IL 049-07-06

June 15, 2007

OFFICE OF ACQUISITION AND MATERIEL MANAGEMENT INFORMATION LETTER

TO: Under Secretaries for Health, Benefits, and Memorial Affairs; Chief Facilities Management Officer, Office of Facilities Management; Veterans Integrated Service Network Directors; Directors, VA Medical Center Activities, Domiciliary, Outpatient Clinics, Medical and Regional Office Centers, and Regional Offices; Directors, Denver Acquisition and Logistics Center, Corporate Franchise Datacenter, Records Management Center, VBA Benefits Delivery Centers, and the VA Health Administration Center; and the Executive Director and Chief Operating Officer, VA National Acquisition Center

ATTN: Heads of the Contracting Activity, VA Contracting Officers, and All Other VA Employees Who Have Access to VA's Electronic Contract Management System (eCMS)

SUBJ: Implementation and Mandated Use of VA's Electronic Contract Management System (eCMS)

1. The purpose of this Information Letter (IL) is to provide guidance regarding the implementation and use of the Electronic Contract Management System (eCMS) by the Department's procurement offices. Effective immediately for those acquisition professionals who have been trained and received eCMS production accounts, all new procurement actions valued at $25,000 or more must be accomplished within eCMS.

2. The following information addresses eCMS implementation and use:

    a. What is the purpose for mandating eCMS as the single mechanism for generating and managing contract actions within the Department of Veterans Affairs (VA)?

    (1) The implementation of eCMS as the single mechanism for generating and managing procurement actions within VA resolves a number of issues. VA contract management operations are primarily manual and paper-based. eCMS is a system containing automated acquisition tools which improve processing of contract actions by:

✓ allowing entry of contract data, reusing it, and reducing time for processing procurement actions;

✓ enabling procurement activities to conform to federal law and agency policy guidelines when undertaking any acquisition;

✓ promoting standardization and uniformity of contracting instruments;

✓ collecting necessary data and ensuring the flow of this information with other agency systems, e.g., Central Contractor Registry (CCR), Federal Procurement Data System-Next Generation (FPDS-NG), and Federal Business Opportunities (FBO);

✓ serving as a secure electronic archiving system and creating management reporting; and

✓ improving capability of consolidating requirements, to support agency strategic sourcing decisions.

(2) In terms of operational efficiencies, through eCMS we have now begun to centrally manage an intranet-based contract management solution hosted in a secure environment at VA's Corporate Franchise Datacenter (CFD), previously Austin Automation Center. The technical quality of contracting is expected to improve dramatically when contracts are easily located, maintained on-line, reviewed for technical and legal correctness on-line, and providing management the use of automated tools for analyzing changes from prescribed formats and/or contract boilerplates.

(3) Success with eCMS implementation will positively impact many other important initiatives. eCMS will support virtual work where appropriate, positively affecting the recruitment and retention of VA's hard to fill contracting positions and improving employee morale; facilitate continuity of operations in emergency situations; create greater efficiencies in contract administration; improve ease of locating materials for contract review boards; and automate and document contract milestones and other important reports, thereby helping staff and management to keep abreast of the many contract actions for which they are responsible.

b. Is it acceptable to generate procurement documents outside of eCMS, i.e., in Microsoft Word, and then simply insert them into the Action Briefcase within eCMS?

No, unless the system cannot currently create the document. To be compliant with this IL, users must use the document generation feature in eCMS to create procurement documents. This assures that documents contain the latest Federal Acquisition Regulation (FAR) and Veterans Affairs Acquisition Regulation (VAAR) provisions and clauses, as well as any VA mandated guidelines or policies regarding standardized formats.

c. What specifically goes into eCMS, i.e., contract types, purchase orders, etc.?

For those who have been trained and received eCMS production accounts:

(1) All actions pertaining to open-market procurements over $25,000 are now required to be created and maintained within eCMS, using the eCMS document generation feature and the other functionality available in the system.

(2) All other actions not covered by (1) above and over $25,000 shall at a minimum be "recorded" in eCMS regardless of whether eCMS was used to create the action or not. The term "recorded" here means to complete the fields in the Data Values tab within eCMS. This will ensure that key data associated with these actions is captured and available for eCMS reporting and analysis.

(3) Where feasible acquisition professionals are strongly encouraged to create, maintain, and/or record all actions, including those below $25,000, in ECMS.

