

THE BUYERS NETWORK

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Better Value in Public Purchasing

New Lodge Among Planned Improvements at Cacapon

In Berkeley Springs, West Virginia, work is set to continue at Cacapon Resort State Park to modernize the park's facilities.

The park's history dates back to a Civilian Conservation Corps project in the 1930s. The original cabin from that project is still on-site and in use today.

The current, 48-room lodge was dedicated in 1956. Guest rooms are small, and although there is a lake for swimming, the guests do not have a pool to enjoy.

However, with the sale of bonds, the state park invested \$25 million toward its facilities, including renovating the current lodge; adding a 78-room lodge with new guest rooms, a spa and an indoor pool; upgrading the lodge restaurant; and making improvements at the golf course. The project will also include upgrading the sewage system and electrical equipment. Paradigm Architecture of Morgantown, West Virginia, provided the design project manual and drawings.

The Purchasing Division is working with



Photo courtesy of West Virginia State Parks

The lodge at Cacapon Resort State Park is only one of the park's facilities expected to undergo some changes as part of a \$25 million project. The West Virginia Purchasing Division is currently working with West Virginia State Parks and the Division of Natural Resources to solicit and award the construction phase of the project.

West Virginia State Parks and the Division of Natural Resources to solicit and award the construction phase of this contract. Once ground is broken, the project is expected to be completed within two years.

The Purchasing Division is pleased to showcase this as one of the many unique projects processed through its central office.

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Agencies Can Soon Expect Changes Following 2018 Legislative Session

For several years now, the Purchasing Division has worked hard to gather suggestions to improve the procurement process, many of which have resulted in legislative changes. Our state agency procurement officers have been front and center in offering many of those suggestions.

As a result of this continued effort, the Purchasing Division is pleased to report that this year, the Governor's Office sponsored and the Legislature passed Senate Bill 283, which includes many of those items that were identified as significant improvements. Senate Bill 283 will become effective on June 8, 2018. Here's how the new law will affect state agencies:

Allows Open-Ended Construction and Maintenance

- Allows open-ended maintenance and repair construction contracts up to \$500,000 (applies to the entire term of the contract, including renewals)

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DIRECTOR'S COMMENTS

Purchasing to Host a Series of Events in May

By Purchasing Director Mike Sheets

The Purchasing Division is looking forward to several upcoming events that we are planning with our state agency partners! We hope you will join us for some of them and help us spread the word to our intended audiences within your agencies.

Our busy spring schedule will kick off Tuesday, May 1, 2018, with the Purchasing Division's annual Open House event. From 10 a.m. to 2 p.m., the Purchasing Division will open its doors to all agency purchasing personnel to network with Purchasing Division staff and other agency purchasers, attend informational sessions, and enjoy refreshments. Buyers, their purchasing assistants, and their managers are welcome to attend.

Our next event is a webinar on Thursday, May 10, 2018, at 10 a.m., co-presented with the State Auditor's Office, on purchasing procedures and purchasing card rules. This training is mandatory for the state's high-level officials and is required for those individuals to attend once each fiscal year. Registration for this event is currently at capacity, but those who were unable to obtain a spot during the live

webinar should check back on the Purchasing Division's website a few weeks after the event to view a recording of this training. Submitting a completed copy of the *Certificate of Completion* to the Purchasing Division's Communication and Professional Development Unit upon viewing this recording will also satisfy this Code requirement.

On Tuesday, May 15, 2018, the Purchasing Division will offer its first ever legal seminar on state procurement practices for West Virginia state-employed attorneys. This event will take place in the Capitol Room of Building 7 from 9 a.m. to 3:15 p.m. Pre-registration is required. The event has been approved for 5.4 hours of in-house continuing legal education credits and is free to attendees.

Two days later on Thursday, May 17, 2018, the Purchasing Division staff will travel to West Virginia University-Parkersburg for its local governments and vendor seminars. These "road shows" will be offered throughout the state in 2018 as part of our outreach to these various groups.

The West Virginia State Agency for Surplus Property (WVSASP) will also be hosting its own open house later this month. On Wednesday, May 23, 2018, eligible organizations are welcome to visit WVSASP from 10 a.m. to 2 p.m. to see what they have to offer, update their *Application for Eligibility*, and meet with various staff to have their questions answered. Any agency representative who has not been to WVSASP since the new facility was built, as well as those who are regular customers, are encouraged to take advantage of this event. Informational sessions on the state and federal surplus property programs will be offered at 10:30 a.m. and 12:30 p.m. To RSVP for this event, email Jessica.L.Chambers@wv.gov.

As we move through May, we will continue our strategic sourcing meetings with agencies that have a high-dollar volume of purchases. We will also look ahead and plan for upcoming changes to the purchasing process resulting from this year's Legislative Session. Be sure to check out the article on page 1 for a highlight of these changes.

