
VIRGINIA STATE BUDGET

2004 Session

Budget Bill - HB29 (Introduced)

Bill Order » Office of Administration » Item 76

Department of General Services

Item 76	First Year - FY2003	Second Year - FY2004
Procurement Services (73000)	\$12,164,934	\$5,834,709
Office Services (73001)	\$52,020	\$52,020
Purchase Management (73002)	\$11,670,722	\$5,340,497
Other Services (73099)	\$442,192	\$442,192
Fund Sources:		
General	\$3,333,370	\$3,164,414
Special	\$442,192	\$442,192
Enterprise	\$8,389,372	\$2,228,103

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.

F. The Department of Accounts shall provide a treasury loan of up to \$5,000,000 to the Department of General Services to support expansion and the department's overview of the statewide Virginia Partners in Procurement (VaPP) spend management program for the purpose of creating savings for the Commonwealth's agencies and institutions by collaborating in areas where there is overlap in purchasing. Such loan shall bear interest at a rate equal to the general fund composite investment rate and shall be repaid no later than June 30, 2008. Funding for repayment of this loan will be from rebates or surcharges collected and/or fees added to the statewide spend management contracts. The General Assembly strongly encourages all state agencies and institutions of higher education to participate in the statewide spend management program authorized in this item.