

THE BUYERS NETWORK

JULY 2016

VOL. 26, ISSUE 7

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

Surplus Warehouse Offers New Shopping Experience

The West Virginia State Agency for Surplus Property (WVSASP) is pleased to announce its new warehouse will open this month. Featuring a climate-controlled showroom and utilizing a new inventory system, WVSASP will be able to provide better customer service and a more notable purchasing experience to state agencies, eligible organizations and the general public.

“We’ve waited a long time for this moment,” said Surplus Property Manager and Assistant Purchasing Director Elizabeth Perdue. “Our staff has worked tirelessly to ensure a smooth transition to the new warehouse and we know that our customers will be impressed with the new shopping experience. We encourage folks to come check out what we have to offer, see the new building, and let us know what you think!”

Construction on the new WVSASP warehouse began last July with removal of the old auction site and vehicle lot. While the new warehouse will be fully operational, construction will continue around the WVSASP campus as the old administrative building and federal warehouse are removed. The next phase of construction should not



The West Virginia State Agency for Surplus Property (WVSASP) will open its new warehouse later this month. Construction began on the building in July 2015. Further construction is scheduled at the WVSASP Dunbar location with plans to remove the old administrative office and federal warehouse building.

disrupt normal business hours and is expected to be completed later this summer. WVSASP temporarily closed in late June to move inventory into the recently completed warehouse

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Annual Agency Inventory Certifications due July 15th

The deadline for state agencies to submit their annual inventory certification to the Purchasing Division is drawing near. According to *West Virginia Code* §5A-3-35, the head of every spending unit must file an inventory of all real and personal property, equipment, supplies, and commodities in its possession as of the end of the fiscal year with the Purchasing Director on or before July 15 of each year. A physical inventory is required once every three years.

Agencies must complete the *Inventory Management Certification Cover Sheet* and submit it to the Purchasing Division no later than July 15, 2016. The Certification Cover Sheet should include:

- The date the last physical inventory was taken of all reportable assets under the agency head's authority;
- Certification that the agency has entered all real property and all reportable assets in its possession for the current fiscal year into the wvOASIS Fixed

Please see INVENTORY, page 2

THE DIRECTOR'S COMMENTS

Changes Made to Purchasing Division Procedures to Increase Efficiencies and Streamline Processing

By Purchasing Director Dave Tincher

During the summer season, there are many activities in which we partake outside of our daily responsibilities within our procurement offices. However, despite the warm weather and fun events planned, the Purchasing Division is working harder than ever to ensure that we continue to provide services in the most efficient manner while maintaining transparency and customer service.

There are two major changes recently made that I would like to mention. The first we communicated through an e-mail in April this year to our agency designated procurement officers regarding use of the procurement folder within *wvOASIS*. Following the implementation of Phase C of *wvOASIS* in July 2014, agencies occasionally requested guidance on documentation locations in the new system. As the custodian of official contract files for acquisitions processed by the Purchasing Division, the Division wanted to provide guidance on this specific inquiry to ensure consistency among the agencies.

The official contract file, for all intents and purposes, is considered the documentation which is, upon official award, imaged and maintained by the Purchasing Division. The Purchasing Division will no longer use the *wvOASIS* procurement folder for any file storage, but will maintain all necessary electronic documentation in the header tab of the award

document. Agencies may continue to use the procurement folder as they see fit, but the number of attachments in the header will be limited.

Agencies may use header attachments or e-mail to share documents with the Purchasing Division buyer during a transaction, but only documentation that is imaged and maintained by the Purchasing Division after award will be considered the official purchasing contract file. Your assigned Purchasing Division buyer will work with you to get any documentation into its final form.

At this time, we believe this process to be in the best interest of the state as it ensures that no pertinent information is removed from the official contract file after it has been approved *as to form* by the Attorney General's Office.

The second change that I'd like to mention is a new assignment within our Division. Prior to July 1, 2004, the Purchasing Division buying staff was assigned a workload based on specific commodities and services for which they processed transactions, until it became clear that working with agencies on a one-on-one basis was possibly more beneficial in maintaining consistency. The agency-based assignments have served our state agency partners well and offered the customer service we strive so hard to provide.