As always, thank you to our agency procurement officers who continue to put a great deal of attention toward making sure we maintain the integrity of the purchasing process and who actively participate in keeping apprised of the laws, rules, and procedures governing it.



Purchasing Tips and Tricks: Use Headquarters Account in VCUST When Duplicate Vendor Accounts Exist in wvOASIS

A yellow sticky note graphic with the text "Tips and Tricks!" written in a black, cursive font. The note is slightly tilted and has a drop shadow.

Tips and Tricks!

As a result of wvOASIS implementation, many duplicate vendor/customer accounts resulted, causing some confusion for agencies in identifying the appropriate account for a vendor during procurement transactions.

A vendor with a particular Taxpayer Identification Number (TIN) may have multiple accounts; therefore, the Department of Administration is using the "Headquarters Account" strategy for that TIN to streamline the data, making it easier to find the correct

vendor to use for an agency's transactions.

The term "Headquarters" does not refer to the vendor's corporate structure, but is used as a system identifier for the entity's primary vendor/customer account in VCUST. For every vendor account in VCUST, agencies should check the "Headquarters" tab to see if the record is the company's Headquarters Account, as this is the account that should be used by state agencies in their procurement transactions.

PURCHASING LAW UPDATES

Continued from Page 1

Relaxes RFP Requirements to Speed Up Process

- Allows agencies to select the best product by comparing vendor proposals against one another and considering best in class solutions that exceed the specifications

Converts Sole Source Procurements to Direct Award

- Eliminates the need to certify that only one vendor in the world can provide a particular commodity or service. Instead, the agency can certify that no one would be likely to provide the commodity or service under the current circumstances. The public notice requirements will continue to apply, allowing the vendor community to notify the state when a vendor believes it can provide the commodity or service.

Vendor Preference

- Removes traditional vendor preference on all commodities and services, except for the purchase of automobiles and certain highway-related construction equipment
- Adds a reciprocal preference that will provide West Virginia vendors the same percentage of preference against out-of-state vendors when that vendor's state provides a preference in favor of its resident vendors

Allows Surplus Property to Set Vehicle Price

- Requires the sale of a vehicle to an eligible organization (which is another government entity permitted to buy at the West Virginia State Agency for Surplus Property, or WVSASP) at the average loan value as listed in the NADA, which will allow WVSASP to more easily establish a realistic price to facilitate increased sales of used vehicles to eligible organizations around the state

Reduces Limits on Secondary Bidding

- Increases the master contract time from one year to three and increases the spending limit on commodities for secondary bidding from \$50,000 to \$1 million per order

Expands Debarment Grounds to Include Deferred Prosecution Agreements

- Expands debarment grounds to cover admissions of guilt that do not lead to conviction, other general bad behavior, and related parties

Changes Surplus Property Fund Reimbursement Procedure

- Allows spending units to receive proceeds from the sale of assets by WVSASP when the original purchase fund no longer exists

Allows Agencies to Standardize Certain Commodities

- Establishes procedures for setting standards, which will eliminate the need for "or equal" specifications for that particular commodity and would last for a stated period of time

Adds an Emergency Section to *West Virginia Code* §5G-1-3

- Allows for the emergency purchase of design and engineering work, even when the cost of the project is expected to exceed \$250,000, to quickly stop problems from becoming more dangerous and costlier to repair

Modifies the Disclosure of Interested Parties Form

- Increases the limit for the Disclosure of Interested Parties form from \$100,000 to \$1 million. Additionally, this form will no longer apply to publicly traded companies.

The Purchasing Division will be making updates to its terms and conditions, templates, forms, and the *Purchasing Division Procedures Handbook* as a result of these new laws.

More information will be shared regarding these changes during informational webinars this summer and upcoming issues of *The Buyers Network*.

Upcoming Purchasing Division Dates to Remember:

The Purchasing Division hopes you will join us at one of our upcoming events this month. To learn more about Purchasing Division events, visit WVPurchasing.gov or contact us at Purchasing.Division@wv.gov.

Purchasing Division Open House

May 1, 2018 | 10 a.m. – 2 p.m.

Purchasing Procedures and Purchasing Card Training

May 10, 2018 | 9:00 a.m. – 11:00 a.m.

Legal Seminar on State Procurement Practices

May 15, 2018 | 9:00 a.m. – 3:15 p.m.

Webinar - Solicitation Process: From Pre-Planning to Post Award

May 16, 2018 | 9 a.m. – 12 p.m.

Parkersburg Seminars for Local Governments and Vendors

May 17, 2018 | 10 a.m. and 1:30 p.m., respectively

Inspection Services & Statewide Contracts In-House Training

May 23, 2018 | 9 a.m. – 11 a.m.

WVSASP Eligible Organization Open House

May 23, 2018 | 10 a.m. – 2 p.m.

