



EARL RAY TOMBLIN  
GOVERNOR

STATE OF WEST VIRGINIA  
**DEPARTMENT OF ADMINISTRATION**  
**Purchasing Division**  
2019 WASHINGTON STREET, EAST  
P.O. BOX 50130  
CHARLESTON, WEST VIRGINIA 25305-0130

ROSS TAYLOR  
CABINET SECRETARY

DAVID TINCHER  
DIRECTOR

January 2, 2014

The Honorable Jeffrey Kessler  
President of the State Senate  
Room 227M, Building 1  
State Capitol Complex  
Charleston, WV 25305

The Honorable Tim Miley  
Speaker of the House  
Room 228M, Building 1  
State Capitol Complex  
Charleston, WV 25305

**SUBJECT:** Legislative Reporting Requirement §5A-3-10(b)

Dear Sirs:

In accordance with **West Virginia Code** §5A-3-10(b), as director of the West Virginia Purchasing Division, I am required to submit in January and July of each year to the Joint Committee on Government and Finance a report summarizing our division's findings of any spending unit which awarded multiple contracts for the same or similar commodity or service to an individual vendor over any 12 month period with a value exceeding \$25,000.

This section of the Code reads:

**§5A-3-10. Competitive bids; publication of solicitations for sealed bids; purchase of products of nonprofit workshops; employee to assist in dealings with nonprofit workshops.**

*(b) The director shall solicit sealed bids for the purchase of commodities and printing which is estimated to exceed twenty-five thousand dollars. No spending unit shall issue a series of requisitions or divide or plan procurements to circumvent this twenty-five thousand dollar threshold or otherwise avoid the use of sealed bids. Any spending unit which awards multiple contracts for the same or similar*

**Senator Kessler and Delegate Miley**

**January 2, 2014**

**Page Two**

*commodity or service to an individual vendor over any twelve-month period, the total value of which exceeds twenty-five thousand dollars, shall file copies of all contracts awarded to the vendor within the twelve preceding months with the director immediately upon exceeding the twenty-five thousand dollar limit, along with a statement explaining how the multiple contract awards do not circumvent the twenty-five thousand dollar threshold. If the spending unit does not immediately report to the director, the director may suspend the purchasing authority of the spending unit until the spending unit complies with the reporting requirement of this subsection. The director may conduct a review of any spending unit to ensure compliance with this subsection. Following a review, the director shall complete a report summarizing his or her findings and forward the report to the spending unit. In addition, the director shall report to the Joint Committee on Government and Finance on the first day of January and July of each year the spending units which have reported under this subsection and the findings of the director.*

For the period of July 1, 2013 through January 1, 2014, one spending unit (Department of Health and Human Resources – Office of Operational Services) has reported to our division the award of multiple contracts for “the same or similar commodity or service to an individual vendor over any 12-month period,” where the total value of which exceeds twenty-five thousand dollars. Additionally, the Purchasing Division inspectors discovered findings relating to three different spending units during their reviews as stipulated in this section of the Code. The spending units were Watoga State Park, Huttonsville Correctional Center and Twin Falls State Park. A summary of these findings is attached.

Pursuant to this requirement, my next report will be submitted to you in July of 2014. Should you have any questions regarding this correspondence, please feel free to contact me at your convenience at (304) 558-2538 or via e-mail at **David.Tincher@wv.gov**.

Sincerely,



David Tincher, CPPO, Director  
West Virginia Purchasing Division

DT:dhb

cc: Aaron Allred, Legislative Auditor  
Ross Taylor, Acting Cabinet Secretary of Administration

West Virginia Purchasing Division  
**SUMMARY OF STRINGING ACTIVITIES**  
(July 1, 2013 – January 1, 2014)

**Watoga State Park:**

- 1) During the fiscal year under review, Watoga State Park spent a total of \$35,882.20 for propane with Halls Semple. In their response to the inspection report, the agency stated that:

*While it is clear that we have exceeded bidding thresholds our intent was not to circumvent competitive bidding process. This issue was identified with our purchasing of propane, we use it to heat a number of buildings on the park and provide cooking fuel for our restaurant. We use propane instead of electricity or natural gas, and have viewed this as a utility and therefore it did not require competitive bids. Apparently we were wrong and will begin the bidding process immediately.*

