 Jefferson Lab <small>Thomas Jefferson National Accelerator Facility</small>			Title:	Acquisition Policy Manual		
			Document ID			
Issuing Authority	Document Author	Approval Date	Effective Date	Expiration Date	REV.	Page 1 of 38
Procurement Department	Mark Waite	12/14/2006	11/6/2006	5/31/2015	4	

ACQUISITION POLICY MANUAL

Jefferson Science Associates, LLC
Thomas Jefferson National Accelerator Facility

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THOMAS JEFFERSON NATIONAL ACCELERATOR FACILITY

Operated by the Jefferson Science Associates, LLC, for the U. S. Department of Energy



REVISION SUMMARY

REV NO	EFFECTIVE DATE	APPROVAL	DESCRIPTION
0	11/6/2006	M. Dallas 11/10/2006	Original Policy Issue
		DOE 12/14/2006	
1	1/29/2007	M. Dallas 1/29/2007	Add Part XIV Small Business Opportunity Oversight
		DOE- NA	
2	3/11/2008	J. Scarcello 3/11/2008	Add Part XV Technology Acquisition
		DOE 3/13/2008	
3	4/10/2008	J. Scarcello 4/10/2008	<ul style="list-style-type: none"> • Add clarifying sentence to Part I.G(4) [Pg. 9] • Change Bond limit under Para. I.A(1) [Pg. 12] • Update Part V.C(3) Small Business Sole Source Requirements consistent with DOE Acquisition Letter 2007-11 [Pg. 19] • Update Part V.F Commercial Item Sourcing [Pg. 21] • Add Expediting Responsibility under VIII.C [Pg. 24] • Add End Note RE: DOE approval levels
		DOE Approval NA	
4	1/25/2011	J. Scarcello 1/25/2011	<p><i>Part I. Redefined subpart B to include CFO approval for all APM revisions, Added para. C. (3) requiring CFO approval for POM revisions, Added QA section under para. I.K</i></p> <p><i>Part II. Revised as follows:</i></p> <ul style="list-style-type: none"> ➤ <i>Para A. revised to show DOE Advance Notification established in Appendix A</i> ➤ <i>Delete para B. that covered DOE Consent approval requirements (replaced by DOE letter dated 12/16/2009)</i> ➤ <i>Delete Para C. Quarterly Reporting Requirements (see JSA letter M. Waite to W.Skinner/J. Hudgens dated 12/20/2010).</i> <p><i>Part IV. D. (2) deleted reference to ESH&Q part 3420</i></p> <p><i>Part XV. Revise para. 3.e. per DOE memo request</i></p> <p><i>Part XII. Add para. (1) giving requisitioners responsibility to advise requirement for Govt. Property</i></p>
		DOE Approval NA	

REVISION SUMMARY

			<i>Deleted Part XIV Small Business Oversight Committee (See REV 1 added that did not require DOE approval)</i>

TABLE OF CONTENTS

I. PURCHASING SYSTEM AND AUTHORITY.....	7
A. General	7
B. JSA Purchasing System Approval.....	7
C. Operating Procedures	7
D. Procurement Authority	8
E. Procurement Formats	8
F. Best Business Practice	8
G. Management Controls.....	9
H. Disposition of Procurement Records.....	10
I. Conflict of Interest.....	10
J. JSA Small Business Policy	11
K. Quality Assurance.....	11
L. Certification of Subcontracting Officer Technical Representative	11
II. DOE CONSENT AND APPROVAL OF PROCUREMENT ACTIONS	12
A. DOE Advance Notification.....	12
B. DOE Advance Approval.....	12
C. Reserved	12
D. Additional Purchasing System Requirements.....	12
III. PROCUREMENT PLANNING	14
A. General	14
B. Requests for Information	14
C. JSA Request for Vendor Data	14
D. Virginia Sales and Use Taxes.....	14
IV. PURCHASE REQUISITIONS AND WORK STATEMENTS	15
A. Initiating a Purchase Request.....	15
B. Purchase Requisition Reviews and Approvals	15
C. Specifications for Architect-Engineer and Construction Subcontracts	15
D. Environment, Safety, Health, and Quality (ESH&Q) Requirements.....	16

TABLE OF CONTENTS

E. Emergency Needs.....	16
F. Cancellation of Purchase Requisitions.....	16
G. Warranties.....	16
H. Options.....	16
V. SOLICITING SOURCES	18
A. General	18
B. Small Business Sources.....	18
C. Sole Source	18
D. Responsible Sources.....	20
E. Foreign Sources.....	21
F. Commercial Item Sourcing	21
G. Partnering and Teaming with Suppliers.....	21
H. Supplier Visits to TJNAF	21
I. Vendor Objections	21
VI. PROCUREMENT QUALITY REVIEWS AND COORDINATION	22
A. Buyer and Subcontracting Officer Reviews	22
B. Group Manager Reviews.....	22
C. Independent Quality Review.....	22
D. Immigration Coordination.....	22
VII. LEGAL SERVICES.....	23
A. General	23
B. Procuring Legal Services.....	23
VIII. SUBCONTRACT ADMINISTRATION.....	24
A. General	24
B. Claims	24
C. Expediting Purchase Orders and Subcontracts	24
IX. CONTRACT LABOR AND CONSULTANTS.....	26
A. Contract Labor Agreements	26

TABLE OF CONTENTS

B.	Consultant Agreements	26
X.	INSPECTION AND ACCEPTANCE	27
A.	General	27
XI.	TERMINATION OF SUBCONTRACTS AND PURCHASE ORDERS	28
A.	General	28
XII.	GOVERNMENT PROPERTY	29
A.	Personal Property	29
B.	Real Property	29
XIII.	JSA PURCHASE CARDS (PCARD)	30
A.	General	30
B.	Use of the JSA Purchase Card	30
C.	Abuse or Violation of PCard responsibility.....	30
D.	Unallowable and Restricted Items.....	31
XIV.	RESERVED	32
XV.	TECHNOLOGY ACQUISITION	33
A.	General	33
B.	Method of Acquisition	33
C.	Procurement Representative Responsibilities	35
XVI.	INDEX	36
APPENDIX A- DOE Revised Procurement Authority Letter, dated 12/16/2009		

PART I PURCHASING SYSTEM AND AUTHORITY

I. PURCHASING SYSTEM AND AUTHORITY

A. General

This Acquisition Policy Manual (APM) establishes the procurement policy (including the TJNAF issued PCard) governing procurement of goods and services at the Thomas Jefferson National Accelerator Facility (TJNAF) by the Jefferson Science Associates, LLC, hereinafter referred to as "JSA". JSA's purchasing system and methods shall be fully documented, consistently applied, and acceptable to DOE in accordance with 48 CFR 970.4401-1 and as listed below. Use of this APM requires DOE approval of JSA's Purchasing System.

- (1) Subcontracts shall be in the name of JSA and shall not bind or purport to bind the Government.
- (2) JSA shall maintain a record (electronic or physical) of each procurement transaction.
- (3) JSA shall maintain file documentation which is appropriate to the value of the purchase and is adequate to establish the propriety of the transaction and the price paid.
- (4) JSA purchases shall be at fair and reasonable prices unless otherwise exempted by the DOE Contracting Officer.
- (5) JSA purchases are not Federal procurements, and are not directly subject to the Federal Acquisition Regulations in 48 CFR.
- (6) JSA procurements shall follow the provisions of Defense Priorities and Allocations System (DPAS) consistent with 15 CFR Part 700 (see DOE Contract clause I.78)
- (7) JSA shall provide no less protection for the Government in its subcontracts than is provided in the DOE Prime Contract.
- (8) JSA may use strategic and critical materials in the National Defense Stockpile in accordance with DOE Contract clause I.130.

B. JSA Purchasing System Approval

- (1) Unless otherwise stated in this Acquisition Policy and approved by the DOE, the JSA Purchasing System shall conform and comply with the requirements of the JSA/DOE Prime Contract and certain Federal laws, Executive Orders, and regulations as required by statute, regulation, or contract terms and conditions.
- (2) Changes to JSA's written description having any substantive impact upon the purchasing system and methods shall be submitted to the DOE Contracting Officer for review and acceptance prior to issuance.
- (3) Changes to JSA's purchasing system reflected by revision of this APM shall be approved by JSA's Business Manager/Chief Financial Officer

C. Operating Procedures

The JSA Procurement Manager is responsible for the establishment, approval dissemination, implementation and surveillance of JSA's procurement system. In execution of this responsibility, the JSA Procurement Manager has issued a set of operating procedures, *Procurement Operations Manual* (POM) that fully implement and support compliance with the this APM, and therefore POM is not required to be approved by DOE.