However, recently, we felt the need to designate a single buyer for construction acquisitions. Due to the complexity of these solicitations and the laws and rules which govern the process, as well as the additional documentation required, we have assigned Senior Buyer Jessica Chambers to this role. With this change, Jessica will serve as the expert on construction-related issues and process all construction-related procurement transactions for all agencies under the Purchasing Division's authority. Regardless of your designated Purchasing Division buyer, please direct all construction inquiries to Ms. Chambers at this time. Should this directive change, we will be sure to inform you.

The Purchasing Division is always looking for ways to enhance the services we provide to our agency partners. Should you have any suggestions, feel free to let us know.



INVENTORY

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- Assets System;
- Certification that all outdated assets under the agency head's administration were retired in conformance with West Virginia State Agency for Surplus Property (WVSASP) policy, procedures, and guidelines; and
- Certification that the information contained in the *wvOASIS* Fixed

Assets System is to serve as the required inventory report that must be filed with Purchasing Division director.

"In *wvOASIS*, agencies need to be reminded to not discard unwanted shell documents," advises Elizabeth Perdue, Assistant Purchasing Director and WVSASP Manager. "Instead, they should go into the Fixed Assets (FA)

shell document, click 'Edit,' change the event type to 'FA14,' and then click 'Save.'"

For information regarding inventory management policies and procedures, visit www.state.wv.us/admin/purchase/surplus/InventoryMgt. Additional questions regarding the reconciliation of fixed assets may be directed to Perdue at 304.766.2626.

Vendor Registration Fee-Related Codes Expanded in wvOASIS

The Purchasing Division has been working with wvOASIS personnel to streamline the purchasing process in the state's Enterprise Resource Planning system's procurement module. One of its core areas of focus has been vendor registration. Through its various publications and training efforts, the Purchasing Division has informed state agencies that an expanded process has been underway to address the few exemptions to when vendors receiving an award are not required to pay the registration fee as a result of Section 9 of the Purchasing Division Procedures Handbook. The Purchasing Division is pleased to announce that the expansion of exemption codes is now complete.

To better clarify, a vendor may provide a non-competitive commodity noted in Section 9 in one transaction, but that same vendor may also provide a commodity to the state that can be competitively bid. These fee exemption codes allow agencies to exempt the vendor from paying the fee for those non-competitive commodities, when applicable. As a result of this improved system functionality, the "Fee Exempt" field on VCUST records will be discontinued, as it does not accurately reflect the state procedure that agencies must follow when determining whether

a vendor must pay the registration fee for a specific transaction.

As detailed in the April 2016 issue of *The Buyers Network*, the VNREGEX screen in wvOASIS contains a list of each department's available codes; agency procurement officers are encouraged to become familiar with the codes and when they may be used. Properly designating the correct code, if one applies to a specific transaction, is critical to ensuring all agencies comply with *West Virginia Code* §5A-3-12.

When an agency utilizes a Vendor Registration Fee-Exemption Code in an award document, it is recorded and reported to the Purchasing Division's inspectors within its Contract Management Unit. Each agency's usage of this system function will be strictly reviewed during an inspection and proper procedures enforced by the Contract Management Unit.

For more information on this procedure, please refer to the Vendor Registration section of the Purchasing Division's Intranet site, intranet.state.wv.us/admin/purchase/VendorReg.html. Questions may also be directed to Technical Services Manager Mark Totten at Mark.L.Totten@wv.gov.

Purchasing Division Performs Annual Section 9 Review

As part of its annual review, the Purchasing Division has slightly modified Section 9 of the Purchasing Division Procedures Handbook, effective July 1, 2016. Section 9 includes the non-competitive, exempt list of commodities and services for which the Purchasing Director has determined that it is not possible to obtain certain commodities and services through the competitive bidding process, in accordance with *West Virginia Code* §5A-3-10 and the *West Virginia Code of State Rules* §148-1-4.

The change relates to the Department of Agriculture exemption. The new language for this exemption states, "Approved exemptions for the West Virginia Department of Agriculture include purchase of livestock, the acquisition of bees for repopulation purposes, and commodity processing services for USDA donated foods."