**Huttonsville Correctional Center:**

- 1) During the fiscal year under review, Huttonsville Correctional Center spent a total of \$29,382.70 with Bob Barker Company, Goaltex Corp, I.C.S. Jail Supplies Inc., and Shoe Corporation of Birmingham for the purchase of boots. In their response to the inspection report, the agency stated that:

*All facilities are having difficulties with hygiene and boots. The inspector told us that he would address this with Central Office. There was a piggyback contract with RJC-696-D that was used for the purchase of boots. We were unaware that every time we ordered boots we had to have approval from purchasing to use this piggyback contract. This is a priority for contracts at fiscal year-end.*

- 2) During the fiscal year under review, Huttonsville Correctional Center spent a total of \$27,934.50 for hygiene items with Bob Barker Company, Charm-Tex, I.C.S. Jail Supplies Inc., Grainger (WW Grainger) and Robinson Textiles. In their response to the inspection report, the agency stated that:

*Due to bids on hygiene with several vendors and different vendors being awarded these bids it was difficult to keep up with the amount that we were purchasing on hygiene alone. We order other supplies from several of these vendors excluding hygiene; therefore we did not separate correctly hygiene for all other purchases.*

*The rest of these findings appear to be just as Mr. Blount described and we will attempt to follow your recommendations and be in compliance with Purchasing Division rules and/or regulations.*

## **Twin Falls State Park:**

- 1) During the fiscal year under review, Twin Falls State Park spent a total of \$33,831.88 for hotel supplies with American Hotel Registry. In their response to the inspection report, the agency stated that:

*In response to the Purchasing Review of Twin Falls State Park, Division of Natural Resources, Issue 12. Issue 12's finding was an instance of stringing with the vendor American Hotel Registry, this was not our intent. Recently, Twin Falls had opened a 27 room lodge expansion and unfortunately after all of the initial purchases were made, over time; items that were not anticipated crept in and were purchased through this company. Unfortunately, American Hotel Registry was a quick resource that was readily available and could provide any item we needed to meet our guest's needs. However, if a purchase of similar items were known to be needed to be made at one particular time the policy would have been to follow the agency delegated purchasing guidelines. In the future we will take this into consideration and will also research other quality companies that can meet our needs.*



STATE OF WEST VIRGINIA  
DEPARTMENT OF HEALTH AND HUMAN RESOURCES

Earl Ray Tomblin  
Governor

Office of the Chief Operations Officer  
One Davis Square, Suite 100 West  
Charleston, West Virginia 25301  
Telephone: (304) 558-3217 Fax: (304) 558-8294

Karen L. Bowling  
Cabinet Secretary

**MEMORANDUM**

**To:** DHHR Purchasing

**From:** George Montgomery, Director of Operational Services <sup>JMM</sup>

**CC:** Greg Nicholson, Chief Operations Officer  
Doug Kemp, DHHR Diamond Maintenance Supervisor

**Date:** October 29, 2013

**Subject:** Purchasing Violation SanPap12 – Liberty Distributing

During a meeting with the Georgia Pacific representative, Doug Kemp, DHHR Diamond Building Maintenance Supervisor, and I became aware that the contract SanPap12 was no longer in force. I notified Doug (e-mail attached) on August 13, 2012 that the contract had been awarded. It appears it was canceled effective September 30, 2012. We were unaware of the cancellation.

Doug is responsible for providing all paper products for the Diamond Building. Primary areas of use are 18 restrooms and 8 break rooms for the 1,000+ occupants of the building. Doug places orders for paper products for the Diamond Building approximately twice per month from Liberty Distributing.

Upon learning of the contract cancellation and knowing that we had inadvertently exceeded the purchasing limits, I requested a report from the Director of the DHHR Purchasing Card Program detailing Doug's purchases from Liberty Distributing from October 1, 2012 to current. The attached report shows total purchases from Liberty Distributing in the amount of \$31,441.83 during the period.

Effective immediately, Doug has been notified to not make any additional procurements from Liberty Distributing that are not covered by an in force contract. We will follow agency delegated rules until such time as a new statewide contract is in place.

If you require any additional information, please let me know.

