welcome Agency Procurement Officers to our Open House Event

By Purchasing Director Dave Tincher

On May 14<sup>th</sup>, the Purchasing Division continued its tradition of opening our doors and welcoming our agency procurement officers to our offices. Our 6<sup>th</sup> Annual Open House event provided an opportunity for our agency partners to come and talk about specific issues and contracts with our staff. This networking aspect resulted in great discussion.

As an additional component to this event, we offered three informational sessions addressing what's new in the Purchasing Division, purchasing forms and checklists and my personal favorite, a question and answer session with me. I wanted to offer a session where agency procurement officers could ask me questions relating to any purchasing issue. This open forum allowed for productive dialogue and, as expected, the questions

ranged in topic. I appreciated the participation of those who attended, which made this session more interactive. I value the opportunity to listen to our *customers* which enables me to gain insight from the agency's perspective.

To continue to enhance our Open House each year, we sent out a survey to those who attended in order to gain feedback on what should be incorporated in next year's event. As with all of our training and special events, we constantly look for ways to improve our programs and services.

A special congratulation goes out to Dusty Smith of the Division of Highways



who was the recipient of our drawing at the Open House for free registration to the 2013 Agency Purchasing Conferences! Please be reminded that there will be two options for attending this year's conference, with one offered at Pipestem Resort State Park on October 22-24 and the other at Stonewall Resort on October 30-November 1. We look forward to seeing

many of our other agency procurement officers during this annual training opportunity.

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## Code of State Rules Require Designation of Agency Purchasers

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In accordance with the *Code of State Rules* 148-CSR-1, all agencies are required to designate a procurement contact person each fiscal year whose name is to be on file with the Purchasing Division. Spending units must designate a primary procurement officer and may also select a backup procurement contact. All purchases must be processed through this person(s), who shall be responsible for communication with the Purchasing Division and be knowledgeable in proper procurement procedures.

**The deadline to submit the agency contact name(s) to the Purchasing Division for fiscal year 2014 is June 10.** If your agency has not yet submitted this information, the deadline is approaching. Information must be submitted even if the designated procurement officer remains the same from last year. To review the Purchasing Division's current list of designated procurement contacts, visit: [www.state.wv.us/admin/purchase/vrc/agencyli.html](http://www.state.wv.us/admin/purchase/vrc/agencyli.html)

For more information, contact Chad Williamson at (304) 558-2315 or [Chad.B.Williamson@wv.gov](mailto:Chad.B.Williamson@wv.gov).

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## Reminder of SWAM Reporting Requirement Due by State Agencies at End of Fiscal Year

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The state's fiscal year end is an extremely busy time for agency procurement officers, with the various deadlines approaching directly before or after July 1. In accordance with the **West Virginia Code** §5A-3-59 (b), state agencies are required to submit to the Purchasing Division an annual progress report on procurements made to small-, women-, and minority-owned (SWAM) businesses throughout that fiscal year.

Last year, effective July 1, 2012, the Purchasing Division implemented the small-, women- and minority-owned (SWAM) business certification, the application for which is now included as part of our vendor registration forms. This form (WV-1 and WV-1A) now combines the requirement for vendors wishing to register with the Purchasing Division and, if applicable, the designation criteria for SWAM certification.

Please be reminded that the Purchasing Division has created a SWAM Reporting Tool to assist agencies in collecting and maintaining this data.

This tool is available on the Purchasing Division's intranet under *Processes and Procedures*. This intranet page may be accessed at [intranet.state.wv.us/admin/purchase/procedures.html](http://intranet.state.wv.us/admin/purchase/procedures.html).

The SWAM vendor list is available on the vendor registration page at <http://www.state.wv.us/admin/purchase/WVSWAM.pdf>.

At the end of each fiscal year, this Excel spreadsheet must be completed noting all contracts or purchase orders issued to SWAM vendors. The information to be noted includes the fiscal year, vendor name, TEAM #, contract/purchase order number, description of the purchase, total amount, and date of award.

This report may be submitted electronically to the Purchasing Division through the [purchasing.requisitions@wv.gov](mailto:purchasing.requisitions@wv.gov) e-mail account.

Should you have any questions regarding this requirement, please contact your agency designated procurement officer or your assigned Purchasing Division buyer.