- (1) The operating procedures are issued to all buying staff and will be maintained and controlled by the JSA Procurement Manager.)

PART I PURCHASING SYSTEM AND AUTHORITY

- (2) The JSA Procurement Manager also issues Procurement Guidance Memorandums (PGM's) that serve as a quick means to disseminate new procurement information and guidance to staff.
- (3) Revisions to the POM shall be approved by the Chief Financial Officer.

D. Procurement Authority

- (1) Procurement authority is granted by the President of JSA to the Procurement Manager and may be re-delegated as deemed necessary for the satisfactory execution of mission responsibilities.
- (2) Only duly authorized staff may make purchases, solicit quotes/proposals for goods and services, or direct changes to the subcontract.
 - a. Unless specifically authorized in writing, Subcontracting Officer Technical Representatives (SOTR's) are not authorized to direct or make changes under the purchase order/subcontract.
 - b. Persons making unauthorized purchases or changes may be liable for the cost of the purchase and subject to further disciplinary action by JSA.
- (3) JSA staff members are authorized to make purchases through JSA's E-commerce system, subject to available funding and program approval.
- (4) TJNAF Users (visiting scientists and collaborators) performing work in support of JSA's mission are only authorized to make purchases through JSA's E-commerce system, subject to available funding and program approval.
- (5) Purchase authority for each PCard issued by the Lab is established in a delegation memorandum issued by the JSA Procurement Manager.
- (6) A *Procurement Official* is defined as any participating party in the procurement process, e.g., requisitioners, source evaluation board members, buyers/subcontracting officers, PCard holders, etc.

E. Procurement Formats

- (1) The Procurement Department uses standard formats based on the nature and type of procurement action issued, e.g., fixed price, cost type, profit, non-profit, services, supply, etc. to ensure appropriate flow down of all applicable provisions in the DOE prime contract to subcontractors and sub-tier subcontractors. In addition, standard formats also contain TJNAF originated clauses to cover special circumstances affecting subcontractor performance including safety incentives, ESH&Q provisions, options, etc.
- (2) Any change or modification to a standard format term and/or condition shall be approved by the Procurement Manager.

F. Best Business Practice

The JSA purchasing system shall follow the dictates of best business practice to accomplish the following outcomes:

- (1) Acquisition of quality products and services at fair and reasonable prices;
- (2) Use of capable and reliable subcontractors who either (i) have track records of successful performance, or (ii) have demonstrated the proficiency to perform the specified requirements;
- (3) Minimization of acquisition lead-time and administrative costs of purchasing;
- (4) Use of effective competitive techniques;

PART I PURCHASING SYSTEM AND AUTHORITY

- (5) Reduction of performance risks associated with subcontractors, and facilitation of quality relationships which can include techniques such as partnering agreements, ombudsmen, and alternative disputes procedures;
- (6) Use of self-assessment and benchmarking techniques to support continuous improvement in purchasing;
- (7) Maintenance of the highest professional and ethical standards;
- (8) Maintenance of file documentation appropriate to the value of the purchase and which is adequate to establish the propriety of the transaction and the price paid; and
- (9) Maximize opportunities for all categories of small business concerns (see page 11 part I(6)c

G. Management Controls

- (1) This policy shall be published on the Department's website accessible to all TJNAF staff and will serve as the only controlled copy of this document.
- (2) The Procurement Department's formats that provide the terms and conditions used for procurement actions are accessible only to procurement staff as "read only" documents, and can only be altered by persons authorized access by the JSA Procurement Manager.
- (3) All procurement instruments (PO's subcontracts, CRADA's, etc.) are sequentially numbered beginning with the number of the fiscal year (e.g., 08-P0001, 09-P0001). Purchase Requisition numbers are generated automatically through the MAXIMO Requisition system and are not reset at the beginning of each fiscal year.
- (4) Purchase requisition generation and approval authority is controlled via the Laboratory's MAXIMO Requisition System that requires the appropriate electronic signature approval for all applicable projects, organizations and accounts (POA's) prior to receipt in Procurement. Additionally, to ensure compatibility with mission requirements certain strategic items requisitioned through Maximo require approval by Subject Matter Experts prior to being routed to Procurement (see paragraph IV.B(3)).
- (5) All procurement actions are reviewed in accordance with a Procurement Department checklist established for the specific dollar value and type of action
- (6) Payment for goods and services requires a three-way match (shipping & receiving, vendor invoice and JSA purchase order) or two-way match (vendor invoice and JSA purchase order) in the Costpoint financial system based on whether payment is for a commodity or service.
- (7) Purchases/commitments made on behalf of JSA without delegated procurement authority may be disallowed unless ratified by the JSA Procurement Manager. The JSA Procurement Manager is authorized to ratify an unauthorized purchase and take action as necessary and reasonable to eliminate unauthorized purchases within the Laboratory. The responsible subcontracting officer shall make a determination and findings of the events contributing to unauthorized actions. The ratification request shall address the following:
 - a. That the supplies or services are necessary and consistent with TJNAF quality standards,
 - b. Funds are available,
 - c. The price/cost is fair and reasonable, and
 - d. The resultant purchase order/subcontract would have otherwise been proper,
- (8) JSA Procurement Department shall have in place and follow reasonable procedures designed to prevent and detect possible procurement violations described in DOE Contract Clause I.5. Anti-Kickback Procedures (FAR 52.203-7).

PART I PURCHASING SYSTEM AND AUTHORITY

- (9) The Procurement Department shall conduct an annual Balanced Scorecard self-assessment to evaluate the efficacy of the procurement system in terms of: (a) meeting customer needs, (b) effectiveness of internal processes, (c) development of staff through learning and growth, and (d) efficiency of operations; and will develop an improvement plan based on the results of the annual quality assessment.
- (10) The JSA Procurement Manager is responsible to coordinate an annual review of the Laboratory's procurement related business practices to identify cost saving opportunities through small business subcontracts vis-à-vis "make in house"
- (11) The JSA Procurement Manager shall identify core training requirements for Department staff and establish periodic reviews (at least annually) to ensure identified training is being accomplished..

H. Disposition of Procurement Records

The Procurement Department will maintain custody of all active records until final closeout by the responsible buyer/subcontracting officer. Inactive records will be transferred to the JSA records custodian for proper storage and final disposition.

I. Conflict of Interest

TJNAF employees are responsible to identify, avoid, neutralize, or mitigate conflicts of interest (including organizational conflict of interest) before entering into subcontracts, agreements, or other arrangements, and shall promptly notify the JSA Procurement Manager concerning any known or potential situation, which could involve a conflict of interest situation.

- (1) TJNAF staff must refrain from any situation that could lead to, or have the appearance of, a conflict of interest with a specific procurement action, solicitation, or subcontractor.
- (2) Procurement Officials shall treat all parties equitably and fairly, be guided by ethical considerations, and maintain a professional, objective, and credible commitment to the goals, priorities, and requirements imposed by statute, the DOE Contract, and this APM.
- (3) It is the responsibility of Procurement Officials to promptly report: (i) violations of law; (ii) any threat to the health and safety of individuals, (iii) any threat to the environment; (iv) matters involving mismanagement; gross waste of funds; or abuse of authority.
- (4) A Procurement Official shall promptly report to the JSA Procurement Manager any situation where a gift or other such gratuity was accepted, or not promptly returned to the vendor after receipt through the mail or other such means.
- (5) When a conflict of interest is determined to exist that cannot be avoided, neutralized, or mitigated to the subcontracting officer's satisfaction, the subcontracting officer may disqualify the offeror from award and undertake the disclosure, evaluation, and determination process with the firm next in line for award. If the subcontracting officer finds that it is in the best interest of JSA and/or the Government to award the subcontract notwithstanding a conflict of interest, a request for waiver shall be submitted to the DOE Contracting Officer in accordance with 48 CFR 909.503.
- (6) Prevention of Conflict of Interest
 - a. JSA shall not award a subcontract for construction to the architect-engineer firm or an affiliate that prepared the design. This prohibition does not preclude the award of a "turnkey" subcontract so long as the subcontractor assumes all liability for defects in design and construction and consequential damages.

PART I PURCHASING SYSTEM AND AUTHORITY

- b. JSA shall not award both a cost-reimbursement subcontract and a fixed-price subcontract for construction or architect-engineer services or any combination thereof to the same firm where those subcontracts will be performed at the same site.
- c. JSA shall not employ the construction subcontractor or an affiliate to inspect the firm's work. JSA shall assure that the working relationships of the construction subcontractor and the subcontractor inspecting its work and the authority of the inspector are clearly defined.

