

**MANDATORY USE OF THE DOMESTIC EXPRESS SMALL PACKAGE
BLANKET PURCHASE AGREEMENT (BPA) AWARDED TO FEDERAL
EXPRESS, INC.**

1. PURPOSE: This VA Notice announces the terms, conditions, and user responsibilities for the use of the new VA Domestic Express Small Package Blanket Purchase Agreement (VA-DOMEX BPA) awarded to Federal Express, Inc.

2. BACKGROUND: The VA-DOMEX BPA was initiated to replace the General Services Administration express small package contract used by Federal civilian agencies for several years. Due to its large shipping volume, VA had leverage to negotiate favorable rates and terms. The most favorable rates would result from mandatory VA usage. The Secretary's approval of the mandatory-use provision indicates that whenever there is a need for the express shipping services provided for in the VA DOMEX BPA, the BPA is the mandatory source for access to those services. The mandatory-use provision is highly desirable since the non-contract commercial rates of competing vendors are significantly higher than the BPA rates. VA users may also take advantage of the BPA for 3rd day delivery services to receive a 20% savings (compared to use of the U.S. Postal Service (USPS) Priority Mail) and an ability to track those shipments at no additional cost. Regular mail must continue to be directed through the USPS.

3. RESPONSIBILITIES:

a. The Office of Acquisition and Materiel Management will:

(1) Issue a directive called Domestic Express Small Package Shipping incorporating this Notice;

(2) Establish a task order against the mandatory BPA;

(3) Monitor all VA contract accounts and enforce user compliance;

(4) Provide assistance to account holders for service and payment issues;

(5) Develop reports detailing account holder shipping volume and costs;

(6) Negotiate increasingly favorable terms as increasing shipping volumes are validated; and

(7) Ensure that the VA contracting officer's representative (COR) monitors the contractor's service performance and manages service complaints from VA users.

b. Domestic Express Small Package BPA account holders must:

(1) Use the VA-DOMEX BPA as the mandatory source for express package delivery services whenever such services are provided for in the BPA;

(2) Ensure that the service account is registered with the contractor for access to the BPA discount rates;

(3) Verify that billing for each account is at the contract rates and is otherwise correct:

(4) Review USPS Priority Mail usage to determine if it is more economical to substitute the VA-DOMEX BPA for some or all 3rd day delivery services;

(5) Use the lowest cost small package ground service shipping alternatives whenever VA-DOMEX BPA services are not necessary; and

(6) Ensure that agreements with other express package service providers are not made without receiving a waiver from the COR (0492T). Same day pickup and delivery services for laboratory specimens by a courier may qualify for a waiver.

4. INQUIRIES: The BPA can be accessed at the VA Web site, <http://vaww.va.gov/oa&mm/intranet/>. Submit questions, inquiries, or service issues requiring COR intervention to the Transportation and Relocation Services (0492T) at (202) 273-6120 or fax to (202) 273-6236.

5. RESCISSION: This notice will be rescinded December 1, 2002, or upon issuance of a VA directive and handbook, whichever occurs first.

CERTIFIED BY:

BY DIRECTION OF THE SECRETARY OF
VETERANS AFFAIRS:

/s/John A. Gauss
Assistant Secretary for
Information and Technology

/s/Mark Catlett
Principal Deputy Assistant Secretary
for Management

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