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# VIRGINIA STATE BUDGET

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2006 Special Session I

## Budget Bill - HB5012 (Chapter 2)

Bill Order » Office of Administration » Item 78

Department of General Services

Item 78	First Year - FY2005	Second Year - FY2006
<b>Procurement Services (73000)</b>	<b>\$10,320,695</b>	<b>\$10,353,248</b>
Office Services (73001)	\$237,955	\$237,955
Purchase Management (73002)	\$9,892,554	\$9,925,107
Other Services (73099)	\$190,186	\$190,186
Fund Sources:		
General	\$3,953,914	\$3,953,914
Special	\$190,186	\$190,186
Enterprise	\$6,176,595	\$6,209,148

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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 \$1,383,000 the first year and \$1,383,000 the second year. The estimated cost for Surplus Transfer or Sale-State is \$1,092,240 the first year and \$1,092,240 the second year.

B.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.

C. 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.

D. The Department of Accounts shall provide a treasury loan of up to \$5,000,000 to the Department of General Services to support the department's expansion and overview of the statewide Virginia Partners in Procurement (VaPP) spend management program. The purpose of this program is to create savings for the Commonwealth's agencies and institutions by encouraging collaboration between agencies and institutions in areas where there exists overlap in purchasing. This treasury 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 the repayment of this loan will be from

rebates or surcharges collected from 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.