J. JSA Small Business Policy

- (1) Policy Statement:

“It is JSA’s policy to provide opportunities to small businesses, veteran-owned small business, service-disabled/veteran-owned small business, HUB Zone small business, small disadvantaged business, women-owned small business concerns, and Historically Black Colleges and Universities to the maximum extent practicable consistent with the efficient performance our mission. JSA believes that working with a diverse group of suppliers and subcontractors enhances value to our business and broadens our knowledge base and capabilities. Accordingly, Small Business participation and development are integral to effective project execution in support of our DOE Contract.

Further, JSA’s continued support of small business subcontracting with local business community is fundamental to our business strength and therefore, JSA actively seeks to improve our outreach and support to the small business community.”

- (2) JLab staff are expected to advance JSA’s Small Business Policy to the maximum extent practicable when planning and executing work activities that provide meaningful opportunities for small businesses participation.
- (3) Mentor Protégé agreements, when considered, shall be established consistent with DEAR 919.70

K. Quality Assurance

- (1) Applicable requirements of the JLab Assurance Program Description QAC-09-038-PD shall be implemented in acquisition procedures.
- (2) A graded approach, based on safety risk designation, financial risk, complexity and potential impact on JLab programmatic mission, shall be applied in implementing quality assurance requirements.

L. Certification of Subcontracting Officer Technical Representative

- (1) JSA policy requires that only “Certified” Subcontracting Officer Technical Representatives may be assigned to the following types of actions
 - a. Construction, installation, or fabrication work on site
 - b. Services performed at JLab with unmitigated Risk Code 2 or higher
 - c. Procurements awarded above the “Simplified Acquisition Threshold” using JLab specifications
 - d. Whenever deemed necessary by the Subcontracting Officer (SO)
- (2) If the SOTR has not been able to complete the necessary SOTR training to become :”Certified”, the buyer/subcontracting officer may assign the SOTR to the procurement with the understanding that necessary training to become “Certified” will be completed within 90 calendar days of assignment.

PART II DOE CONSENT AND APPROVAL OF PROCUREMENT ACTIONS

II. DOE CONSENT AND APPROVAL OF PROCUREMENT ACTIONS

A. DOE Advance Notification

See Appendix A

B. DOE Advance Approval

See Appendix A

C. Reserved

D. Additional Purchasing System Requirements

JSA procurement actions shall be consistent with the Government requirements set forth below:

- (1) Audit of Subcontractors shall include:
 - a. Periodic post-award audit of cost-reimbursement subcontractors at all tiers, and
 - b. Audits, where necessary, to provide a valid basis for pre-award or cost or price analysis.
 - c. Responsibility for determining the costs allowable under each cost-reimbursement subcontract remains with the contractor or next higher-tier subcontractor. JSA shall provide, in appropriate cases, for the timely involvement of the subcontractor and the DOE contracting officer in resolution of subcontract cost allowability.
 - d. Where audits of subcontractors at any tier are required, arrangements may be made to have the cognizant Federal agency perform the audit of the subcontract. These arrangements shall be made administratively between DOE and the other agency involved and shall provide for the cognizant agency to audit in an appropriate manner in light of the magnitude and nature of the subcontract. In no case, however, shall these arrangements preclude determination by the DOE contracting officer of the allowability or unallowability of subcontractor costs claimed for reimbursement by JSA.
 - e. Allowable costs for cost reimbursable subcontracts are to be determined in accordance with the cost principles of 48 CFR Part 31, appropriate for the type of organization to which the subcontract is to be awarded, as supplemented by 48 CFR Part 931. Allowable costs in the purchase or transfer from JSA-affiliated sources shall be determined in accordance with 48 CFR 970.4402-3 and 48 CFR 970.3102-3-21(b).
- (2) Bonds and Insurance.
 - a. JSA shall require performance and payment bonds in accordance with FAR 28.102.
 - b. Specific guidance implementing FAR 28.102 is contained in the Procurement Operations Manual Part 27
- (3) JSA shall comply with 48 CFR 8.11 and 48 CFR 908.11 when leasing motor vehicles.
- (4) Equipment, materials, supplies, or services acquired from a contractor-affiliated sources shall be purchased or transferred in accordance with 48 CFR 970.4402-3.
- (5) Requirements for automatic data processing resources and telecommunications facilities, services, and equipment are automatically routed to the Computer Center by the Maximo Requisition system for review and approval.
- (6) Purchase of the following special items shall be in accordance with the following provisions of 48 CFR 908.71 and the Federal Property Management Regulations, 41 CFR Chapter 101:
 - a. Motor vehicles--48 CFR 908.7101
 - b. Aircraft--48 CFR 908.7102
 - c. Security Cabinets--48 CFR 908.7106

PART II DOE CONSENT AND APPROVAL OF PROCUREMENT ACTIONS

- d. Alcohol--48 CFR 908.7107
 - e. Helium--48 CFR 908.7108
 - f. Fuels and packaged petroleum products--48 CFR 908.7109
 - g. Coal--48 CFR 908.7110
 - h. Arms and Ammunition--48 CFR 908.7111
 - i. Heavy Water--48 CFR 908.7121(a)
 - j. Precious Metals--48 CFR 908.7121(b)
 - k. Lithium--48 CFR 908.7121(c)
 - l. Products and services of the blind and severely handicapped--41 CFR 101-26.701
 - m. Products made in Federal penal and correctional institutions--41 CFR 101-26.702
- (7) JSA shall determine whether required equipment and property should be purchased or leased, and establish appropriate thresholds for application of lease vs. purchase determinations. Such determinations shall be made:
- a. At time of original acquisition;
 - b. When lease renewals are being considered; or
 - c. At other times as circumstances warrant.
- (8) Where a subcontractor has been permitted to assign payments to a financial institution, the assignment shall treat any right of setoff in accordance with 48 CFR 932.803.
- (9) Subcontracts involving unclassified uncontrolled nuclear information shall be treated in accordance with 10 CFR part 1017.
- (10) Requirements with a value of \$25,000 or more that involve: (i) access to or handling of classified information or special nuclear material, (ii) transportation of hazardous materials to or from a DOE site, and/or (iii) high risk of danger to life, the environment, public health and safety, or national security may be subject to Contractor Workplace Substance Abuse Program (Reference DOE Order 350.1, part VIII) and shall be referred to the JSA Procurement Manager for coordination with the DOE Contracting Officer.
- (11) In addition to terms and conditions that are included in the prime contract which direct application of such terms and conditions in appropriate subcontracts, JSA shall include the following clauses in subcontracts, as applicable:
- a. Davis-Bacon clauses prescribed in 48 CFR 22.407.
 - b. Foreign Travell clause prescribed in 48 CFR 952.247-70.
 - c. Counterintelligence clause prescribed in 48 CFR 970.0404-4(a).
 - d. Service Contract Act clauses prescribed in 48 CFR 22.1006.
 - e. State and local taxes clause prescribed in 48 CFR 970.2904-1.
 - f. Cost or Pricing Data clauses prescribed in 48 CFR 970.1504-3-1(b).
- (12) JSA shall flow down requirements to subcontractors who perform work subject to the Davis-Bacon Act and the Service Contract Act pursuant with DOE Order 350.1, Chapter 2, Contractor Requirements Document.

PART III PROCUREMENT PLANNING

III. PROCUREMENT PLANNING

A. General

- (1) Acquisitions shall be sufficiently planned to accomplish the specific mission and meet the laboratory's obligations under the DOE Contract in a timely and cost effective manner.
- (2) TJNAF programs shall coordinate acquisition needs with Procurement in sufficient detail to allow effective allocation and execution of resources to meet JSA's planned goals and objectives.
- (3) Procurement planning information shall only be released to JSA and DOE officials on a need to know basis. Information released to third parties requires approval of the JSA Procurement Manager.

B. Requests for Information

JSA is not subject to the statutory requirements of FOIA, but buyers/subcontracting officers should endeavor to provide the requested information when the interest of JSA or competition will not be adversely impacted.

- (1) Buyers/subcontracting officers shall notify the JSA Procurement Manager regarding any FOIA request.
- (2) All external requests for information regarding JSA's procurement plans or information regarding performance of a specific TJNAF subcontractor or subcontractor employee shall be referred to the JSA Procurement Manager.

C. JSA Request for Vendor Data

JSA technical staff may initiate vendor contacts when routine technical information and cost data is needed for planning acquisitions. However, in cases where costs may be charged to provide information, the requirement shall be directed to the Procurement Department.