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# West Virginia State Agency for Surplus Property to Offer Customer Appreciation Day on July 25

The West Virginia State Agency for Surplus Property (WVSASP) will be conducting a second annual Customer Appreciation Day on July 25. The event follows the success of last year's extension of operating hours to allow more time for customers to see what WVSASP has to offer.

WVSASP will offer extended hours from 8:30 a.m. to 7:30 p.m., three hours past its typical closing time. Assistant Purchasing Director and WVSASP Manager Elizabeth Perdue said last year's event drew new customers and media attention that expanded awareness of the agency.

"Last year's event was in response to a frequent comment WVSASP has received that people had not had an opportunity to visit our warehouse during normal business hours," Perdue said. "We felt, following last year's success, that we wanted to continue the chance to encourage new friends to visit while also giving regular customers more time to shop."

The agency will offer its full inventory that day, ranging from office furniture and televisions to cars and trucks. Payment will be accepted in cash, personal checks, and Visa, MasterCard and Discover credit cards that day, Perdue said.



**The West Virginia State Agency for Surplus Property's second annual Customer Appreciation Day is set for July 25, with extended hours from 8:30 a.m. to 7:30 p.m.**

In addition, refreshments will be served throughout the day. Perdue said that while the gates at WVSASP will not close until 7:30 p.m., invoicing will

end at 7 p.m.

For more information, please call (304) 766-2626 or visit [wvsurplus.gov](http://wvsurplus.gov).

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## Encumbrance Process Ensures Funding Available for Purchases

The encumbrance process handled by the Communication and Technical Services Section of the Purchasing Division is a vital part of the procurement process. For purchases over \$25,000, with the exception of certain approved emergency contracts, the encumbrance date is the earliest date that a vendor may commence work on any contract. No authority may be given to the vendor by the agency or any other entity to commence work unless an encumbered contract has been processed by the Purchasing Division and received by the vendor.

Encumbrance basically "freezes" or "sets aside" spending authority for Buyers Network

an expenditure to ensure funding is available for payments to the vendor. It does not reduce cash on hand, meaning that the money is not withdrawn until after the work is completed and the invoice is processed. It does, however, reduce total spending authority on a fiscal year basis and enables an agency to maintain historical record in West Virginia Financial Information Management System (WVFIMS). P-Docs are used for regular purchases (not open-end) and X-Docs are used for change orders for regular purchases (not open-end). Open-end Contracts do not need a WVFIMS Purchase Order Coversheet.

Requisitions submitted to the Pur-

chasing Division are to be accompanied with a WVFIMS Purchase Order Agency Coversheet (P-document) for purchase orders to be encumbered by the Purchasing Division. The WVFIMS agency coversheet should contain all the information known by the agency at the time the requisition is prepared. At the time of award, the agency must add the dates of services, vendor name and the amount.

Because of the importance of this function, agencies must ensure that when creating the P- and X-Docs to be submitted to the Purchasing Division, they are encumbering the specific

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## Procurement Officer Profile

### Correctional Industries' Betty Slack Values Mission of Agency

Managing procurement for any state agency has its challenges. For Betty Slack, the deputy director of West Virginia Correctional Industries, it comes with the added issue of the agency's operational methodology. This includes using prisoners in the state's correctional facilities to produce products used throughout state government, ranging from license plates to office furniture.

"I always say that Correctional Industries is a business that operates within state government," Slack said. Slack comes from a business background, working at Columbia Gas as a contract administrator where she wrote gas purchase contracts for 10 years. A native of Putnam County, Slack came to state government in 1999 at Correctional Industries, starting as the agency's business manager and named deputy director three years ago.

Slack said that while State Use law requires agencies to use Correctional Industries as a first resource in procurement of items that the agency makes, there is still a competitive desire. "We look at companies on statewide contracts as competitors, and we always want to succeed not because agencies have to buy from us but because they want to buy from us," she said. Slack said customer service is always a concern and resolving issues a continuing focus. "Our customers in state government are wonderful, and we work very hard to make sure that if there is an issue, that we do whatever it takes to fix it."

The move from private to public sector meant that Slack had to adjust to different procurement procedures within the public sector. "In the private sector, you learn there is an exception to everything. You do not have that in state government," she said. "There are no exceptions to state code and purchasing guidelines."

