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# VIRGINIA STATE BUDGET

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2003 Session

## Budget Bill - HB1400 (Chapter 1042)

Bill Order » Office of Administration » Item 76

Department of General Services

| Item 76                             | First Year - FY2003                        | Second Year - FY2004                     |
|-------------------------------------|--|--|
| <b>Procurement Services (73000)</b> | <b>\$12,510,386</b><br><b>\$12,164,934</b> | <b>\$6,349,117</b><br><b>\$5,834,709</b> |
| Office Services (73001)             | \$214,589<br>\$52,020                      | \$214,589<br>\$52,020                    |
| Purchase Management (73002)         | \$11,853,605<br>\$11,670,722               | \$5,692,336<br>\$5,340,497               |
| Other Services (73099)              | \$442,192                                  | \$442,192                                |
| Fund Sources:                       |  |  |
| General                             | \$3,678,822<br>\$3,333,370                 | \$3,678,822<br>\$3,164,414               |
| Special                             | \$442,192                                  | \$442,192                                |
| Enterprise                          | \$8,389,372                                | \$2,228,103                              |

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Authority: Title 2.2, Chapter 11, Articles 3 and 6, Code of Virginia.

A. The amounts for Surplus and Excess Property Management-Federal and for Surplus Transfer or Sale - State shall be paid solely from revenues derived from charges for services. The estimated subprogram cost for Surplus and Excess Property Management-Federal is \$1,103,837 the first year and \$1,103,837 the second year. The estimated cost for Surplus Transfer or Sale-State is \$642,972 the first year and \$642,972 the second year.

B. The Department of Accounts shall provide a treasury loan of up to \$8,000,000 to the Department of General Services to pay for the costs of developing and implementing a statewide electronic procurement system that has been approved by the Secretary of Technology or his designee. Such loan shall bear interest at a rate equal to the general fund composite investment rate and shall be repaid in annual installments over a period of ten years beginning in fiscal year 2006. Repayments of this loan will be financed by fees assessed to state agencies and institutions of higher education using the electronic procurement system. Prior to accessing a treasury loan, the Department of General Services shall explore other financing strategies during development of this project and, in consultation with the Department of Planning and Budget, shall select the most viable option for developing and implementing the project. The General Assembly strongly encourages all state agencies and institutions of higher education to participate in the statewide electronic procurement system authorized in this item.

C. Out of the amounts for Purchase Management shall be provided \$7,061,269 in the first year and \$900,000 in the second year from nongeneral funds for further development and implementation of a statewide electronic procurement system.

*D.1. The Department of General Services shall operate a procurement service center to support the purchasing needs of those agencies identified by the Secretary of Administration in consultation with the Department of Planning and Budget. The agencies so identified shall cooperate with the Department of General Services by transferring such records and functions as may be required. The purchasing services provided by the procurement*

*service center to these agencies shall include, but not be limited to, the development of solicitation documents, the administration of contracts, reconciliation of invoices, and such other purchasing services as may be appropriate.*

*2. The Department of General Services shall recover the cost of the procurement service center's purchasing services in a manner as determined by the Department of Planning and Budget and the State Comptroller.*

*E. Nothing in this section shall prohibit additional agencies from using the services of the procurement service center; however, these additional agencies' use of the procurement service center shall be subject to approval by the affected cabinet secretary and the Secretary of Administration.*