D. Virginia Sales and Use Taxes

Procurement requirements are subject to VA Sales and Use Taxes unless otherwise exempted- see COMMONWEALTH OF VIRGINIA SALES AND USE CERTIFICATE OF EXEMPTION [VA Certificate](#)

PART IV PURCHASE REQUISITIONS AND WORK STATEMENTS

IV. PURCHASE REQUISITIONS AND WORK STATEMENTS

A. Initiating a Purchase Request

- (1) A Purchase Requisition (PR) form electronically processed in JSA's MAXIMO system is necessary to initiate a procurement action by the Procurement Department.
- (2) The PR shall fully describe the item(s) to be acquired, the quantity required, the date required, the funding authority, and the estimated cost.
 - a. Purchase requirements shall be consistent with the mission of TJNAF and shall specify only that which is necessary and reasonable to meet TJNAF's minimum needs with consideration to cost, schedule, and performance.
 - b. The cost estimate should reflect the reasonable cost of the item or service, including shipping and handling charges, based on what is prudent given the market conditions for the requirement.
 - c. To the maximum extent practicable, required dates shall be attainable without incurring additional premium delivery costs.
 - d. Similar or like requirements should be included on one PR to the fullest extent practicable and economically feasible.
- (3) To the maximum extent practicable, JSA's Excess Property List should be checked for availability prior to issuing a PR for a new requirement.
- (4) A new purchase requisition is required when the change to an existing PO or subcontract increases the price/cost of a numbered line item in the PO/subcontract.

B. Purchase Requisition Reviews and Approvals

- (1) The CFO establishes and maintains the Laboratory's Account Code Management (ACM) that lists authorized approvers for the Laboratory's POA's (project, orgs and accounts). The ACM is used by the MAXIMO Requisition system as the basis for electronically routing PR's through the system to obtain appropriate signature authority prior to receipt in the Procurement Department.
- (2) Receipt of a PR in the Procurement Department assumes appropriate funding and all management reviews are complete, and the item(s) is ready for purchase.
- (3) To ensure compatibility with mission requirements, certain strategic items listed on the Procurement Department's [WEB PR](#) List are electronically routed to subject matter experts for review prior to being issued to the Procurement Department for purchase.
- (4) The Procurement Department reviews all incoming purchase requisitions for:
 - a. Consistency with DOE Contract requirements,
 - b. Opportunities to consolidate requirements that will enhance purchasing efficiency, and
 - c. Maximizing opportunities for small business concerns.

C. Specifications for Architect-Engineer and Construction Subcontracts

- (1) In accordance with DOE Contract Clause I.130 a detailed, independent estimate of costs shall be prepared for all construction work to be subcontracted.
- (2) Specifications for construction shall be prepared in accordance with the DOE publication entitled "General Design Criteria Manual."

PART IV PURCHASE REQUISITIONS AND WORK STATEMENTS

D. Environment, Safety, Health, and Quality (ESH&Q) Requirements

Procurement actions shall advance the Laboratory's Environmental Management System and ESH&Q and ESH&Q objectives to the maximum extent practicable. Accordingly, procurement processes and activities shall comply with the following:

- (1) Requisitioners shall refer to the TJNAF ESH&Q Manual Section 3410 [ESH&Q Aspects of Procurements](#) when ordering materials with ESH&Q implications.
- (2) RESERVED
- (3) Requisitioners are responsible to evaluate hazards associated with all work to be conducted at the TJNAF site and assign an appropriate Risk Code on the PR.
- (4) When requisitioning work to be performed at JLab, the Requisitioner shall consult with the cognizant Division Safety Officer to ensure the appropriate ESH&Q terms and conditions are referenced in the Purchase Requisition and included with the purchase documentation issued to Procurement
- (5) Requisitions specifying special critical high strength fasteners or circuit breakers for critical use conditions include technical guidance describing the basis for qualifying vendors on an acceptable industry standard.
- (6) Requisitions shall specify only products with recycled content except when the following conditions apply:
 - a. A recycled product is not available,
 - b. The recycled product is not suitable for its intended purpose, or
 - c. When the cost of such product is not reasonable compared to the cost of purchasing the product with virgin material.

E. Emergency Needs

- (1) Procurement personnel shall respond as soon as possible to an emergency requirement (see the Emergency Management section of TJNAF's web page) based on a request identifying the emergency need.
- (2) The Department requesting the emergency procurement shall issue a PR to Procurement within seventy-two hours following the emergency request unless otherwise exempted by the JSA Procurement Manager.

F. Cancellation of Purchase Requisitions

Purchase requisitions may be canceled at any time prior to award; however, an action cancelled prior to award may be subject to vendor bid and proposal costs.

G. Warranties

The use of warranties is not mandatory. In determining whether a warranty is appropriate for a specific acquisition, the buyer/subcontracting officer shall consider the nature and use of the supplies or services and ensure the requisitioner concurs. Buyers/subcontracting officers may use *FAR subparts 46.703 through 46.710* as guidance in determining use of applicable warranty provisions.

H. Options

As used herein, an option clause is a provision in a purchase order or a subcontract under which, for a specified time, TJNAF may elect to purchase additional quantities of the supplies or services called for by the order, or may elect to extend the period of performance thereof.

PART IV PURCHASE REQUISITIONS AND WORK STATEMENTS

- (1) The exercise of an option by JSA requires written notification to the subcontractor within the time period specified in the order.
- (2) Options should be exercised only if it is determined that:
 - a. Funds are available;
 - b. The requirement covered by the option fulfills an existing need; and
 - c. The exercise of the option is most advantageous to JSA, price and other factors considered.

PART V- SOLICITING SOURCES

V. SOLICITING SOURCES

A. General

- (1) Sources shall be selected on a competitive basis to the maximum extent practicable except for certain classes of small business set-asides and micro purchase actions (\leq \$3,000) that may be awarded non-competitively when the price is deemed reasonable.
 - a. Offers shall be evaluated in strict accordance with the selection criteria stated in the solicitation.
 - b. Competitive solicitations estimated to exceed \$150,000 shall be publicly posted on the Procurement Department's web-based bulletin board.
 - c. The micro-purchase threshold for actions subject to the Service Contract Act (SCA) is \$2,500
 - d. The micro-purchase threshold for construction requirements subject to Davis-Bacon wage determinations is \$2,000
- (2) To the maximum extent practicable, when utilizing sources for repetitive procurement needs, vendors should be rotated to ensure fair and equitable distribution of TJNAF work.
- (3) Source selection information shall not be released to third parties without approval of the buyer/subcontracting officer or JSA Procurement Manager.
- (4) A Formal SEB appointed by the JSA Procurement Manager shall be considered when the procurement is estimated to exceed \$500,000 and award will be based on evaluation and scoring/rating of the technical and management aspects of offers.
- (5) A vendor's safety record shall be considered when contemplating a procurement award that involves services or construction to be performed on the TJNAF site.

B. Small Business Sources

- (1) All services and supply procurement actions within the Simplified Acquisition Threshold shall be set-aside for small business unless the set-aside requirement is otherwise liquidated by JSA's Small Business Program Manager, JSA Procurement Manager, or designee.
- (2) All construction procurement actions \leq \$3,000,000 shall be set-aside for small business unless the set-aside requirement is otherwise liquidated by JSA's Small Business Program Manager, JSA Procurement Manager, or designee.

C. Sole Source

It is the buyer/subcontracting officer's responsibility to determine that the justification for a sole source action presented by the requester is adequate to substantiate a sole source action based on JSA criteria contained herein. The buyer/subcontracting officer refer any undocumented or inadequate sole source requirements to the Group Manager.

- (1) Sole source procurement awards are used when: formal competition is not possible, is impractical, or is contrary to the best interest of JSA, such as unique capability of a vendor, exigency of a need, small business set aside, etc.
- (2) A sole source award may be made based on one or more of the following criteria:
 - a. Only this source and no other will reasonably satisfy the Lab's requirements (based on unique capability, standardization, or proprietary information).