While all purchase orders come through the Correctional Industries central office, Slack said each prison has a State Purchasing Card and spending authority. "Twice a year we cover basic purchasing guidelines," she said. "Our



**Betty Slack joined Correctional Industries in 1999 as the agency's business manager. She has served as deputy director for the last three years.**

supervisors in the prisons are exceptional and certainly help with keeping procurement working smoothly."

Slack said the agency's largest expenditure tends to be the materials for the products the prisoners produce. Those materials include everything from bolts of cloth (for the making of uniforms worn by the prisoners) to metal and furniture kits. And like any business, Correctional Industries is self sufficient. "The agency does not receive any money from the State Legislature," Slack said. "Salaries, supplies, everything comes from the sale of what we manufacture."

Slack said she is proud of the work Correctional Industries does. "Our mission is to help inmates and to offer job skills, and we hope to give them a trade and a work ethic they can apply once they are released," she said. "But we are also proud of the contribution we make to state government. It is a challenge, every day, running a small business in a prison."

## Use of Outdated Forms Can Lead to Delays

The Purchasing Division frequently updates the forms required in the procurement process. It is important for agency procurement officers to use the most recent versions or risk having the bid cycle unnecessarily delayed due to missing or incorrect information supplied on an outdated form. Procurement officers are advised to download the most recent forms when they are needed. Making copies of the same downloaded form over time may result in using an outdated form.

When the Purchasing Division updates one of its forms, notice is sent to procurement officers by e-mail and in the monthly e-newsletter, *The Buyers Network*. Please make note of the changes when notified. The most recent purchasing forms can be located on the state intranet at [intranet.state.wv.us/form/default.htm](http://intranet.state.wv.us/form/default.htm). A search of the "purchasing" category must follow after visiting that page.

## Statewide Contract Spotlight...

# Warm Weather Gives Good Reason to Consider Painting

Warm weather has finally settled in across the state and May's constant showers have slowed considerably as summertime comes into sight. The combination of both weather-related factors makes for a very suitable time of year for painting projects.

The statewide contract to provide paint and paint supplies (PAINT) was recently put out to bid, evaluated and awarded. Sherwin Williams was awarded the statewide contract, which became effective April 1. There are more than 35 types of paint and more than 50 types of paint tools and accessories on the contract.

"We have a lot of political subdivisions like cities, counties and universities that utilize the PAINT contract," said Purchasing Senior Buyer Connie Oswald who handles this statewide contract. "This contract gets a lot of usage and there are many types of paints so an agency should be able to find a product to suit its needs."

Oswald said that Craig MacKay is the Sherwin Williams representative for PAINT and can be reached at (800) 723-8766, ext. 3161 or **Craig Mackay@sherwin.com**.

The orders are placed through the Sherwin Williams office in Saint Albans. There are 18 Sherwin Williams stores throughout West Virginia on this contract.

To review this and other statewide contracts, please visit [www.state.wv.us/admin/purchase/swc](http://www.state.wv.us/admin/purchase/swc).



## Purchasing Division Welcomes Back Summer Intern Cameron Thompson

The Purchasing Division recently welcomed back our summer intern. Cameron Thompson will be working in the Communication and Technical Services Section through the Governor's Internship Program.

Cameron will be working as a technology intern this summer. He is a graduate of Marshall University with a bachelor's degree in management information systems. A resident of Cross Lanes, Cameron graduated from Nitro High School in 2009. He will attend Marshall University in the fall, working

on a masters in business administration

Created in 1989, the Governor's Internship Program offers high-achieving West Virginia college students the opportunity to step beyond the classroom into the real-world work environment of West Virginia government agencies, private businesses, and nonprofit organizations. Students are placed in internships where they can gain experience relevant to their academic interests while learning under and being supervised by a professional in that field.