(4) Upon notification and training of purchasing agents, all actions utilizing simplified acquisition procedures (SAP) will be created and maintained within eCMS, using the eCMS document generation feature and the other functionality available in the system.

d. Under what circumstances should hardcopies be retained for contracts and solicitations?

(1) Federal Acquisition Regulation (FAR) 4.802(f) provides "Agencies may retain contract files in any medium (paper, electronic, microfilm, etc.) or any combination of media."

(2) VA Office of General Counsel (OGC) has issued an opinion which holds that "any document that is properly part of a contract file and meets the requirement of FAR 4.802 may be kept in an electronic medium without need to keep a hard copy."

(3) Accordingly, all documents comprising the official contract file, as defined in FAR 8.402 and 8.403, may be maintained solely within eCMS without need to retain them in hardcopy. Further, procurement officials are strongly encouraged to require submission of all documents electronically from all sources, both internal and public, that are required to be maintained as part of the contract file.

e. How do I dispose of my closed contract files?

After contracts have been properly closed in accordance with FAR 4.804 and any applicable agency guidelines, the following steps should be used for archiving the contracts:

(1) Change action status of all actions within contract folder to "Closed."

(2) Attach contract staging milestone to the contract action.

(3) Adjust date of milestone to coincide with retention period and ultimate destruction date (see FAR Part 4).

(4) Change folders owner to VISN Shared Desktop entitled "Archived Closed Contracts."

(5) VISN eCMS Application Coordinators will periodically check the Shared Desktop for expired milestones and either further archive (at the request of VA eCMS Admin) or destroy (delete actions and folder).

f.   If I am not using hardcopies of documents, how can I share them with peers and managers?

In eCMS, you may route documents to other users and reviewers very easily. Additionally, you may allow permission for others to assume your "desktop" for the purpose of reviewing your work and the specific content of your documents. Question g. explores in detail the correct procedure for reviewing the work of another. User guides containing the instructions on how to accomplish these actions are available on the Acquisition Resource Center (ARC).

g. How are reviewers intended to use eCMS in their daily roles?

eCMS is flexible enough and intended to be used by all different types of reviewers through the lifecycle of a procurement. Except for reviews conducted by the VA Office of Business Oversight's Management Quality Assurance Service (MQAS), the following are a set of general procedures which describe how the review process is to occur:

(1) Obtain from the requesting official a list of contracts subject to the formal review.

(2)   Locate the specific contract documents in eCMS identified for review by the requestor and copy into the appropriate eCMS shared desktop, i.e., Veterans Integrated Service Network (VISN) XX Formal Review Desktop. Use the shared folder in order to allow authorized reviewers to access the shared folder only to review all relevant contract documents subject to the review. Please review the various user guides for detailed instructions on how to copy files for the purpose of reviewing.

(3) The eCMS application administrator will then allow access ("read" only) to the shared desktop by the reviewing activity to conduct their reviews.

(4) Follow–up with the requestor to determine if any further documentation is needed.

(5) The contracting officer or eCMS program managers shall not allow unrestricted access to the agency contract desktops by the reviewers unless specifically required for the review.

The main difference between reviews conducted by MQAS, in relation to the process outlined above, is that MQAS reviews will not use the shared desktop approach. Rather, specifically designated MQAS staff will be given access to all eCMS desktops. The nature of this access will be carefully controlled and its use for review purposes will be coordinated with each contracting activity/VISN as necessary as reviews are conducted.

h. Who is meant to use eCMS?

eCMS is meant to be used by contracting officers, contract specialists, purchasing agents (including veterans prosthetics representatives), and item managers effecting procurement actions as outlined in the purpose of this document. In addition, reviewers may use eCMS as a form of reviewing and routing documents. This will reduce the costs of printing and mailing physical documents, as well as the costs of housing numerous documents.

i. What is the long-term vision of how eCMS will be applied at VA?

VA's long-term goal is to have a comprehensive paperless procurement system in place. Currently, eCMS interfaces with FPDS, CCR, and FBO. The users experience seamless access to these systems using a single sign-on process, with the systems sharing information fluidly. Additionally, eCMS provides a mechanism for retrieving information associated with Integrated Funds Distribution, Control Point Activity, Accounting and Procurement (IFCAP) purchase requests (VA Form 2237).

j. Is eCMS mainly used for reporting to FedBizOpps?