PART V- SOLICITING SOURCES

- b. Schedule is a critical element of the selection decision, and an award to the directed source is determined to be in the best interest of JSA based on the proposed subcontractor's performance history, capability, quality, and anticipated price reasonableness.
 - c. There is unusual and compelling urgency for the supplies or services such that the TJNAF or the Government would be seriously injured unless the number of sources was limited, e.g. (i) safety and health of individuals; (ii) threat to the environment; (iii) unforeseeable adverse impact to the critical path milestone schedule; or (iv) potential serious financial injury.
 - d. When it is necessary to award to a particular source in order to establish or maintain an essential engineering, research, or development center capability to be provided by an educational institution or a Federally Funded Research and Development Center (FFRDC). This includes awards to educational institutions or FFRDC's that have established Memorandum of Understandings (MOU's) with JSA to provide essential engineering, research, or development work.
 - e. The requirement is awarded to other DOE Laboratories, to educational institutions, or to federally funded research and development centers to provide engineering, research or development work essential to the TJNAF and related to its scientific activities.
 - f. When authorized by an international agreement or treaty between the U.S. and foreign Government or international organization.
 - g. When authorized or required by statute.
 - h. When the public disclosure of JSA's requirements would compromise national security or confidential interests of the Government.
 - i. When the source is directed by the DOE Contracting Officer.
 - j. Modification of a purchase order/subcontract when schedule, quality and/or cost efficiencies may be realized by using an incumbent contractor to provide additional quantities of items under a current purchase order/subcontract.
 - k. Actions estimated to cost \leq \$25,000 may be awarded without competition if the administrative cost and time of obtaining competition is not justified based on the anticipated price reasonableness and known quality and responsibility of the sole source. In such cases, the buyer/subcontracting officer shall document the basis for making such sole source award.
- (3) A Sole Source award may be made to a small business that meets one or more of the following criteria:
- a. All NAICS (North American Industry Classification System) requirements under manufacturing that do not exceed \$5,500,000 awarded to the following business classifications:
 - Small Business Administration certified 8(a) Small Business Firm
 - b. All NAICS (North American Industry Classification System) requirements other than manufacturing that do not exceed \$3,500,000 awarded to the following business classifications:
 - Small Business Administration certified 8(a) Small Business Firm
 - c. When the total procurement action (including options and follow-on work) is not expected to exceed \$100,000 and there is only one known small business firm that can satisfy the requirement.
 - d. When the award is made to a bona fide DOE Mentor Protégé without dollar limitation even if the agreement was issued by another DOE contractor.

PART V- SOLICITING SOURCES

- e. When the total procurement action (including options and follow-on work) is not expected to exceed \$100,000 and there is only one known qualified Hub-zone or Service-disabled Small Business firm (see qualifying conditions specified in the Procurement Operations Manual section 19.3).
- (4) A Sole Source award is permitted when it results from a competitive action issued by another DOE Laboratory, or Government agency such as a GSA schedule contract or leveraged purchase subcontract made available to TJNAF. In such cases, it is the Buyer's responsibility to ensure that prices/costs paid by JSA/TJNAF are fair and reasonable.

D. Responsible Sources

- (1) It is the buyer/subcontracting officer's responsibility to determine that the subcontract award is being made to a responsible subcontractor, i.e., that the prospective subcontractor has the necessary financial, technical and business capability to satisfactorily perform the subcontract.
 - a. Purchases shall be made from and subcontracts shall be awarded to responsible prospective subcontractors only.
 - b. The buyer/subcontracting officer shall make an affirmative determination of subcontractor's responsibility prior to award of the subcontract/purchase order.
 - i. Written support documentation is not required for actions, within the "Simplified acquisition threshold" (See definition at FAR Part 2) except that the buyer/subcontracting officer shall ensure that all first tier subcontractors whose subcontract will exceed \$25,000 has disclosed, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government. (The GSA Excluded Parties List System (EPLS)) can be accessed at <http://epls.gov>.
 - ii. Prospective contractors determined to be debarred suspended or otherwise ineligible for award must be approved by DOE prior to award in accordance with DOE Contract Clause I.12.
- (2) Vendors that have been known to supply substandard or counterfeit parts or suspect items (C/SI) to the Government, DOE Laboratory, or industry shall not be considered a responsible source for award of a purchase order/subcontract without approval of the JSA Procurement Manager (also see [DOE's Website for C/SI](#)).
 - a. Based on the complexity and total dollar value of the procurement action, responsibility determinations should generally address important performance factors such as:
 - i. Technical capability;
 - ii. Production capability; including plant facilities and equipment;
 - iii. Financial status and capability;
 - iv. Quality assurance program,
 - v. Safety and security capabilities;
 - vi. Labor resources,
 - vii. Performance record and ability to meet schedule,
 - viii. Other special performance requirements anticipated in a prospective subcontract award.
- (3) Any non-responsibility determination shall be approved by the JSA Procurement Manager.

PART V- SOLICITING SOURCES

E. Foreign Sources

It is the policy of JSA to give preference to domestic end products consistent with applicable Buy American Act requirements contained in the DOE Contract. The JSA Procurement Manager, or designee, is authorized to make determinations of non-availability for individual items valued at \$100,000 or less. The buyer/subcontracting officer shall properly document the file with the basis for such determination.

- (1) Pursuant with FAR 25.401 (b) JSA as a DOE M&O Contractor is not subject to the Trade Agreements Act

F. Commercial Item Sourcing

In accordance with DOE Contract Clause I.61, to the maximum extent practicable, JSA shall utilize commercial procedures for acquisition of commercial or non-developmental supplies and services; and require its subcontractors at all tiers to incorporate commercial items or non-developmental items as components of items to be supplied. Simplified acquisition procedures will be used for items exceeding the micro-purchase threshold but not exceeding \$5,500,000.

- (1) "Commercial item" means an item that would be considered commercial under the FAR 2.101 definition for commercial item.
- (2) Subcontracts for commercial items shall include the clause FAR 52.244-6, Subcontracts for Commercial Items, including paragraph (d).
- (3) While not required, JSA may flow down to subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its [sub]contractual obligations

G. Partnering and Teaming with Suppliers

- (1) JSA staff members contemplating establishment of partnering or teaming arrangements with supplier(s) shall coordinate and develop such plans and details with the Procurement Department.
- (2) The JSA Procurement Manager shall inform the DOE Contracting Officer of any proposed or planned partnering or teaming arrangements between JSA and outside parties.

H. Supplier Visits to TJNAF

TJNAF staff shall coordinate with the Procurement Department prior to arranging vendor product demonstrations at the TJNAF.

I. Vendor Objections

All objections (or conditions which may lead to an objection regarding the procurement award process) whether received before or after award, shall be immediately referred to the JSA Procurement Manager.

- (1) Vendor objections shall be in writing and state the basis of the objection including all material facts addressed to the JSA Procurement Manager.
- (2) The JSA Procurement Manager is responsible to adjudicate the objection and provide a final determination to the offeror or vendor that issued the objection.
- (3) The JSA Procurement Manager may decide not to defer the award if warranted by the circumstances of the objection. In such event, the protester shall be advised of the decision and the basis upon which it is made.

PART VI PROCUREMENT QUALITY REVIEWS AND COORDINATION

VI. PROCUREMENT QUALITY REVIEWS AND COORDINATION

A. Buyer and Subcontracting Officer Reviews

The buyer/subcontracting officer shall ensure that all procurement actions are conducted consistent with Procurement Department policy and best business practice.

- (1) Buyers/subcontracting officers shall conduct a quality review of every procurement action utilizing the approved Procurement Department checklist appropriate for the specific action.
- (2) The buyer/subcontracting officer shall ensure that all review comments and findings are satisfactorily addressed and resolved with the Group Manager prior to issuance of the solicitation or award of the purchase order/subcontract.

B. Group Manager Reviews

Group Managers shall conduct quality reviews of solicitations and awards in accordance with thresholds established in Procurement Operations Manual section 4.10.

C. Independent Quality Review

The Procurement Manager is responsible to establish a program of quality checklists and quality reviews necessary to ensure the efficacy of the Procurement System to meet its stated objectives.

See the Department's POM Section 4.10 for specific quality checklists and review requirements.

D. Immigration Coordination

All subcontracts and other agreements that involve non-U.S. Citizens working in the United States shall be coordinated with the International Services Office in the Human Resources Department prior to placement of the subcontract/agreement to ensure the validity of required immigration documentation.

PART VII LEGAL SERVICES

VII. LEGAL SERVICES

A. General

- (1) Legal counsel should be requested as needed to ensure the integrity, propriety and quality of the procurement process, e.g., when:
 - a. Contemplating a partial or full subcontract termination,
 - b. Denying a claim over \$25,000
 - c. Negotiating a change to any term or condition in JSA's standard format necessary for that procurement action
 - d. Inclusion of a non standard term or condition in a purchase order/subcontract that could diminish JSA's rights or subject JSA to additional or unnecessary risk,
 - e. Issues associated with fraud, waste or abuse, or
 - f. Other issues that may subject JSA to unusual or unwarranted risk, including violation of the DOE contract
- (2) The buyer/subcontracting officer shall coordinate with the JSA Procurement Manager when legal counsel is deemed necessary.

B. Procuring Legal Services

JSA acquisition of litigation and other legal services are subject to the requirements in 10 CFR part 719. The following subcontracts are exceptions to 10 CFR 719

- (1) Fixed price subcontracts;
- (2) Cost reimbursement subcontracts for an amount less than \$100,000,000; or
- (3) Subcontracts for an amount exceeding \$100,000,000 involving work not performed at a government owned or leased site.