Enc: P-card Use Report  
E-mail from George Montgomery to Doug Kemp

WV Department of Health and Human Resources

10/28/13

Document ID Fund FY Org Act Obj Grant/PROJ Tran Date Post Date Amount Vendor Name

KEMP DOUGLAS W  
 S007664159 5362 2013 2545 099 020 10/08/12 10/10/12 1,189.50 LIBERTY DISTRIBUTORS,  
 UPP Subtotal 1,189.50

PAPER TOWEL	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>

S007681661 5362 2013 2545 099 020 10/17/12 10/19/12 568.50 LIBERTY DISTRIBUTORS,  
 UPP Subtotal 568.50

PAPER TOWELS	30.00	CS	18.95	568.50
				<u>568.50</u>

S007710524 5362 2013 2545 099 020 10/31/12 11/02/12 1,189.50 LIBERTY DISTRIBUTORS,  
 UPP Subtotal 1,189.50

PAPER TOWEL	30.00	CS	18.95	568.50
TOILET PAPER	20.00	EA	31.05	621.00
				<u>1,189.50</u>

S007735554 5362 2013 2545 099 064 11/14/12 11/16/12 568.50 LIBERTY DISTRIBUTORS,  
 UPP Subtotal 568.50

C-FOLD PAPER TOWEL	30.00	CS	18.95	568.50
				<u>568.50</u>

S007746916 5362 2013 2545 099 034 11/22/12 11/23/12 1,189.50 LIBERTY DISTRIBUTORS,  
 UPP Subtotal 1,189.50

C-FOLD PAPER TOWEL	30.00	CS	18.95	568.50
TOILET TISSUE	20.00	CS	31.05	621.00
				<u>1,189.50</u>

Document ID	Fund	FY	Org	Act	Obj	Grant/PROJ	Tran Date	Post Date	Amount	Vendor Name
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S007769127	5362	2013	2545	099	034		12/05/12	12/07/12	568.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	568.50	

PAPER TOWEL	30.00	EA	18.95	568.50
				<u>568.50</u>

S007790615	5362	2013	2545	099	034		12/17/12	12/19/12	1,760.31	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,760.31	

HAND SANITIZER REFILL	20.00	CS	88.02	1,760.40
ROUNDING OF UNIT PRICE	1.00	EA	(0.09)	-0.09
				<u>1,760.31</u>

S007795469	5362	2013	2545	099	064		12/19/12	12/21/12	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWEL	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>

S007807361	5362	2013	2545	099	034		01/02/13	01/04/13	568.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	568.50	

CFOLD TOWELS	30.00	CS	18.95	568.50
				<u>568.50</u>

S007823450	5362	2013	2545	099	034		01/11/13	01/14/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWELS	30.00	CS	18.95	568.50
TOILET TISSUE	20.00	CS	31.05	621.00
				<u>1,189.50</u>

S007857067	5362	2013	2545	099	034		01/29/13	01/31/13	568.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	568.50	

PAPER TOWELS	30.00	CS	18.95	568.50
				<u>568.50</u>

Document ID	Fund	FY	Org	Act	Obj	Grant/PROJ	Tran Date	Post Date	Amount	Vendor Name
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S007867796	5362	2013	2545	099	034		02/04/13	02/06/13	1,310.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,310.50	

PAPER TOWELS	20.00	CS	18.95	379.00
TOILET TISSUE	30.00	CS	31.05	931.50
				<u>1,310.50</u>

S007890973	5362	2013	2545	099	020		02/15/13	02/18/13	1,344.75	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,344.75	

PAPER TOWELS	30.00	CS	18.95	568.50
TOILET PAPER	25.00	CS	31.05	776.25
				<u>1,344.75</u>

S007914858	5362	2013	2545	099	020		02/27/13	03/01/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER PRODUCTS	1.00	EA	1,189.50	1,189.50
				<u>1,189.50</u>

S007943324	5362	2013	2545	099	034		03/13/13	03/15/13	568.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	568.50	

CFOLD PAPER TOWEL	30.00	CS	18.95	568.50
				<u>568.50</u>

S007959637	5362	2013	2545	099	034		03/21/13	03/25/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWEL	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>

S007983557	5362	2013	2545	099	034		04/05/13	04/08/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWELS	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>