**Cameron Thompson will be working with the Communication and Technical Services Section this summer through the Governors Internship Program.**



## PROCESS

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amount to be spent on that contract for that fiscal year. In most cases, this amount would mirror the contract amount; however, there are rare occasions at the end of a fiscal year that a project may require time for the vendor to prepare its resources or to begin building a piece of equipment that will be paid after July 1. When these situations occur, the agency must provide the Purchasing Division with an explanation on the P- or X-Doc or the **Purchasing Requisition** (WV-35) as to why the total amount is not being encumbered during the current fiscal year. It is important to note that all monies to be spent during the current fiscal year must be encumbered respectively. If necessary, a type 1 adjustment may be made in WVFIMS to encumber the remaining amount in the following fiscal year.

If you have any questions regarding the encumbrance process, please discuss with your agency procurement officer or designated Purchasing Division buyer. You may also contact Support Services Supervisor Beverly Toler, who is responsible for encumbrance at the Purchasing Division, at (304) 558-2336 or [Beverly.A.Toler@wv.gov](mailto:Beverly.A.Toler@wv.gov).

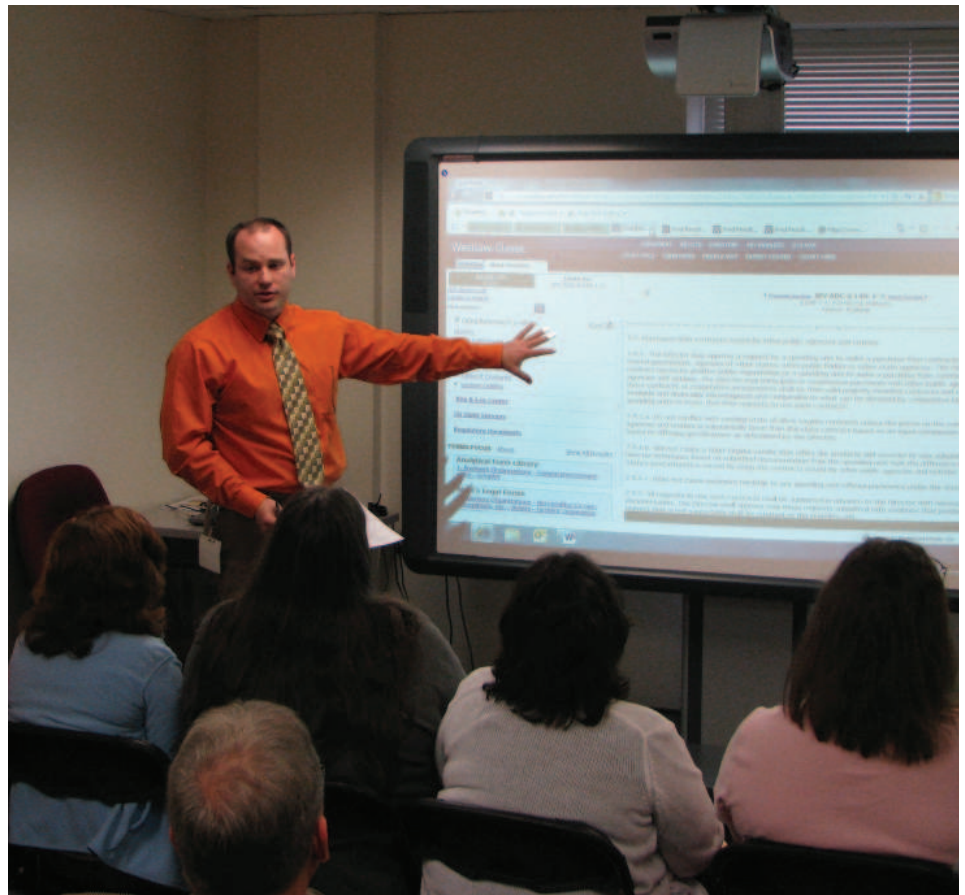
# Purchasing Attorney James Meadows Utilizes his Legal and Accounting Education on the Job

*This is part of an on-going series of articles which takes a closer look at the inner workings of the Purchasing Division. This article looks at the Legal Department of the division.*

Purchasing Division attorney James Meadows is grateful for his educational background. In addition to his law degree, Meadows has a master's degree in business administration and a bachelor's degree in accounting. Both are serving Meadows well in his current position.

"I have always been interested in business and I feel like I am able to really utilize my business and legal education with my position here at the Purchasing Division," Meadows said. "The two fit together really well when you consider the financial nature of contract bidding and evaluation, along with the constant need to ensure that the division is following all applicable laws in the bidding, evaluation, and award process."

