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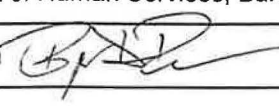
BY: Fh DATE: 10/9/26

Emergency Purchase Request Form for Central Purchases (WV-45)

Statutory Authority: Pursuant to West Virginia Code §5A-3-15 and 148 C.S.R. 1-7.6, the director may authorize, in writing, a state spending unit to purchase in the open market, without filing requisition or estimate, specific commodities for immediate delivery to meet bona fide emergencies arising from unforeseen causes.

Follow-up Award Requirements: Effective July 1, 2024, agencies are delegated the authority, upon written approval, to process all emergency purchases as agency contracts. Agencies must submit all contract documents to Purchasing.Division@wv.gov no later than 30 days of issuance.

Agency Information:

Agency/Department: WV Department of Human Services, Bureau for Social Services
Procurement Officer: Bryan D. Rosen 
Date of Request: 10/09/2026

Description of the emergency circumstance(s) that led to this emergency purchase request:

(What is the emergency situation? Provide detailed information.)

DoHS closed FY26 with a general revenue overspend of approximately \$23 million, resolved through a year-end true-up and general fund appropriation. The Department can identify the categories that grew, concentrated in the Bureau for Social Services (Socially Necessary Services and out-of-state placements), but cannot explain the drivers: spending is reported in broad annual categories, vendor data reflects encumbrances rather than expenditures, and financial coding is inconsistent. The Governor's budget is due and the 2027 regular session convenes on January 13, 2027, and the Department cannot answer the Governor's Office's budget questions with data. See attached justification memorandum. See Attachment A, for the complete description.

Proposed remedy:

(What is the item or service that needs to be purchased to remedy the emergency situation in the short term?)

A three-month rapid financial management diagnostic of the Bureau for Social Services by an identified vendor: assess data availability and reliability; build a sample budget-to-actuals view for Socially Necessary Services and out-of-state placements and estimate their share of the FY26 shortfall; assess the BSS and Office of Shared Administration financial management structure; deliver a prioritized roadmap. See Attachment A, for the complete scope and deliverables.

Estimated cost:

(How much will the items or service cost to rectify the situation? Include total cost.)

Not to exceed \$400,000 total (fixed fee for the full diagnostic, inclusive of travel expenses; invoiced monthly).

Proposed duration/quantity:

(If a service is needed, how long will you need it until you can properly bid out a long-term solution? If an item is needed, how many does your agency need?)

Approximately two to three months from notice to proceed. See Attachment A.

WEST VIRGINIA DEPARTMENT OF HUMAN SERVICES

MEMORANDUM

TO: Director, West Virginia Purchasing Division
FROM: Carl Ayers, Cabinet Secretary, Department of Human Services
DATE: October 9, 2026
RE: Request for prior written approval of an emergency purchase: Rapid Financial Management Diagnostic, Bureau for Social Services

The Department of Human Services (DoHS) requests your written approval, under W. Va. Code § 5A-3-15 and 148 CSR 1-7.6.2, to contract with a vendor without competitive bidding for a seven-week diagnostic of financial management in the Bureau for Social Services (BSS). The fixed fee is expected to be approximately \$400,000. That amount exceeds the delegated procurement limits in 148 CSR 1-7.2.1.a, so the Department must have your written approval before it makes the purchase or allows a vendor to perform any work. This memorandum supports the attached Emergency Purchase Request Form (WV-45) and addresses each element Rule 7.6.2 asks a request to contain: the emergency circumstances, the proposed remedy, the cost of the remedy, and the proposed contract duration.

1. Emergency circumstances: a \$23 million overspend the Department cannot explain

DoHS closed FY26 with a general revenue overspend of approximately \$23 million, which was resolved through a year-end true-up and a general fund appropriation. The Department can identify the categories in which spending increased, concentrated in BSS, but it cannot explain what drove the increases. Because the overspend surfaced at year-end, the Department had no opportunity to manage it within the appropriation.

Four conditions prevent the Department from producing that explanation from its own data:

- Spending on Socially Necessary Services (SNS) and out-of-state placements, which appear to be the main drivers of growth, is reported in categories too broad to support management decisions, and vendor-provided data reflects encumbrances rather than actual expenditures.
- Prior-year federal claiming is wildly inconsistent and makes current-year federal funding difficult to state.
- Financial codes are not assigned consistently or correctly across administrative and bureau staff.
- Budgets and spending are kept on spreadsheets and reported as annual figures, with no monthly budget-to-actual comparison, and the Department has limited visibility into data in the PATH system that supports BSS service delivery.

The 2027 regular session convenes on January 13, 2027 (W. Va. Const. art. VI, § 18), and Article VI, § 51 requires the Governor to submit the next fiscal year's budget that same day unless the Legislature sets a later date. The Office of the Governor has asked budget questions about BSS spending that the Department cannot answer with confidence. Without an outside diagnostic, the Department will finish its budget materials and appear before legislative committees without an explanation of a \$23 million variance, and it will still have no monthly view that could detect an FY27 overspend before year-end.

2. Why the circumstances are unforeseen

Section 5A-3-15 authorizes emergency purchases "to meet bona fide emergencies arising from unforeseen causes, including delays by contractors, delays in transportation and unanticipated

volume of work," and Rule 7.6.5 calls for a case-by-case evaluation. Two facts place this request within that standard.