WVSASP Customer Appreciation Day

June 6, 2018 | 8:30 a.m. – 6 p.m.

Relationships Between the Parties Associated with Sheltered Workshop Products and Services Explained

All agency procurement officers are required to purchase commodities and services, if available, from internal sources, such as sheltered workshops, but the structure of the sheltered workshops and the vendor that oversees them might not be as familiar.

Sheltered workshops are known as Community Rehabilitation Programs (CRPs). The West Virginia Association of Rehabilitation Facilities (WVARF) currently serves as the central nonprofit agency (CNA) to oversee all commodities and services from sheltered workshops. One function of the CNA is to determine which CRP can best fulfill a role. For example, if three CRPs can perform janitorial services, the CNA will decide which one can best perform the service. A contract is issued to the CNA, which collects payment and takes 4.1% payment from each contract, while the CRP fulfills the contract for the goods or services.

Another function of the CNA is to be a point of contact between the CRPs and the Governor's Committee for the Purchase of Commodities and Services from the Handicapped, which oversees the CNA.

The Committee is responsible for determining the fair market price of all commodities, printing and services; monitoring the activities of the CNA to ensure the interests of the state's handicapped citizens are advanced by the agency; and monitoring the performance of the CNA to see that the commodities and services produced meet stated specifications (or in the absence of specifications, meet standards in use by the federal government or industry) as to quality and delivery. The Purchasing Director assigns the executive secretary for this Committee, which is Technical Services Manager Mark Totten. Kim Nuckles, who serves as the state's Americans with Disabilities Act Coordinator, is the chairperson.

"Since this is a social program and not a business program, we get out of the realm of testing markets like we do with competitive bids," said Purchasing Director Mike Sheets. "When the state goes to market for goods and services, the solicitation determines market rate. We don't get that same feedback with a CRP. The Committee makes sure the price is fair to the state. They do that by looking at market research conducted by the CRPs,

which then sends it to the CNA."

The Purchasing Division provides a service to the CNA by advertising any price changes for 10 business days to agency procurement officers of existing commodities and services, which the CNA is required by law to do. The Purchasing Division can also determine what commodities and services should be added to a statewide contract.

"The CRP can competitively bid for commodities and services not currently on a statewide contract," Sheets said. "If the CRP wants a commodity or service added to that contract, they can make a case for it. Ultimately, we have to determine the consequences of adding something to a contract that state agencies are mandated to use."

It is important to note that any CRP can bid on the solicitation to be the CNA. Because the CNA is a vendor, should problems occur with the quality, a *Vendor Performance* (WV-82) form should be completed as with any other vendor.

The current CNA contract expires May 31, 2018, and the solicitation for the upcoming contract is currently out for bid.

Purchasing Welcomes Three New Employees

The Purchasing Division is pleased to welcome three new employees to its staff. Heather Bundrage joined the Acquisitions and Contract Administration section while Jennifer Fields and Dianna Kirk joined the Communication and Technical Services section. Bundrage will serve as a buyer for the Acquisitions Unit while Fields and Kirk will each serve as an Office Assistant II.

Bundrage, a resident of South Charleston, is a graduate of George Washington High School. Before joining the Purchasing Division, she served as a buyer for CAMC for more than nine years. Bundrage is the proud parent of two teenagers.



Fields, a resident of Sissonville, joins the Purchasing Division after working many years for Thomas Health Systems. A graduate of Riverside High School, she has also completed several classes at West Virginia State University. Her free time is spent driving her four children to various sports practices and activities.

Kirk, a resident of Seth, worked as a Child Care Director in Comfort, West Virginia, for 18 years. She graduated from Sherman High School and earned an associate degree in early childhood education from Southern Community and Technical College. Kirk enjoys serving in local ministries and visiting her daughter, age 23, during her free time.

The Purchasing Division would like to welcome Bundrage, Fields, and Kirk to its staff.

Welcome our new employees! Dianna Kirk, Heather Bundrage and Jennifer Fields (left to right) recently joined the Purchasing Division staff. Kirk and Fields each serve as an Office Assistant II, while Bundrage works as a Buyer.

Specification Samples Now Available on the Purchasing Division's Website for Agency Use

The West Virginia Purchasing Division is pleased to offer a repository of specification samples that may be used by state agencies and local government entities when procuring certain commodities and services. These sample specifications, which can be modified to suit an entity's particular needs, may be used by agency procurement officers to expedite the development of specifications.

"We know specification writing is difficult and sometimes it's a challenge just knowing where to start," said Assistant Purchasing Director Frank Whittaker. "The hope is that by establishing templates for some of the more common purchases, we can aid the agencies in establishing a quality specification that will not only speed up the procurement process but also result in a top-quality contract. Agencies should remember that these are only templates to be used as guidelines, and agencies should modify the information contained within the templates as needed."

