

IA “Agency Name” & VA Requisitioning Procedures

DRAFT

I. Purpose

To identify the daily procedures for **AGENCY NAME** and its subordinate departments/facilities to place direct delivery orders through the VA NAC NCS Direct Delivery team (hereafter know as DD for Direct Delivery, pursuant to the Interagency Agreement dated _____2006.

II. **AGENCY NAME**'s Responsibilities:

1.0 Ordering & Delivery

1.1 **AGENCY NAME** shall be responsible as for preparing and submitting a PO that agrees with all contract requirements and applicable ordering procedures established by VA. This includes but is not limited to, identifying the type of equipment to be ordered, determining the best choice vendor, when delivery orders are to be placed through the VA consolidation process. Sole source justifications must be provided for all orders submitted to the NAC, when orders are not to be competed through the NAC consolidation buying process. This must be adhered to especially when an order is received as an emergency waiver order, separating it from the consolidation process. **AGENCY NAME** will insure that all participating facilities have legal authority to do PR's through VA NAC DD National Contracting Services.

1.2 Presently for VA customers, unless they have an emergency waived order, VA customers order equipment under the consolidation process. This takes place three times per year. One of the strongest benefits that this process gives to DD customers is that the vendors give a deeper discount for consolidation purchases based on the volume of orders placed, which drive down the cost per unit for equipment. This process aggregates the orders, including for OGA customers. The schedule unless otherwise notified, is as follows:

For requisitions received: _____ Award Shall be made by:

Oct 1 – December 1

March 31

December 2 – March 1

June 30

March 2 – June 1

September 30

At each cut-off date the NAC will compile a listing of all on-hand requisitions received from customers and send a request for pricing to all vendors who sell the types of equipment on the list. This will be done through a RFQ solicitation. This guarantees all vendors are afforded a fair chance to compete. The request shall be sent out on a brand name or equal basis; based on the vendor quotation provided by the station in its requisition package. This will serve as the benchmark quote. For this reason, the equipment configuration may not be changed prior to award of the delivery order.

Pricing will be requested for each piece of equipment on an individual line-item basis, and an additional discount percentage will be requested for all levels of multiple purchases.

Vendors based on the RFQ solicitation will be given an absolute date by which they must have their responses back to DD by. Once these new quotes are collected, these quotes will be sent out to the customers by line item for each station participating in the consolidation. Based on the quotes that **AGENCY NAME** and its authorized departments/facilities receive from DD, it will make a selection of the vendor that best meets its needs, adhering to FAR regulations. Based on its selection **AGENCY NAME** will provide DD its justification for selection of the vendor that it chooses.

1.3 For both consolidation buys and waived orders, **AGENCY NAME** upon making a selection of a vendor shall provide DD with an authorized signed purchase ordering document which can be an electronic document such as a fax, or a mailed document. Once all the required documents are received DD will award the delivery order contract to the station's selected vendor. For sole source delivery orders, the justification will be filed with the order, for inspection, in the event that the order is ever audited. The purchase order document received from the agency shall include the following items:

- (1) A description of the supplies or services required along with prices;
 - (a) Quote from the selected vendor
 - (b) Quantity to be ordered
 - (c) Description of commitment accounts (if applicable)
 - (d) SOW for extended installation negotiated with the vendor
- (2) Delivery requirements
 - (a) POC
 - (b) Ship to address
 - (c) Any special instructions
- (3) A funds citation;
 - (a) Total funding authorization should include a 2% NAC, DD surcharge
 - (b) Funding authorization documents shall be provided for initial orders and any modifications there after placed to DD for the delivery order, which will require an increase in funding.
 - (c) NAC surcharges will be calculated for initial purchase orders, and any subsequent modifications to the order which will add an additional cost to the order.
- (4) Acquisition authority as may be appropriate (see Federal Acquisition Regulation (FAR) [17.504\(d\)](#)).
- (5) A payment provision (see (FAR) [17.505](#))

- (a) Upon receiving an invoice from the vendor DD will send the agency a letter requesting that the agency return a receiving report to DD to verify that the equipment has been delivered to the agency. A date will be specified identifying how much time the station has to respond to this letter.
- (b) The receiving report will actually be the original ordering document, which once awarded to the vendor, will be sent as a signed copy to the agency, with an identified line for receiving the equipment on it. Upon obtaining the receiving report from the station, in accordance with the Prompt payment act, DD will initially pay the vendor 80% of the total payment due for the equipment that has been delivered to the station.
- (c) Upon notification from the vendor that the equipment has been installed and ready for inspection, DD will send a notification to the agency to inspect the equipment. This will only be the case if it is equipment that can be inspected locally such as ultrasound equipment. If it is not the type of equipment that can be inspected locally at the station the inspection will be handled by DD. DD will fund the request for the inspection of the equipment from an outside source such as SAMS (Summerville Asset Management Services) or IRIS (Institute of Radiological Imaging Sciences) for the initial inspection of the equipment. The funding for these types of inspection will come out of the NAC 2% surcharge to **AGENCY NAME** for each order.
- (d) If the inspection is a local inspection, the agency will return the results within the time frame specified within the letter. If the system passes the initial inspection, then a final payment will be authorized to fiscal from DD for the vendor for the remaining 20%. Along with this, the warranty period will be designated for the equipment which under normal circumstances will be generated as a date based on the inspection request from the vendor.
- (e) In accordance with the prompt payment act, the entire process must be complete within 30 days of the receipt letter of request for inspection from DD, to ensure timely payment to the vendor. Should a **AGENCY NAME** facility fail to pay invoices within this timeframe, the agency is responsible for any interest penalties in accordance with the FAR clause 52.232-25

1.4 Modification request shall come from the agency/facility, and not be initiated by the vendor. When a modification request is sent to the NAC it should meet the same requirements as an original order being placed against national contracts, as specified above in 2.2., and will be treated in a similar manner. Any request for modifications must be transmitted to DD from authorized contracting/acquisition staff only.