Currently, there are 22 exemptions that have met the requirements to be included. Spending units may purchase the commodities and services on the list directly from the vendor and are not required to have contracts for purchase of those items approved by the Purchasing Division. Vendor registration and all other requirements for the dollar amount of the purchase are mandatory for contracts for these commodities and services; however, under the authority granted by the Director of Purchasing in the *West Virginia Code of State Rules* 148-1-4.17, the Director has determined that waiving the vendor registration fee for all vendors providing commodities or services under Section 9 of the *Purchasing Division Procedures Handbook* is in the best interest of the State. Accordingly, the vendor registration fee is waived, and therefore, not required for a vendor providing commodities or services under Section 9 of this handbook.

Except as outlined in the preceding paragraph, spending units

purchasing from vendors under the Exempt List must continue to observe the standard purchasing procedure associated with a normal (non-Exempt List) purchase of the same dollar amount. Similarly, spending units must continue to submit contracts to the Attorney General's office for approval *as to form*.

Should a spending unit wish to have a commodity or service added to this section, it must provide written justification explaining why competitive bids are not possible to obtain; what suppliers the agency uses for the exempted commodity or service; how often the agency uses the commodity or services requested for exemption; and why the agency believes that the commodity or service should be obtained by exemption rather than by sole source (or another purchasing) method.

WAREHOUSE

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and allow staff to relocate to their new offices.

A grand re-opening ceremony is planned for later this fall and more information will be shared on the WVSASP Facebook page as details become available. Be sure to like WVSASP on Facebook at www.facebook.com/WVSurplus to stay up-to-date with additional construction news and inventory availability. The new warehouse can be visited Monday-Friday from 8:30 a.m. to 4:30 p.m. at 2700 Charles Avenue in Dunbar.

The latest WVSASP news can also be found in their quarterly *Property Connection*. To view the most recent issue, please visit www.state.wv.us/admin/purchase/surplus/propertyconnection.

Purchasing Division Works Closely with Attorney General's Office to Update Supplemental Documents

For the procurement process to run smoothly, it is imperative that all documents and forms remain accurate and properly reflect the laws and rules governing the state of West Virginia. The Purchasing Division works diligently to ensure the materials on its website are current and contain the proper information. Recently, the Purchasing Division updated two of its documents: the Agreement Addendum (WV-96) and the American Institute of Architects (AIA) Supplementary Conditions.

During the bidding process, vendors often submit their information in a boilerplate format that has not been customized for the state of West Virginia.

This boilerplate can contain terms that are not applicable to or valid for their bid with the state. The WV-96 form is utilized to override any boilerplate language and nullify any vendor terms that contradict the policies and laws for the state of West Virginia. The most recent update to this agreement addendum specifically ensures that all deliveries are free on board (FOB) destination unless otherwise stated in the state's original solicitation. To view the revised form, visit www.state.wv.us/admin/purchase/forms.html.

Working with the Attorney General, the West Virginia Contractors Association and state architects, the Purchasing

Division also recently updated the AIA Supplementary Conditions document. The supplementary conditions were modified to account for recent changes in the law. Specifically, this document reflects the repeal of prevailing wage rates which occurred during the 2016 Legislative Session. The modifications made to the AIA form were a collaborative effort to ensure all parties' interests were represented. The newest version of the AIA Supplementary Conditions, which have been signed by the Attorney General's Office, can be found online at www.state.wv.us/admin/purchase/aia. When utilizing these forms, please check online for the latest version.

What Does THAT Acronym Stand For?

Each month, the Purchasing Division will highlight an acronym used in the public procurement process to help educate buyers and agency officials.

Acronym: RFQ

Defined: Request For Quotations

Requests for Quotations (RFQ) are the most commonly used purchasing method by the state of West Virginia to acquire all tangible property and most services. This procurement process may be used when an agency knows exactly what it needs.

RFQs must include a detailed description of or specifications for an item or service; a delivery or service time period; the bid price per unit; any applicable maintenance; the quantities of all items and identification for the items such as a serial number; and a schedule of events, which may include a deadline for questions, a mandatory pre-bid conference date and/or bid opening information; and all terms and conditions.