Currently, service specifications have been posted for elevator and HVAC maintenance. Additional specifications will be added in the coming months and can be viewed online at www.state.wv.us/admin/purchase/specs/default.html. This site can also

REQUEST FOR QUOTATION
[RFQ Number] Elevator Maintenance

SPECIFICATIONS

- PURPOSE AND SCOPE:** The West Virginia Purchasing Division is soliciting bids on behalf of [insert agency name] to establish an open-end contract for Elevator Maintenance.
- DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
 - "Elevator Maintenance"** means Preventive Maintenance and Corrective Maintenance services provided by Vendor under this Contract.
 - "Preventive Maintenance"** means activities that have been specifically identified on Exhibit A. Preventive maintenance is intended to include regularly scheduled

be accessed by clicking on the "Contracts" tab on the left-hand navigation bar of the Purchasing Division's main website at WV-Purchasing.gov.

If you have any suggestions or comments regarding these posted specifications or should you wish to request specifications be added for a particular commodity or service, please email Purchasing.Division@wv.gov.

Agency Inspection Reports Now Posted on Purchasing Website

Agency inspection reports that have been finalized by the Purchasing Division are now available on the Purchasing Division's website, effective April 1, 2018. By posting publicly, agencies can view their inspections and learn from other agency inspections.

The Purchasing Division is required by law to review certain aspects related to the government purchasing function. Specifically, the Purchasing Division is required to determine whether commodities delivered or services performed conform to contractual requirements, and review and audit spending unit requests and purchases that fall under the authority of the Division. Inspectors review agency purchases and verify that all purchasing laws, rules and procedures were followed.

They also check an agency's use of internal sources, if applicable; use of statewide contracts; failure to competitively bid at the delegated level; vendor registration/state debarment; verification searches; misuse of vendor fee exemption codes; purchasing affidavits; purchase orders; asset tags, if applicable; certifications of non-conflict of interest; and whether any incidents of stringing have occurred. Upon completion, the inspectors prepare a written summary of their findings and recommendations and issue a grade on a scale from A to F.

"Posting the inspection reports online for all agencies to review could be very helpful to all spending units," said Contracts Manager Greg Clay. "This gives each agency an opportunity to review actual findings of other agencies so they can be more proactive when it comes to the same violation(s) for their own agency. I think most procurement officers will be surprised at the volume of procurements processed by each agency during each fiscal year, which can be found in the introduction and summary of each inspection report."

To view all posted inspections reports, please visit the Inspection Services webpage under the Programs tab; for a direct link to the posted reports, visit www.state.wv.us/admin/purchase/inspection/inspectReports.html.

THE BUYERS NETWORK

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Current Statewide Contract Update

(As of April 19, 2018)

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 Contract

Contract	Vendor	Commodity	Effective Date
MPLS07EEE	Verizon Business	Internet Services	04/11/18 -12/31/18
SWC*54	US Foods Inc	Food Service Items	03/15/18 -03/14/19

Contract Extension

Contract	Vendor	Commodity	Effective Date
SWC*23	HP Inc	Computer Equipment	03/22/18 -09/30/18

Miscellaneous Actions

Contract	Vendor	Commodity	Description of Change
MV18D	Stephens Auto	Motor Vehicles	To remove the Class 3A Cherokee Trailhawk from the contract
SWC*54	US Foods Inc	Food Supplies	Accounting Adjustment

Purchasing Division Makes Changes to Training Modules

The Purchasing Division continues to revise and create new online training modules to expand its online training program and make its existing modules more interactive for users.

The latest full module to be revised discusses the eleven steps in the Purchasing Decision Path, highlights some of the common terms used in the state purchasing process, and provides an overview of the rules and regulations related to the different levels of purchasing authority. This Basic Purchasing module is geared toward individuals new to the state purchasing process.

Additionally, the Purchasing Division recently developed a new mini module on stringing, which occurs when an agency intentionally or unintentionally issues a series of requisitions that circumvent an agency's \$25,000 spending threshold. Stringing is strictly prohibited by law, and instances of stringing must be reported to the Legislature.

These online training modules were designed for agency procurement officials to review from the convenience of their own offices. Each full module counts as 30 minutes (i.e. .5 hours) of credit toward the Purchasing Division's Certification Program and 10-hour designee requirement, while the mini modules count as 15 minutes (i.e. .25 hours) of training credit.

Please note that upon viewing any of the online training modules, the viewer must print and complete the Certificate of Completion for the specific module. The certificate must be signed by the employee and his or her supervisor. Agency procurement officers may submit the completed certificate(s) by email to Purchasing.Training@wv.gov or by fax to 304.558.6026.

To view the online training modules page, visit www.state.wv.us/admin/purchase/training/modules.html.

FOR MORE INFORMATION

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

BUYER	E-MAIL	PHONE
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