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S007983558	5362	2013	2545	099	034		04/05/13	04/08/13	604.00	LIBERTY DISTRIBUTORS,																																												
UPP								Subtotal	604.00																																													
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S008006986	5362	2013	2545	099	034		04/17/13	04/19/13	568.50	LIBERTY DISTRIBUTORS,																																												
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S008025540	5362	2013	2545	099	034		04/26/13	04/29/13	1,189.50	LIBERTY DISTRIBUTORS,																																												
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S008057630	5362	2013	2545	099	034		05/13/13	05/15/13	568.50	LIBERTY DISTRIBUTORS,																																												
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S008071000	5362	2013	2545	099	034		05/20/13	05/22/13	1,632.02	LIBERTY DISTRIBUTORS,																																												
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S008075839	5362	2013	2545	099	034		05/22/13	05/24/13	73.25	LIBERTY DISTRIBUTORS,																																												
UPP								Subtotal	73.25																																													
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Document ID	Fund	FY	Org	Act	Obj	Grant/PROJ	Tran Date	Post Date	Amount	Vendor Name
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S008078421	5362	2013	2545	099	034		05/24/13	05/27/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWEL	30.00	CS	18.95	568.50
TOILET TISSUE	20.00	CS	31.05	621.00
				<u>1,189.50</u>

S008101760	5362	2014	2545	099	034		06/07/13	06/10/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWEL	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>

S008127417	5362	2014	2545	099	034		06/20/13	06/24/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWELS	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>

S008155924	5362	2014	2545	099	034		07/10/13	07/12/13	848.40	LIBERTY DISTRIBUTORS,
UPP								Subtotal	848.40	

PAPER TOWELS	12.00	CS	18.95	227.40
TOILET PAPER	20.00	CS	31.05	621.00
				<u>848.40</u>

S008158642	5362	2014	2545	099	034		07/12/13	07/15/13	341.10	LIBERTY DISTRIBUTORS,
UPP								Subtotal	341.10	

PAPER TOWEL	18.00	CS	18.95	341.10
				<u>341.10</u>

S008180285	5362	2014	2545	099	034		07/24/13	07/26/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWELS	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>

Document ID	Fund	FY	Org	Act	Obj	Grant/PROJ	Tran Date	Post Date	Amount	Vendor Name
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S008203793	5362	2014	2545	099	034		08/07/13	08/09/13	568.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	568.50	

PAPER TOWELS	30.00	CS	18.95	568.50
				<u>568.50</u>

S008229706	5362	2014	2545	099	034		08/21/13	08/23/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWELS	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>

S008255619	5362	2014	2545	099	034		09/05/13	09/09/13	568.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	568.50	

CFOLD PAPER TOWELS	30.00	CS	18.95	568.50
				<u>568.50</u>

S008280205	5362	2014	2545	099	034		09/18/13	09/20/13	1,189.50	LIBERTY DISTRIBUTORS,
UPP								Subtotal	1,189.50	

PAPER TOWEL	30.00	CS	18.95	568.50
TOILET PAPER	20.00	CS	31.05	621.00
				<u>1,189.50</u>

Grand Total 31,441.83

## Montgomery, George L

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**From:** Montgomery, George L  
**Sent:** Monday, August 13, 2012 11:21 AM  
**To:** Kemp, Doug W  
**Subject:** FW: Recently Issued Statewide Contracts

<http://www.state.wv.us/admin/purchase/swc/SANPAP12.pdf>

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**From:** Teel, Susie M  
**Sent:** Monday, August 13, 2012 11:14 AM  
**To:**  
**Subject:** Recently Issued Statewide Contracts

Please be aware that new statewide contracts were recently issued for the following. If you haven't already started to use them, do so immediately as the need arises. DHHR Purchasing will make every effort to keep you advised of new statewide contracts, but it is your responsibility to check the statewide contract listing prior to each time you have a need for those types of items/services. That listing can be found at <http://www.state.wv.us/admin/purchase/swc/>

Automotive Batteries

Coaxial Cable & Connections

**Sanitary Paper Supplies**

*Susie Teel*, CPPB  
Buyer Supervisor  
WVDHHR Purchasing  
One Davis Square, Room #111  
Charleston, WV 25301  
(304)558-1294  
Fax: (304)558-2892  
[Susie.M.Teel@wv.gov](mailto:Susie.M.Teel@wv.gov)