Specification Templates are Now Mandatory for Use by State Agencies

To provide standardization among the specifications submitted to the Purchasing Division for formal acquisitions, state agency partners are reminded of the various specification templates available to them. The templates, which have been available for optional use for several years, recently became mandatory following updates that were made to the **Purchasing Division Procedures Handbook**. Specification templates for one-time and open-ended purchases, catalog discount RFQs, service purchases, and elevator and HVAC maintenance may be found on the Purchasing Division's intranet at <http://intranet.state.wv.us/admin/purchase/procedures.html>, with plans to add more templates in the future.

"These templates are an attempt to capture a variety of information so agency procurement officers can consistently find it in the same place each time," said Purchasing Division's General Counsel Jimmy Meadows.

Each of the templates was developed with the proper language and structured with the appropriate space for relevant information for specific types of commodities and services required. However, the templates offer a level of customization to reflect each bid's unique requirements while still maintaining the standard format.

"The standard formats provide an opportunity for better quality bids," explained Assistant Purchasing Director Mike Sheets. "For example, with bid specifications all in one place, vendors will be less likely to overlook requirements. Fewer vendor mistakes mean better quality bids."

Sheets said he believes that having all of the relevant information in one place will make the procurement process easier for all parties involved. Many agencies have already been utilizing the templates, so most will not be affected by the new mandatory requirement. However, if the format does not represent a need, an agency can seek permission to deviate from the standard format.

"We will continue to look for opportunities to develop more standard specification formats," added Meadows.

The specification templates are located on the Purchasing Divisions intranet page under the Processes and Procedures link and are also available on the forms page. Visit the intranet site at <http://intranet.state.wv.us/admin/purchase> for more information and to access the templates.

Agencies Must Determine Applicability of Federal Davis Bacon Wage Rates on Construction Projects

Following the repeal of the prevailing wage rate during the 2016 Regular legislative Session, the West Virginia Purchasing Division has seen an increase in the number of contractors inquiring whether the federal Davis-Bacon wage rates apply to various state construction projects. In short, the agency processing a construction solicitation is the only entity in a position to determine if the Davis-Bacon wage rates apply to that solicitation.

The Davis-Bacon and Related Acts are the federal government's equivalent to the state's prevailing wage laws and may be applicable if the construction is being fully or partially funded with federal funds.

According to the United States Department of Labor, "the Davis-Bacon and Related Acts apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works."

The United States Department of Labor goes on to state that, "In addition

to the Davis-Bacon Act itself, Congress has added prevailing wage provisions to approximately 60 statutes which assist construction projects through grants, loans, loan guarantees, and insurance.

These 'related Acts' involve construction in such areas as transportation, housing, air and water pollution reduction, and health. If a construction project is funded or assisted under more than one Federal statute, the Davis-Bacon prevailing wage provisions may apply to the project if any of the applicable statutes requires payment of Davis-Bacon wage rates."

As noted by the Department of Labor above, the funding source is the key to determining the applicability of the Davis-Bacon wage rates. Neither the Purchasing Division nor the prospective bidders are in a position to identify the funding sources, and therefore, cannot determine the applicability of the Davis-Bacon wage rates.

Furthermore, each agency is responsible for determining the funding source for its projects. Once the funding source is identified, the agency may

need to work with its legal counsel (i.e. counsel for that agency; not the Purchasing Division General Counsel) to determine if the statutes authorizing the federal distribution of funds incorporate the Davis-Bacon Act or a Related Act.

When a prospective bidder inquires about the applicability of Davis-Bacon wage rates on a construction contract, the Purchasing Division will require the agency to answer the question. The prospective bidders have a legitimate need to know, and the agency is the only entity that can provide an answer. The Purchasing Division is working carefully to determine ways in which to communicate this information to prospective bidders on a more uniform basis, but until a solution is identified, agencies are encouraged to include the applicability of the Davis-Bacon wage rates in their solicitations.