PART VIII SUBCONTRACT ADMINISTRATION

VIII. SUBCONTRACT ADMINISTRATION

A. General

- (1) Proper subcontract administration is the responsibility of the buyer/subcontracting officer assigned to the procurement action to ensure satisfactory performance and compliance with all subcontract terms and conditions.
- (2) The buyer/subcontracting officer may authorize a Subcontracting Officer Technical Representative (SOTR) to perform selected subcontract administration tasks such as technical direction, interpretation and clarification of technical requirements, and acceptance.
 - a. Buyers/subcontracting officers shall ensure SOTR's are adequately notified of the extent and limitations of their authority.
 - b. The buyer/subcontracting officer shall ensure SOTR's are appropriately trained for their responsibility prior to assignment of SOTR responsibilities
 - c. The buyer/subcontracting officer shall ensure that subcontractors are aware of JSA's policy that requires anyone that observes unsafe work practices to take immediate action to remedy such practice to include directing a [subcontractor] work stoppage and reporting the incident to the responsible subcontracting officer and ESH&Q professional.
- (3) The buyer/subcontracting officer assigned to the subcontract is responsible to ensure the satisfactory closeout of the purchase order/subcontract, i.e., ensure that all contractual obligations have been met including evidence of final acceptance and final payment.
- (4) The buyer/subcontracting officer should ensure the file also contains a record of subcontractor's performance history particularly to document areas where the subcontractor performed poorly or superbly.

B. Claims

It is JSA policy to resolve controversies through some means of alternative dispute resolution (ADR) over litigation. This includes but is not limited to assisted settlement negotiations, conciliation, facilitation, mediation, fact-finding, mini trials, and arbitration.

- (1) Claims between JSA and its subcontractors pertaining to JSA subcontracts, which are not disposed of by agreement, shall be decided by litigation.
- (2) The Contract Disputes Act of 1978 (41 U.S.C. Sections 601-613) does not apply to JSA subcontracts. However, JSA may, in its sole discretion, sponsor a claim of a subcontractor for resolution under the provisions of the DOE Prime Contract. In the event that JSA so sponsors a claim at the request of a subcontractor, the subcontractor will be bound by the decision of the cognizant DOE Contracting Officer to the same extent and in the same manner as JSA.

C. Expediting Purchase Orders and Subcontracts

- (1) The Requisitioner/Customer is responsible for tracking vendor deliveries for standard off-the-shelf type items.
 - a. Delivery status for non-critical simplified procurement requirements will not be tracked or expedited by the Procurement Department unless specifically requested by the Requisitioner/customer.
 - b. The Requisitioner/Customer shall notify the Buyer/subcontracting officer whenever expediting is needed to follow-up with the vendor on a purchase order/subcontract.

PART VIII SUBCONTRACT ADMINISTRATION

- (2) The Requisitioner/Customer shall immediately notify procurement whenever the vendor's performance does not meet the Purchase Order/Subcontract requirements/specifications, i.e., items not delivered on time, product does not meet specifications, over shipped quantities, or other deficiency, etc.
- (3) The Requisitioner/Customer and Buyer/subcontracting officer are responsible to agree on a subcontract administration plan for critical requirements that require close monitoring to ensure the subcontractor's performance meets the terms and requirements of the subcontract. A Subcontract Administration Plan should be considered whenever:
 - a. The subcontract will involve complex technical requirements that are engineered/manufactured to JLab specifications or reference design(s)
 - b. The work involves substantial [sub]subcontracting activities
 - c. There is a lengthy performance period,
 - d. There are submittal and approval requirements,
 - e. Milestone or progress payments are specified in the PO/subcontract,
 - f. A formal Subcontracting Officer's Technical Representative (SOTR) is assigned to the administer the subcontract, or
 - g. Anytime it is determined to be beneficial to the Laboratory

PART IX CONTRACT LABOR AND CONSULTANTS

IX. CONTRACT LABOR AND CONSULTANTS

A. Contract Labor Agreements

Contract labor personnel shall be subcontracted through bona-fide temporary employment agencies or other recognized business concern with the capability to meet the Laboratory's staffing requirement.

B. Consultant Agreements

- (1) Consultant agreements may be used for specialized expert and advisory professional personal services not readily available at the TJNAF.
- (2) Reimbursement for travel and subsistence costs shall be consistent with JSA's travel policy.
Inspection and Acceptance

PART X INSPECTION AND ACCEPTANCE

X. INSPECTION AND ACCEPTANCE

A. General

- (1) Acceptance constitutes acknowledgment by JSA that the supplies delivered (or services performed) by the Subcontractor conform to the subcontract requirements.
- (2) JSA shall inspect and accept (or reject) supplies and services as promptly as practicable after delivery , unless otherwise provided in the purchase order/subcontract.
- (3) Items that are damaged, deficient, or simply do not conform to specifications of the purchase order/subcontract shall be brought to the attention of the buyer/subcontracting officer for return and/or remedy (also see counterfeit parts and suspect items V.D(2))

PART XI TERMINATION OF SUBCONTRACTS AND PURCHASE ORDERS

XI. TERMINATION OF SUBCONTRACTS AND PURCHASE ORDERS

A. General

It is the policy of JSA to diligently pursue all rights and remedies available to JSA and the Government under the terms of our purchase orders and subcontracts including termination of the purchase order/subcontract.

Buyers and Subcontracting Officers shall obtain Procurement Manager consent prior to taking any action to terminate a purchase order/subcontract.

- (1) The buyer/subcontracting officer is responsible for issuing all terminations including termination for default and termination for convenience, mutual cancellations, and Stop Work orders.
- (2) Whenever practicable (considering the best interests of JSA and the DOE) the buyer/subcontracting officer may consider a settlement with the subcontractor that will provide for a relatively simple “walk away” agreement between the parties.
- (3) When subcontracts are terminated as a result of the termination of all or a portion of JSA’s DOE Contract, JSA shall settle with subcontractors in conformity with the policies and principles relating to settlement of prime contracts in 48 CFR Subparts 49.1, 49.2 and 49.3.
- (4) When subcontracts are terminated for reasons other than termination of JSA’s DOE Contract, JSA shall settle such subcontracts in general conformity with the policies and principles in 48 CFR Subparts 49.1, 49.2, 49.3 and 49.4. Each such termination shall be documented and consistent with the terms of JSA’s DOE Contract. Terminations which require approval by the Government shall be supported by accounting data and other information as may be directed by the DOE Contracting Officer.
- (5) Subcontracts may be terminated partially or completely for default when a subcontractor fails to perform its obligations under the subcontract, and the failure or cause is supported by substantial documentation furnished by the SOTR. Appropriate written notices specifying the deficient performance must be provided to the subcontractor, and the subcontractor must be provided a prescribed time to correct the deficiency prior to termination. Failure to perform includes:
 - a. Not performing work within the time specified in the subcontract.
 - b. Performing the work in a manner that endangers performance of the subcontract.
 - c. Failure to perform any other provisions of the subcontract.

PART XII GOVERNMENT PROPERTY

XII. GOVERNMENT PROPERTY

A. Personal Property

- (1) The requisitioner shall advise the buyer/subcontracting officer if Government property is to be acquired by the subcontractor or furnished to the subcontractor
- (2) Government property to be acquired or furnished to subcontractors shall be properly documented in the subcontract files and coordinated with the JSA Property Office

B. Real Property

Acquisition of Real Property shall be approved by DOE in accordance with Contract Clause I.80.

PART XIII JSA PURCHASE CARDS (PCARD)

XIII. JSA PURCHASE CARDS (PCARD)

A. General

- (1) The JSA PCard Administrator (Organization Program Coordinator (OPC)) is responsible for the management of the JSA PCard program. In this capacity, the OPC is responsible to:
 - a. Establish and maintain PCard operating procedures that set forth the rules, requirements and responsibilities for PCard holders and Approving Officials (AO).
 - b. Provide training, testing, and guidelines to PCard holders and AO's.
 - c. Control the issuance and destruction of all JSA PCards.
 - d. Conduct monthly quality reviews of PCard actions to ensure that purchases are in compliance with JSA policy.
 - e. Provide a monthly report to the JSA Procurement Manager indicating: (i) the number of actions reviewed, (ii) the results of the review, and (iii) proposed corrective actions, if any.
 - f. Provide a monthly report to the JSA Procurement Manager regarding the number, dollar amount and status of disputed items.
- (2) Specific authority for use of a JSA PCard is established via memorandum issued by the JSA Procurement Manager that defines limits of authority and conditions governing PCard use.
- (3) Appointment of an AO is established via memorandum issued by the JSA Procurement Manager.
 - a. The ratio of PCard holders to assigned AO's should not exceed 7:1 unless approved by the JSA Procurement Manager.
 - b. AO's should be the direct supervisor of the PCard holder unless otherwise approved by the JSA Procurement Manager.