First, the size of the FY26 shortfall was not known until after the fiscal year closed on June 30, 2026. The Department's reporting produces annual figures, which is why the variance surfaced too late to manage within the appropriation and why the Department had no basis to plan a procurement for this work earlier.

Second, the analysis now required is an unanticipated volume of work for the staff who would ordinarily perform it. When the former Department of Health and Human Resources was divided on January 1, 2024, administrative staff stayed in the Office of Shared Administration, which now serves three departments, reports to three secretaries, and has no single administrative leader. That office cannot reconstruct BSS spending drivers on top of its regular workload in the time remaining before the session. That same office has experienced significant staffing issues and lacks the capacity to perform the requested work effort.

The Department recognizes that emergency purchases cannot be used for hardship that results from neglect, poor planning, or lack of organization by the spending unit. This request is therefore limited to the diagnostic needed to meet the January deadlines. The longer-term financial management improvements the diagnostic identifies will be procured competitively, as described in Section 4.

3. Proposed remedy and cost

The vendor will conduct a diagnostic, focused on BSS and performed alongside Department staff focused on the following areas:

1. **Governance.** Governance and reporting with the Secretary's office, a consolidated data request with a tracked log, and an interview roster.
2. **Budget.** Budget assumptions, the financial coding structure, and the data available from PATH and the administrative services organization (Acentra Health).
3. **SNS and out-of-state placements.** A test of whether these are the principal drivers of growth, a breakdown by service type and funding source, and an estimate of their contribution to the FY26 shortfall.
4. **Fiscal management structure.** Roles, reporting lines, and the division of responsibility between BSS and the Office of Shared Administration, with a high-level review of the supporting systems.
5. **Opportunities and roadmap.** Prioritized improvements, actions available this fiscal year without new appropriation or system change, the scope of any later phase, and briefing materials for the Secretary, the Office of the Governor, and, at the State's direction, legislative committees.

The deliverables are a diagnostic findings report with a sequenced roadmap, a sample budget-to-actuals view for SNS and out-of-state placements, a BSS financial management structure and capability assessment, and weekly status reports to DoHS leadership.

Cost. The total is a fixed fee of approximately \$400,000. The contract will be capped at that amount.

4. Duration and the long-term solution

The contract would run for approximately three months depending on the vendor response. A start during the week of October 19, 2026 would complete the work in December 2026 or January 2027 just prior to the session convening, which leaves time to use the findings in the Department's budget materials and session preparation.

Approval is requested for this diagnostic only. The Department will not use this approval to extend the contract or to add implementation work. The final statement of work will state that any extension

or subsequent phase is outside this contract, and any such work will be procured competitively under W. Va. Code § 5A-3-10.

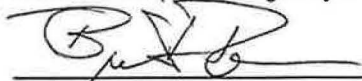
5. Competitive bids

Rule 7.6.4 calls for three written or documented verbal bids when obtaining them would not significantly impair the spending unit's ability to address the emergency, and § 5A-3-15 allows you to waive the record of competitive bids. The Department requests that waiver. Soliciting comparable firms would require a written specification, time for firms to prepare pricing, and an evaluation, and each week spent on that process would not allow for completion of this work prior to the session.

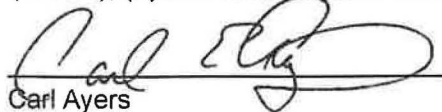
6. Contract and reporting commitments

- The vendor will not begin work before your written approval.
- The Department will execute the WV-96 Agreement Addendum with the statement of work so that State terms control any conflicting vendor terms.
- The purchase will be processed as an agency procurement in wvOASIS, as Rule 7.6.2 provides.
- Within 30 days of approval, the Department will send the executed contract documents, with documentation of what was purchased and at what price, to Purchasing.Division@wv.gov (148 CSR 1-7.6.3.b). The Department understands that this request and your approval will be posted on the Purchasing Division's website.

Attachments: (A) Emergency Purchase Request Form (WV-45); (B) A&M Statement of Work, final version



Bryan Rosen
Designated Procurement Officer, OSA
Date: October 9, 2026



Carl Ayers
Cabinet Secretary, DoHS
Date: October 9, 2026

Purchasing Division action: ☒ Approved ☐ Disapproved



Director, West Virginia Purchasing Division
Date: 10/9/26

----- Forwarded message -----

From: **Whittaker, Frank M** <frank.m.whittaker@wv.gov>

Date: Fri, Oct 9, 2026 at 3:32 PM

Subject: Re: Emergency Purchase Request

To: Rosen, Bryan D <bryan.d.rosen@wv.gov>

Cc: Samantha L Willis <samantha.l.willis@wv.gov>, Wagner, Roberta A <roberta.a.wagner@wv.gov>, Price, Robert L <robert.l.price@wv.gov>, Totten, Mark L <mark.l.totten@wv.gov>, Greg Clay <gregory.c.clay@wv.gov>

Bryan,

Your emergency request for a Rapid Financial Management Diagnostic Services for the Bureau for Social Services is approved. Please follow all emergency guidelines outlined in the Purchasing Division Procedures Handbook and return the contract and all supporting documentation to this office within 30 days of this approval for public posting.

As always, we suggest beginning the competitive process as early as possible to establish a long term solution should you need it.

Thank you,

Frank

On Fri, Oct 9, 2026 at 10:44 AM Rosen, Bryan D <bryan.d.rosen@wv.gov> wrote:

Samantha and Frank, please see the attached emergency purchase request for the Bureau of Social Services.

If you need any additional information please let me know.

Bryan