To view the quotes from the United States Department of Labor in context, please visit www.dol.gov/whd/govcontracts/dbra.html and www.dol.gov/whd/programs/dbra/whatdbra.htm, respectively.

Technical Intern Joins Purchasing as Part of Governor's Internship Program

Chedli Ben Hassine, a student at West Virginia University Institute of Technology, has joined the Purchasing Division as an intern through the West Virginia Governor's Internship Program. He will work in the Technical Services Section assisting with technical projects.

From Paris, France, Chedli, who just completed his junior year, is pursuing a degree in Information Systems with a minor in Computer Science. His hobbies include playing and watching soccer, listening to music, and playing video games. In his spare time, Chedli likes to study at the library.

The Purchasing Division strongly supports the Governor's Internship Program and has actively participated as a mentor since the program began in 1989. The Purchasing Division welcomes Chedli to its team!



Chedli Ben Hassine
Purchasing Intern

THE BUYERS NETWORK

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Current Statewide Contract Update

(As of June 15, 2016)

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 the buyer assigned to the specific statewide contract.

New Contracts

<u>Contract</u>	<u>Vendor</u>	<u>Commodity</u>	<u>Effective Date</u>
SWC16*03 (PC16)	Stephens Auto Center	Current Year Police Vehicles	05/15/16 - 05/14/17
SWC*016	Matheny Motor Truck Co.	Current Year Passenger Full Size Van	05/01/16 - 04/30/17
SWC*017 (CANLINE16)	Calico Industries, Inc.	Polyethylene Trashcan Liners	05/20/16 - 05/19/17

Contracts Renewals

<u>Contract</u>	<u>Vendor</u>	<u>Commodity</u>	<u>Effective Date</u>
WVRFJAN14	WV Assoc of Rehab Facilities	Janitorial Services	07/01/16 - 06/30/17

Contract Extensions

<u>Contract</u>	<u>Vendor</u>	<u>Commodity</u>	<u>Effective Date</u>
FOOD12A	A F Wendling, Inc	Food Service	06/01/16 - 07/31/16

Miscellaneous Actions

<u>Contract</u>	<u>Vendor</u>	<u>Commodity</u>	<u>Description of Change</u>
MV16A	Bob Robinson Chevrolet Olds Cadillac Inc	Motor Vehicles	1) To cancel the award for lines on Contract MV16E 2) To re-award lines as noted in Extended Description in wvOASIS
MV16E	Stephens Auto Center	Motor Vehicles	1) To change the award for lines on Contract MV16E 2) To re-award lines as noted in Extended Description in wvOASIS

Miscellaneous Actions Cont.'d

<u>Contract</u>	<u>Vendor</u>	<u>Commodity</u>	<u>Description of Change</u>
IP12	HP Inc	Notebook Computers	To change item descriptions and update part numbers for 5 contract item replacements which were inadvertently omitted on CO#15 and to remove a duplicate line item W3V95UC-WV

FOR MORE INFORMATION

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

<u>BUYER</u>	<u>E-MAIL</u>	<u>PHONE</u>
<i>Supervisors</i>		
Tara Lyle	Tara.L.Lyle@wv.gov	558-2544
Guy Nisbet	Guy.L.Nisbet@wv.gov	558-2596
Frank Whittaker	Frank.M.Whittaker@wv.gov	558-2316
<i>Senior Buyers</i>		
Mark Atkins	Mark.A.Atkins@wv.gov	558-2307
April Battle	April.E.Battle@wv.gov	558-0067
Jessica Chambers	Jessica.S.Chambers@wv.gov	558-0246
Misty Delong	Misty.M.Delong@wv.gov	558-8802
Stephanie Gale	Stephanie.L.Gale@wv.gov	558-8801
Linda Harper	Linda.B.Harper@wv.gov	558-0468
Melissa Pettrey	Melissa.K.Pettrey@wv.gov	558-0094
Crystal Rink	Crystal.G.Rink@wv.gov	558-2402
<i>Buyers</i>		
Charles Barnette	Charles.D.Barnette@wv.gov	558-2566
Michelle Childers	Michelle.L.Childers@wv.gov	558-2063