



**DEPARTMENT OF VETERANS AFFAIRS**  
**Deputy Assistant Secretary for Acquisition and Materiel Management**  
**Washington, DC 20420**

**IL 90-96-1**  
**April 16, 1996**

**OFFICE OF ACQUISITION AND MATERIEL MANAGEMENT INFORMATION LETTER**

**TO:** 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, Austin Automation Center, Records Management Center, VBA Benefits Delivery Centers, and CHAMPVA Center; Director, National Cemetery System; and, the Associate Deputy Assistant Secretary for the National Acquisition Center

**ATTN:** Head of the Contracting Activity

**SUBJ:** Required Sources of Supplies and Services

1. The Government-wide Commercial Purchase Card program has opened the world of Federal procurement to many Department of Veterans Affairs (VA) employees. The program is designed to make buying supplies and services faster, easier, and more efficient by significantly reducing administrative costs associated with the procurement and payment process. It is important to realize that along with these new opportunities come new responsibilities, many of which are based on public law. Every purchase card holder is responsible for ensuring that certain supplies and services are procured from sources that are established by law. Federal Acquisition Regulation (FAR) 13.602 requires that individuals who make micro-purchases (purchases not exceeding \$2,500 (\$2,000 for construction)) comply with FAR Part 8, Required Sources of Supplies and Services, which are discussed in detail below. However, just because it is the law is not the only reason to buy from these required sources. These sources provide high quality supplies and services at reasonable prices. Purchasing from them is in the best interest of your organization, VA, and the tens of thousands of people who depend upon such purchases for jobs.

2. For instance, the requirement to acquire certain items from Javits-Wagner-O'Day (JWOD) non-profit agencies is mandated by 41 United States Code (U.S.C.) 46-48c. The JWOD program is a self-help program which generates, through Federal agency purchases of supplies and services, employment and training opportunities for more than 25,000 people, including disabled veterans, who are blind or have other severe disabilities. The JWOD program offers the Federal Government quality products and services at reasonable prices with on-time delivery. Since JWOD program sales are restricted to Federal agencies only, you, through your purchase actions, play a vital role

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in assuring the success of this program. Through use of your purchase card, you can provide Americans who are blind or who have other severe disabilities with the means to live fuller and more productive lives. JWOD products can be purchased quickly and easily through the nearest General Services Administration (GSA) Customer Supply Center. The Customer Supply Center will accept telephonic or facsimile orders, can ship orders within 24 hours, and will accept the Government-wide Commercial Purchase Card for payment. For JWOD products not stocked by GSA, orders can be placed directly with the applicable nonprofit agency workshop.

3. Another required source is Federal Prison Industries, Inc. (FPI). Acquisitions from FPI are mandated by 18 U.S.C. 4121-4128. The FPI program provides job training opportunities, employment, and rehabilitative work experiences for Federal prison inmates. FPI sales are similarly restricted to Federal agencies and the program depends upon the purchases made by VA and other agency purchase card holders. Your efforts to ensure that FPI products are purchased are vital to the continued success of this important program. Many of the products produced by FPI are available from the GSA Customer Supply Center and may be procured from GSA with the purchase card.

4. The requirement to acquire printing from the Government Printing Office (GPO) is mandated by 44 U.S.C. 501. GPO can acquire printing that will meet VA's needs. Other required sources include agency inventories, excess from other agencies, stock programs of GSA and the Defense Logistics Agency, VA decentralized contracts, and Federal Supply Schedule (FSS) contracts. VA decentralized contracts and FSS contracts offer a wide range of high quality supplies and services at very reasonable prices. Due to the Federal Government's buying power, these prices are often significantly lower than prices offered by local or non-FSS sources. It makes good business sense to seek out the least costly sources for purchase of supplies and services, and VA decentralized contracts and FSS contracts often provide such sources. You can contribute to the continued financial viability of your facility by buying from these contract sources with your purchase card.

5. Most purchases from required sources can be made using the purchase card. Not only do such purchases comply with public law, but they also promote desirable social goals and make good business sense. To facilitate the procurement of supplies and services from required sources, each purchase card holder should be provided a copy of the FSS Program Guide (see FAR 8.401), the GSA Supply Catalog, and the GSA Customer Supply Center Catalog. These publications identify JWOD and FPI products available from GSA, JWOD products available directly from non-profit agencies, and products available from FSS. In addition, each purchase card holder should be provided with a copy of the SKILCRAFT Products & Services Catalog and this Information Letter (IL). Initial distribution of the SKILCRAFT catalog will be made to Heads of the Contracting Activities (HCAs) concurrently with issuance of this IL. If not provided with a copy of the SKILCRAFT catalog, purchase card holders are encouraged to call (800) 433-2304 for a free copy. FPI also publishes a schedule that lists their

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products (see FAR 8.603). Card holders should be provided copies of FAR Parts 8 and 13. In addition, a seven minute videotape titled "JWOD is Good Business" is being sent to the HCA at each facility. We recommend that each person making purchases at the facility be afforded the opportunity to watch this video and that HCAs use the video in local training.

6. Through your efforts to comply with public law, you will contribute to many worthwhile and valuable social programs while continuing to serve the best interests of VA. Please contact the Acquisition Policy Division at (202) 273-8818 if you would like additional information.

/s/Gary J. Krump

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