As the attorney for the Purchasing Division, Meadows' primary duties include: advising the Purchasing Director and other division personnel on various aspects of state law; reviewing current processes and developing policies and procedures to ensure continued compliance with procurement law; representing the agency in administrative protests; assisting the state Attorney General's office in formal litigation involving the agency; developing standardized forms and specifications to streamline the procurement process; negotiating terms and conditions with vendors when necessary, drafting and reviewing proposed legislation; and serving as the Divisions privacy officer.



**Purchasing attorney James Meadows offers a class on "What's New in Purchasing" during the 2013 Purchasing Division Open House. Meadows said his background in accounting serves him in his position as staff attorney for the division.**

Meadows said that as the division's attorney, he enjoys interacting with many individuals inside and outside of state government. "I regularly communicate with all levels of staff within the Purchasing Division, agency procurement officers, and vendors. In addition, it is not uncommon to be involved in various meetings with higher level government officials to discuss

and advise on purchasing related issues."

As far as working within the Purchasing Division, James said he loves the open door policy of the division. "It tends to lead to a lot of meetings, some of which may last no more than 30 seconds, but the frequent communication allows us to get many positive things done," he said. "This is a good place to work."

## Legislature Passes Two Laws Affecting State Purchasing

The 2013 Regular Session of the Legislature passed two laws which affect *West Virginia Code §5A-3* and *West Virginia Code §5-22*, the two articles of the state code related to the state purchasing process.

Senate Bill 194 repeals the exemption from *West Virginia Code §5A-3* provided to the Medicaid program for the West Virginia Department

of Health and Human Resources (DHHR). The bill does contain an exception, however. DHHR continues to maintain authority over the contracts processed from April 1, 2009, to January 2, 2013, the period for which that department managed these contracts.

House Bill 2716 modifies the West Virginia Fairness in Competitive Bid-

ding Act. The bill provides two significant changes. First, it lowers the threshold amount from \$500,000 to \$250,000 for triggering a low bidder's duty to submit list of subcontractors on government contracts. Second, the bill extends the sublist reporting requirement beyond the Purchasing Division to contracts issued by state spending units.

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## OPEN

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**Nearly 60 procurement officers, representing almost 30 agencies, attended this year's Purchasing Division Open House event.**

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Tincher led one of the three informational sessions which was entitled "Questions and Answers with the Director." Senior Buyers Frank Whitaker and Guy Nisbet led a session called "Purchasing Forms and Process Checklists" and staff Attorney James Meadows and Staff Development Specialist Samantha Knapp led the session, "What's New in Purchasing?"

"All three sessions were well attended and each had excellent dialogues occurring between the speakers and participants," said Tincher. "I commend our agency procurement officers for continually taking advantage of these types of events that we offer to bolster our state procurement efforts. Everyone is served well by this collaborative effort."

Respondents to a post-event survey noted that they thought the event was very informative and the Purchasing

staff was readily accessible throughout the day.

"I enjoyed meeting and speaking with Purchasing Division employees as well as purchasing personnel from many other agencies. The information I gathered at the Open House was both valuable and intriguing, from evaluating and initiating purchasing transactions through the inspection process and various training opportunities," said Steve Monroe with the West Virginia Division of Motor Vehicles. "As a newcomer to the state procurement field, I felt truly welcomed and I am looking forward to working more closely with the Purchasing Division and my peers in the future."

The Purchasing Division would like to thank all of our agency purchasers who stopped by during the day. We appreciate your cooperative working relationship throughout the year!

Buyers Network

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## Purchasing Website Provides Latest Developments

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The Purchasing Division frequently posts updates to its website to keep procurement officers and the public apprised of its latest developments.

A "News, Events and Job Opportunities" banner is provided near the top of the agency's homepage, [www.state.wv.us/admin/purchase](http://www.state.wv.us/admin/purchase).

This site connects users to a link which contains the most up-to-date information on state procurement.

Procurement officials are encouraged to bookmark this page for continual reference with matters pertaining to the latest in laws, procedures and general happenings related to the state purchasing process.



