

Rebecca Wasserman
Legislative Counsel
February 23, 2016

FY 2017 Governor's Proposed Budget
Secs. E.100.6-E.100.44
Creation of Division of Purchasing and Contracting

Overview

- Transfers the State's purchasing and contracting responsibilities from the Department of Buildings and General Services (BGS) to a newly-created Division of Purchasing and Contracting
- Keeps purchasing and contracting responsibilities within the Agency of Administration
- Places all of the State's responsibilities for bidding, procurement, contracting, printing and purchasing supplies within the new division

Framework of New Division

- Creates a new "division" within the Agency of Administration
 - (Drafting note re: 3 V.S.A. § 2289)
- Establishes a Director of the Division and sets this as an exempt (appointed) position
 - (Note re: testimony requesting two new positions and creation of exempt position)
- Places Division directly under the Secretary of Administration
 - (Drafting note re: 3 V.S.A. 213)

Division's Powers and Duties

- Transfers the following responsibilities from BGS to the Division of Purchasing and Contracting:
 - Oversees bidding and procurement for the State (all State departments, offices, institutions, and agencies)
 - Purchases equipment and supplies for State (including all State agencies and departments, and schools)
 - Manages State purchase card program (and administers related revolving fund)
 - Procures food and agriculture for the State
 - Oversees compliance with bidding requirements
 - Oversees State duplicating services
- Provides that the Agency of Administration, through the Division, shall maintain the prohibited contractor's list

Rebecca Wasserman
Legislative Counsel
February 23, 2016

Changes to BGS Authority

- Requires Commissioner to request the Division to give public notice to employ an architect or other professional assistance
- Provides that Commissioner may contract for custodial and maintenance services after Division completes bidding process
- Requires Commissioner to have Division advertise or invite bids for construction projects in excess of \$50,000.00
- Transfers responsibility to the Division for establishing evaluation criteria for the competitive procurement process for the design-build construction delivery process
- Maintains fleet management system, but does not oversee purchasing of vehicles
- Removes BGS' authority to establish substitute practices and exceptions to requisitioning and purchasing procedures
- Removes responsibility of BGS to employ an engineer to assist buyers and requisition agencies in formulating specifications
- Transfers responsibility to develop quality standards for State purchases, and prescribe forms for purchasing, warehousing, and inventory functions, from Commissioner of BGS to Secretary of Administration
- Maintains printing and supply services for State departments and agencies, but requires Commissioner of BGS to coordinate with the Director of Purchasing and Contracting to assess a rate for printing and requires Commissioner to consult with Director on printing jobs
- Transfers BGS' responsibilities to the Division to bill expenses for all proposals and contracts to Division
- Transfers Commissioners' authority to the Division to designate a printer for legislative documents
- Transfers Commissioner's authority to the Division to obtain State flags
- Transfers Commissioner's authority to the Division to purchase spirits and wines on behalf of the Liquor Control Board
- Transfers responsibility to the Division to purchase liability insurance from the Commissioner to the Secretary of Administration and consult with the AG on settlements and claims against the State
- Transfers responsibility to the Division to consult with the State Board of Education on rules for the prequalification of bidders on school construction projects

Rebecca Wasserman
Legislative Counsel
February 23, 2016

- Transfers responsibility to the Division to solicit bids and award contracts for engineering services for the Veterans Home
- Transfers responsibility to the Division to coordinate with the Department of Corrections on using the bidding process to come up with cost effective alternatives for housing inmates in out-of-state correctional facilities.