



MARK D. SCOTT
CABINET SECRETARY

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON STREET, EAST
CHARLESTON, WEST VIRGINIA 25305-0130

SAMANTHA KNAPP
DEPUTY DIRECTOR

January 1, 2024

The Honorable Craig Blair
President of the State Senate
Room 229M, Building 1
State Capitol Complex
Charleston, WV 25305

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

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

Dear Sirs:

In accordance with *West Virginia Code* §5A-3-10(c), 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 the delegated limit.

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; continuing procurements over \$1 million.

(c) Spending units shall not make an individual purchase in excess of the delegated procurement limit established in subsection (b) of this section, issue a series of requisitions for the same or similar commodity or service or divide or plan procurements with the intention to circumvent the delegated procurement limit established in subsection (b), or otherwise avoid the use of sealed bids. Any spending unit that discovers it has awarded multiple contracts for the same or similar commodity or service to an individual vendor over any 12-month period shall file copies of all contracts awarded or orders placed for the commodity, service, or printing in question within the 12 preceding months with the director upon exceeding the delegated limit, along with a statement explaining how either the multiple contract

President Blair and Speaker Hanshaw

January 1, 2023

Page Two

awards or orders do not circumvent the delegated procurement limit, or how the contracts or orders were not intended to circumvent the delegated limit. If the spending unit does not report to the director within a reasonable period, the director shall contact the spending unit to request such statement and may suspend the purchasing authority of the spending unit until the spending unit complies with the reporting requirement of this subsection, as determined appropriate. The director may conduct a review of any spending unit to ensure compliance with this subsection. Following a review, in consultation with the relevant spending unit, 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 January 1 and July 1 of each year the spending units which have reported under this subsection and the findings of the director.

For the period of July 1, 2023, through December 31, 2023, there were no spending units that 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 exceeded \$25,000. Additionally, the Purchasing Division inspectors did not identify any cases of stringing as part of their inspections during this period. This may be due to the Purchasing Division increasing all agencies' delegated spending threshold to \$50,000; in some cases, that amount was increased to \$100,000.

Pursuant to this requirement, my next report will be submitted to you in July of 2023. Should you have any questions regarding this correspondence, please feel free to contact me at your convenience at (304) 558-0492 or via email at ***William.M.Sheets@wv.gov***.

Sincerely,



Samantha Knapp, CPPB, Deputy Director
West Virginia Purchasing Division