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## BIDDING

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has already expired, the secondary bid contract will be cancelled, effective June 30, 2013. Should you have any questions regarding these contract cancellations, please feel free to contact your agency designated procurement officer or the Purchasing Division buyer assigned to your agency.

The contracts issued by the Purchasing Division that are affected by this directive are listed below.

- **SIP** – Printers, Servers and Peripherals
- **SYSFURN** – System furniture
- **IPT** – Voice-over Internet Protocol Equipment
- **ERCYCL** – Recycling Services for Electronics
- **ITECH** – Temporary Supplemental IT Services
- **DOH0512C0422** – Tree Removal
- **MOVE** – Moving Services
- **DEP15590** – Hauling Services

# Current Statewide Contract Update

(As of May 15, 2013)

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 your assigned agency buyer.

## Out for Bid

Contract	Description	Bid Opening	Pre-bid?
HOUSE13	Housekeeping products	05/21/2013	Yes

## New Awards

Contract	Vendor	Description	Dates
CPHONE13A	AT&T Mobility	Wireless communication services, accessories and equipment	04/15/2013 -04/14/2014

## Under Evaluation

Contract	Description	Bid Opening	Under Eval
ERCYCL12F	Recycling of used electronic equipment	08/09/2012	Yes
LABSUP13	Laboratory supplies	03/07/2013	Yes
NTIRE13A	New tires	05/02/2013	Yes
VOIP13	Voice-over-Internet-protocol solutions	01/09/2013	Yes

## FOR MORE INFORMATION

Below is a list of Purchasing Division buyers assigned to specific state agencies.

FILE	BUYER	EMAIL	PHONE
21	Krista Ferrell	Krista.S.Ferrell@wv.gov	558-2596
22	Roberta Wagner	Roberta.A.Wagner@wv.gov	558-0067
23	Frank Whittaker	Frank.M.Whittaker@wv.gov	558-2316
31	Shelly Murray	Shelly.L.Murray@wv.gov	558-8801
32	Tara Lyle	Tara.L.Lyle@wv.gov	558-2544
33	Alan Cummings	Alan.W.Cummings@wv.gov	558-2402
43	Paul Reynolds	Paul.Reynolds@wv.gov	558-0468
44	Guy Nisbet	Guy.L.Nisbet@wv.gov	558-8802
51	Connie Oswald	Connie.S.Oswald@wv.gov	558-2157

## Contracts Reviewed

Statewide contracts are reviewed approximately three months prior to the actual expiration date. During this month, the following statewide contracts for which their expiration dates are approaching will be examined.

BEDDING ..... Bedding

## Vendor Issues? We've Got the Process to Assist Agencies

The Purchasing Division continues to be attentive in ensuring that the many vendors who wish to do business with the state do so in a way that is beneficial to all parties involved.

State agency procurement officers play a crucial role toward this goal. When vendor services and products do not meet the standards and expectations of state agencies, procurement officers need to provide due diligence to resolve any lingering issues by voicing such concerns with the vendor. This includes documenting all efforts to resolve any problems. Procurement officers are encouraged to do so quickly and courteously.

The possibility still exists that such efforts are not enough to resolve a pending issue and that is when the Purchasing Division may become involved. If an impasse occurs, procurement officers should immediately bring the attention to the Purchasing Division buyer who is assigned to that agency with the issue. The Purchasing Division's **Vendor Performance Report** form (WV-82) was created for this circumstance. This form is to be used to report all incidents of vendor performance, both positive and negative, even if a resolution has been reached. The Purchasing Division maintains records of all such forms submitted.

When assistance is requested via the WV-82, a Purchasing Division official will notify the vendor directly in writing of the problem in order to resolve the matter.

"Being proactive at the outset of a solicitation can minimize the chance for this to arise. Clearly stating the agency's specifications and expectations will help eliminate any chance for ambiguity between an agency and vendor which can lead to this type of conflict," said Assistant Purchasing Director Mike Sheets. "Certainly, such situations can still arise and then the Vendor Performance Review form should be used when all other efforts to resolve the conflict are unsuccessful."

To read more about steps to be taken in this situation, refer to Section 10 – Quality Assurance of the **Purchasing Division Procedures Handbook** at [www.state.wv.us/admin/purchase/handbook](http://www.state.wv.us/admin/purchase/handbook).