B. Use of the JSA Purchase Card

- (1) Use of the JSA purchase card is restricted to TJNAF official business and may not be used for personal use under any circumstances.
- (2) The Cardholder shall not exceed the single or cycle (monthly) purchase limits established.
- (3) Purchase cards may only be used to purchase items or services for which a firm fixed price can be established in advance of purchase or performance.
- (4) Goods or services to be purchased shall be those necessary to meet the Lab's minimum needs with consideration to cost, delivery schedule, and performance requirements.
- (5) Cardholders are required to obtain a fair and reasonable price for any purchase made using the purchase card.
- (6) Each cardholder shall inform Property Management of all reportable property, as defined in TJNAF's Property Management Manual, procured using the JSA Purchase Card, including all goods that are obtained by or delivered directly to the cardholder.

C. Abuse or Violation of PCard responsibility

- (1) Fraudulent use, abuse, or misuse of the TJNAF purchase card is a violation of TJNAF policy, and the cardholder and/or Approving Official may be held financially responsible.
- (2) Fraudulent use, abuse, or misuse of the purchase card may also result in suspension or termination of the purchase card, disciplinary action up to and including termination of employment, and/or criminal prosecution.

PART XIII JSA PURCHASE CARDS (PCARD)

- (3) Any known or suspected violations or abuse of the JSA PCard shall be reported to the supervisor and the OPC.
- (4) The JSA Procurement Manager shall be advised of proposed sanctions or penalties associated with any violation or abuse of JSA's PCard policy prior to any disciplinary action taken.

D. Unallowable and Restricted Items

A list of unallowable and restricted items related to use of the JLab PCard can be found at the Procurement Department website: [PCard Unauthorized and Restricted Items](#) List.

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XV. TECHNOLOGY ACQUISITION

XV. TECHNOLOGY ACQUISITION

A. General

The Procurement Department supports the JSA/JLab Technology Transfer Manager in the overall accomplishment of the Laboratory's technology transfer mission to include but not limited to: development, submission, administration, and coordination of instruments used to support the JSA/Technology Transfer Mission, outreach activities, attendance at various technology transfer related workshops and conferences, and intellectual property. Prices and charges for technology transfer activities will be established in accordance with DOE Order 522.1

B. Method of Acquisition

Technology acquisition is achieved by formalizing one or more of the following instruments/agreements as appropriate: Memorandum Purchase Orders (MPO's), Cooperative Research and Development Agreements (CRADA's)/Joint Work Statements (JWSs), User Facility Agreements, and/or Work For Others (WFO)/Proposal Information Forms (PIF).

- (1) Memorandum Purchase Order (MPO's)-special method for obtaining supplies and services from DOE cost-type contractors normally classified as DOE Federally Funded Research and Development Centers (FFRDC's).
 - a. MPO's are considered cash transfers between DOE cost-type contractors pursuant to DOE's cash transfer policy contained in the DOE Accounting Handbook
 - b. MPO's are not considered subcontracts and are not subject to comprehensive cost analyses or responsibility determination or most other support documentation normally required for JSA/JLab subcontracts and purchase orders.
 - c. MPO's are generally performed on a cost reimbursement basis. A standard clause will be included which provides the basis for transferring costs to JSA/JLab by direct cash billing (i.e. the submission of invoices by the performing party and the issuance of checks by JSA/JLab) rather than through the use of accounting documents.
- (2) Cooperative Research and Development Agreements (CRADA's)/Joint Work Statements (JWS's)-special contractual mechanism with nonfederal partners (such as commercial firms, not-for-profit laboratories, educational institutions) to jointly conduct the development of laboratory technology in order to strengthen U.S. manufacturing capabilities and increase trade by bringing new products or processes to the marketplace.
 - a. It is JSA/JLab policy to develop JWS's and execute CRADA's subject to DOE approval when the participating parties agree to jointly conduct research and development. The CRADA is an agreement entered into between JSA/JLab as operator of the Laboratory and one or more parties, including at least one non-federal party under which the Government through its laboratory provides personnel, services, facilities, equipment, and other resources with or without reimbursement (but not funds to nonfederal parties). The nonfederal parties provide funds, personnel, services, facilities, equipment, or other resources toward the conduct of specified research or development efforts which are consistent with the missions of the laboratory, except that such terms do not include a procurement contract, grant, or cooperative agreement as those terms are used in sections 6303, 6304, and 6305 of Title 31 of United States Code. JSA/JLab utilizes the most current DOE Model CRADA Terms and Conditions as the basis for its contractual agreements.
 - b. The JWS is a proposal submitted on a standard JSA/JLab CRADA/JWS form from the Laboratory Director, or his/her designated representative to the DOE Oak Ridge Operations Office through the DOE JSA/JLab Site Office Contracting Officer describing

XV. TECHNOLOGY ACQUISITION

the purpose and scope including estimated cost and source of support, benefits/impacts to parties, and other special considerations of the proposed CRADA and broadly defining responsibilities of the parties. It is intended to provide sufficient information to the DOE to permit their prompt review and approval of the proposed project in principle.

- (3) User Facility Agreements-special method to provide the opportunity for a sponsor to request the use of and pay for certain JSA/JLab facilities for research and development activities. It can be for other Federal Agencies, state, regional, and local governments, commercial firms, not-for-profit organizations, universities, or private individuals. It is JSA/JLab policy to approve the use of its facilities when the proposed work:
 - a. Is consistent with the mission of JSA/JLab as specified in JSA/JLab's Management and Operating Contract with DOE;
 - b. Complements and does not adversely affect programs that are included in the Institutional Plan;
 - c. Does not place JSA/JLab in direct competition with domestic, private or public sectors;
 - d. Is based on specialized scientific capability and/or unique facilities which exist at JSA/JLab; and
 - e. Is fully funded by the sponsor including any required advance payments if proprietary research is performed.

- (4) Work for Others (WFO)/Proposal Information Form (PIF)-special contractual mechanism for JSA/JLab personnel to perform work for funding sponsors other than the DOE. It can be for other Federal Agencies, state, regional, and local governments, commercial firms, not-for-profit organizations, universities, or private individuals. JSA/JLab is not authorized to respond to Federal Agency Requests for Proposals (RFPs).
 - a. It is JSA/JLab policy to develop PIF's and execute WFO's subject to DOE approval when the sponsor agrees to provide a Statement of Work and advance funding for the JSA effort. The WFO is an agreement entered into between JSA/JLab as operator of the Laboratory and the sponsoring party. The sponsoring party provides funds to the laboratory for the work to be accomplished.
 - b. The PIF provides details of the specific work to be accomplished to include but not limited to description of the work scope, budget, why this work should be accomplished at Lab, safety constraints, and contact information for the sponsor. The PIF is submitted for approval on a standard JSA/JLab PIF form from the Laboratory Director or his designated representative to the DOE JSA/JLab Site Office Contracting Officer.
 - c. Non-DOE funded work may be performed when the proposed work:
 - i. Is consistent with the mission of JSA/JLab as specified in JSA/JLab's Management and Operating Contract with the DOE;
 - ii. Complements and does not adversely affect programs that are included in the Institutional Plan or create a detrimental future burden on DOE resources;
 - iii. Does not place JSA/JLab in direct competition with domestic private sectors;
 - iv. Is based on specialized scientific capability and/or unique facilities which exist at JSA/JLab; and
 - v. Is funded by the sponsor including any required advance payments.