No, eCMS has many useful features as outlined throughout this IL document.

k. Will the Document Generator in eCMS format contract tasks such as contract/solicitation numbers on the headers and provide pagination at the footers of the document?

Yes. VA is in the process of enabling eCMS to automatically add contract or solicitation numbers at the header and pagination at the footer of each respective document.

l. How are we meant to organize our electronic files in our eCMS briefcase?

There is currently a standardized index document that will establish naming conventions for documents contained in electronic briefcases, being routed through the approval process at VA. Once this is approved, all new actions in eCMS will inherit this standardized index naming convention. The Action Briefcase Index document is available on the ARC.

m. If my computer crashes, won't I lose all of the work I have done in eCMS?

No. eCMS is a centralized web-based system. All the data you enter and work you perform is *automatically* saved and stored at the Corporate Franchise Datacenter (CFD) on redundant, secured systems. At the CFD a central repository is maintained for all contracts and solicitations in VA. It is backed up regularly and has disaster recovery procedures in place. This also serves as an easy way to run reports on all of the data contained in eCMS for FPDS and Office of Small and Disadvantaged Business Utilization (OSDBU) related queries.

n. Since many people create and execute similar solicitations and contracts, is there a way to compile and take advantage of that work and knowledge?

Yes. Through VA designed document types, users have a document already created that adheres to VA standards. These document types are based on solicitation types; what they are being used for, i.e., construction purchases; and dollar thresholds. Additionally, VISNs, offices, and teams have had much success creating documents which may be copied using the "Copy Documents from Another" function for purchasing actions more specific to their group. However, copying actions, including those which have previously received a legal, technical, or other review, does not negate the need for the newly created document to be reviewed in accordance with applicable requirements.

o. When I transfer my workload to eCMS, how will it help me keep track of all my deliverables and purchases?

eCMS can aid in managing workloads and timelines, providing a tool to track events associated with individual contract actions. Through "Milestone Plans," eCMS can track every step needed for each individual purchase. This is very similar to how Microsoft

Outlook works. Whenever you sign into eCMS the system will alert you to upcoming and past due milestones. These milestones can range from releasing a solicitation, to awarding the contract, to exercising option periods. Standard milestone plans currently exist; however, these milestones are also adjustable. Custom milestones may also be created. Additionally, as per the Chief Logistics Officer (CLO) eCMS Workgroup February 2007 recommendations, all actions will be mandated to have milestones to ensure timeliness and consistency.

p. When will eCMS be mandated for contract actions under $25,000?

Currently, only open-market contract actions over $25,000 are mandated; however, all purchase actions over the micro purchase threshold will be required in the future (see the answers to questions c. and h.).

q. How am I supposed to handle legacy contracts?

Unless a contract is expiring by the end of Fiscal Year (FY) 2007, it is now mandatory that a contract shell be entered into eCMS, with subsequent contracts and contract modifications being created off of that shell henceforth. These shells were to be in place no later than March 31, 2007 (includes leases and selling agreements).

r. What if eCMS is unavailable and an emergency procurement must be accomplished?

In that unlikely event, you may create the solicitation outside of eCMS and then retroactively create it in eCMS as soon as the opportunity becomes available to do so.

s. Will eCMS be integrated with VA Financial & Logistics Integrated Technology Enterprise (FLITE)?

Yes, ultimately eCMS is intended to interface with FLITE, which will allow communication with VA enterprise procurement, financial, and item management systems.

t. How will additional information regarding implementation and use of eCMS be disseminated?

Information will be disseminated through the Electronic Commerce Business Solutions Office (ECBSO), the CLO eCMS Workgroup, the eCMS Application Coordinators Workgroup, the eCMS Users mail group, and the Acquisition Resource Center (ARC). The ARC is a compilation of user guides, presentations, threaded discussions, and training materials related to eCMS and acquisitions.

3. This IL supersedes and rescinds ILs 90-01-7, VA's Business Opportunities System (BOS) and FedBizOpps, and 90-01-10, VA Business Opportunities System (BOS) User Training (eLearning Application) in their entirety.

4. Please direct any questions to Ronald N. Jones, eCMS Project Manager, at ronald.jones@va.gov or 512-383-4307.

/s/Jan R. Frye

Distribution: RPC 7029