- (5) Memorandums of Understanding (MOU's)-a written agreement broadly stating basic understandings and describing a mechanism for coordinating activities to be engaged in by JSA/JLab and other signatory authorities. A MOU is not to be used to embody enforceable

XV. TECHNOLOGY ACQUISITION

agreements; nor shall it be used to obligate or commit funds or as the basis for the transfer of funds from one party to another. If a commitment, obligation, or transfer of funds is required, a specific contractual agreement, or other reimbursable arrangement shall be developed between JSA/JLab and the participating organization to provide specific funding, obligation, and billing data. Control of MOU's issued to collaborating institutions is the responsibility of Legal Counsel

C. Procurement Representative Responsibilities

- (1) Procurement supports the JSA/JLab Technology Transfer Manager in the overall accomplishment of the Laboratory's technology transfer mission to include but not limited to: formalizing MPO's with other DOE contractors, outreach activities, attendance at various technology transfer related workshops and conferences, development and submission of JWS's, and PIF's, negotiation and administration of CRADA's, Work for Others contracts, and supports JLab's legal counsel in development of various agreements such as licenses and MOU's upon request.
- (2) Procurement representatives also provide assistance in the development of User Facility Agreements to include but not limited to: providing assistance in the development of applicable policies and procedures; providing advice, assistance, and recommendations to JSA/JLab staff in the application of and compliance with applicable JSA/JLab policies and procedures; providing guidance in the preparation of materials by the divisions (appropriate documentation, approvals, etc.); providing assistance in describing the mechanisms and procedures to be followed by outside organizations in placing work at JSA/JLab; preparing required documentation for external coordination; and assisting the respective Technical Representative in overseeing the work.
- (3) Assistance is provided in the development of WFO and CRADA policies and procedures, recommendations to JSA/JLab staff in the application and compliance with the policies and procedures, guidance in the preparation of materials by the divisions (appropriate documentation, approvals, proposals to potential sponsors, etc.), describing the mechanisms and procedures to be followed by outside organizations in placing work at JSA/JLab, preparation of required documentation for external coordination; and assisting the Principal Investigator (PI) in administering the work

XVI. INDEX

XVI. INDEX

- Acceptance, 27
- Acceptance of Supplies and Services, 28
- Additional Purchasing System Requirements, 12
- Administration, Subcontract, 25
- affiliated sources, 12
- Architect-Engineer Subcontracts, 16
- Audit of Subcontractors, 12
- Authority, 8
- Automatic Data Processing Resources, 12
- Bonds and Insurance, 12
- Buy American Act, 22
- Cancellation of Purchase Requisitions, **17**
- Claims, 25
- Commercial Item, 2, 22
- Conflict of Interest, 10
- Construction Subcontracts, 16
- Consultant Agreements, 27
- Contract Labor, 27
- Cost or Pricing Data, 14
- counterfeit parts, 21
- Counterfeit Parts, 28
- Counterintelligence clause, 13
- Davis-Bacon, 13
- DOE Advance Approval, 12
- DOE Advance Notification, 12
- Emergency Need, 17
- Environmental Management System, 17
- ESH&Q Requirements, 17
- Expediting Purchase Orders and Subcontracts, 25
- fair and reasonable price, 7, 31
- Foreign Travel, 13
- Formats, 8
- GSA Excluded Parties List System, 21
- Immigration Coordination, 23
- Inspection, 27
- Inspection of Supplies and Services, 28
- leasing motor vehicles, 12
- Legal Services, 24
- Management Controls, 9
- Mentor Protégé agreements, 11
- micro purchase, 19
- numbering procurement instruments, 9
- Options, 17
- Partnering and Teaming with Suppliers, 22
- Planning Procurement Requirements, 15
- Procedures, operating, 7
- Procurement Official*, 8
- Property, Government, 30
- Protests. *See* Vendor Objections
- Purchase Cards, 31
- Purchase Requisitions, 16
- Quality Assurance, 11
- Records, 10
- Reviews
 - Group Managers, 23
- Reviews, Quality, 23
- Service Contract Act, 13
- Small Business Policy, 11
- Small Business Sources, 19
- Sole source, 19
- SOTR, 8, 11, 26, 29
- Source Evaluation Board, 19
- Sources, 19
 - Foreign, 22
 - Responsible, 21
 - Sole source, 19
- Special Items, Purchases of, 13
- State and Local Taxes clause, 13
- Subcontract Administration Plan, 26
- Subcontracting Officer Technical Representative, 25, *See* SOTR
- Taxes, VA Sales and Use Certificate of Exemption, 15
- Telecommunications Facilities, Services, And Equipment, 12
- Termination of Subcontracts, 29
- Tracking Vendor Deliveries, 25
- Trade Agreements Act, 22
- Training Requirements, 10
- Unclassified Uncontrolled Nuclear Information, 13
- Vendor Objections, 22
- Visits, suppliers, 22
- Walk-away Cancellation, 29
- Warranties, 17
- Work Statements, 16
- Workplace Substance Abuse Program, 13

APPENDIX A



Department of Energy
Thomas Jefferson Site Office
12000 Jefferson Avenue, Suite 14
Newport News, Virginia 23608

December 16, 2009

Dr. Hugh E. Montgomery
President and Laboratory Director
Jefferson Science Associates, LLC
Thomas Jefferson National Accelerator Facility
12000 Jefferson Avenue
Newport News, VA 23606

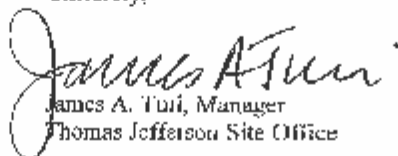
Dear Dr. Montgomery:

REVISED PROCUREMENT AUTHORITY

This letter is in response to your letter entitled "Additional Consideration Requested for Revised Procurement Authority" dated October 29, 2009, that requested approval to increase ISA's current procurement authority. I have reviewed your request and determined that a revised procurement authority is warranted. The enclosure to this letter provides the revised delegated ISA procurement authority. As part of PEMP Goal 4, it is our expectation that the laboratory management will pay special attention to 12 GeV Upgrade Project procurements.

If there are any questions, please contact Wayne, Jim or me at extension 7140.

Sincerely,


James A. Tuli, Manager
Thomas Jefferson Site Office

Enclosure

cc w/each:
S. Mallett M. Epps
W. Skinner J. Wilson
J. Hudgens B. Jackson
A. Bethea M. Dallas
J. May J. Scarcello
R. Korynta M. Waite

WS ISA Procurement Auth_FY09-10

APPENDIX A

Enclosure

CONSENT OF PROCUREMENT ACTIONS

A. DOE Advance Notification

- (1) Advance Notification to the Contracting Officer is required for all cost type subcontracts actions over \$100,000 (new subcontracts, modifications, and exercise of options). The Advance Notification shall be submitted as reasonably in advance of the award as possible. JSA may proceed with award of the procurement action after three (3) working days of JSA's issuance of the Advance Notification to DOE unless otherwise advised by DOE in writing.
- (2) The Advance Notification shall include as a minimum the following information:
 - a. A description of the supplies or services to be subcontracted and the intended use of the supplies or services;
 - b. Identification of the proposed subcontractor, subcontract number, and an explanation of why and how the proposed subcontractor was selected;
 - c. The proposed subcontract price;
 - d. A copy of the sole source justification, if applicable; and,
 - e. Small Business status; e.g., small business, large business, etc.

B. DOE Advance Approval

- (1) Advance approval by the DOE Contracting Officer is required for the following:
 - a. Firm fixed price subcontracts over \$3M;
 - b. Non-competitively awarded subcontract actions (new subcontracts, modifications, and exercise of options, excluding funding modifications) over \$750,000;
 - c. Cost type, time and materials and labor hour subcontracts over \$750,000;
 - d. Consultant agreements with a daily rate exceeding \$800, exclusive of travel costs;
 - e. All subcontracts for lease-to-own arrangements;
 - f. All subcontracts when the acquisition method selected, lease or purchase, is not the lower cost method based on a lease/purchase cost analysis;
 - g. Any subcontract where a waiver of cost or pricing data is required in accordance with FAR 15.804-3;
 - h. Any subcontract to a firm or affiliate under which it is responsible for the architect-engineer and construction services;
 - i. Acquisition of equipment, materials, supplies, or services from JSA-affiliated sources when such acquisition is not made in accordance with 48 CFR 970.4402-3.
 - j. When the subcontractor is indemnified by JSA except for Price-Anderson Nuclear Hazards Indemnification (see Prime Contract Clause I.130).
 - k. Any award to firms or individuals listed on GSA's Excluded Parties List System in accordance with DOE Contract Clause I.12 (also see paragraph V.D(1)b of this APM).
 - l. Acquisition of Real Property as defined in Clause I.80 Acquisition of Real Property Acquisition of Real Property. Real property shall be acquired in accordance with 48 CFR Subpart 917.74.
- (2) Pursuant to Contract Clause I.40 FAR 52.225-1 Buy American Act – Supplies (Jun 2003) (DEVIATION) and I.41 FAR 52.225-9 Buy American Act – Construction Materials (Jan 2005), JSA shall forward determinations of non-availability of individual items to the DOE Contracting Officer for approval for actions exceeding \$100,000.
- (3) JSA shall not enter into a first-tier subcontract (other than construction, see FAR 22.805(a)) for an estimated or actual amount of \$10 million or more without obtaining in writing from the Contracting Officer a clearance that the proposed subcontractor is in compliance with equal opportunity requirements and therefore is eligible for award.