1.5 To facilitate an efficient transaction when the equipment is confirmed to be delivered to the station, the station as with the VA customers can elect to send the

receiving report to DD, and disregard the request when it actually comes to the station. Upon receiving this receiving report, DD will pay the vendor the initial 80%. If there are any discrepancies in the equipment received in regards to being incomplete, this should also be noted in the receiving report being sent back to the NAC DD. This will in effect, constitute an incomplete order, which after notifying the vendor, does not require DD to provide the initial 80% payment to the vendor.

1.6 The agency station will receive a letter notifying the agency to conduct a local inspection of the equipment received from the vendor, only in those incidents where the equipment can be inspected locally. The station must complete the inspection prior to the deadline noted in the letter, in accordance with the prompt payment act. After thirty days from the request of inspection from the vendor; if a notice is not sent back to the vendor identifying a discrepancy in the order, then correcting this will fall into the warranty period, not preventing final payment. If however it is sent within the prescribed timeframe, it will stop the prompt payment requirement; and the vendor does not have a right to request default payment for the order. If the vendor's equipment fails inspection based on being identified within the proper time frame, they are also given a notice to rectify the identified discrepancies that the station has noted, within a specified time frame. If they fail to do this, they do not receive this final payment until this is complete. If the vendor's discrepancies are completed but it exceeds the identified date that they are required to have the discrepancies complete by, then the start of the warrant period will be based on the last notice to NAC DD, requesting re-inspection. Presently the warranty period established by contract with the vendors is for a period of one year. Any changes in this that are negotiated with the vendors to enhance this warranty will also be of benefit to OGA's as well.

III. VA's Responsibilities:

1.0 Scope of Work

- 1.1 DD is responsible for the award and administration of National Contracts and resulting delivery orders, for high tech medical imaging systems and associated services/installation. VA NAC DD will be responsible for administering direct delivery orders against national contracts for **AGENCY NAME** and its authorized subordinate departments/facilities.
- 1.2 DD shall award and administer delivery orders on behalf of **AGENCY NAME** and its authorized departments/facilities after receipt of a purchase order from **AGENCY NAME** that complies with all applicable procedures.
- 1.3 Upon receiving the purchase order from **AGENCY NAME**, and based on ensuring that all required elements of the order are present, DD will initiate the process of awarding the selected vendor the delivery order. As part of this process DD will apply any discounts it negotiates to the order,

above those historically given to commercial entities, and individual government customers.

- 1.4 A PO that does not meet all the requirements specified in this agreement will be returned to **AGENCY NAME** for correction. DD will notify **AGENCY NAME** with the specific deficiencies so that **AGENCY NAME** can expeditiously be corrected. Upon receiving the necessary elements, DD will continue in the process of awarding the order. Deficiencies can be anything from missing descriptions of equipment, quantities, and funding authorization to short funds.
- 1.5 If **AGENCY NAME** has excess funds in the order, DD will notify **AGENCY NAME** in writing. If **AGENCY NAME** has specific documents that must be returned to identify excess funding or shortages DD will return these documents to the **AGENCY NAME** for action.
- 1.6 When an incoming PO is identified as an emergency order, DOI will use its best efforts to work with the selected vendor, to accelerate the delivery of the equipment to the station.
- 1.7 Upon awarding the delivery order to the vendor, DD will send a copy of the delivery order to **AGENCY NAME**. This delivery order will be given a DD assigned number; which will start with a 797 series number followed by a letter designating the equipment specialist who will be handling the order based on modality, then the year, then a number designating the contracting officer that handles specific vendor(s) for the order and three digits as the sequence of the number. Should the PO have multiple orders against the agency's funding document, there will be a letter after the last number in the station's fiscal document to DD. An example of a delivery order would read as could be 797A67014.
- 1.8 In the event that a PO needs to be modified, the same procedures that apply to the PO also will apply to a modification.
- 1.9 Upon receiving an invoice from the vendor identifying that the equipment has been delivered to the station, DD will request a receiving report from agency/facility confirming delivery of the equipment.
- 1.10 All other procedures will follow those procedures outlined in 2.0, through 2.4 and 2.5 of section IV of this document.

IV. Agency/Customer Service

1.1 **AGENCY NAME** will have the right at any time to make an inquiry requesting an updated status on the delivery of the equipment, should the station have a problem communicating with the vendor's local sales representatives.

1.2. At any point also in the process the agency is strongly encouraged to provide feedback to NAC DD on recommendations that may enhance the services that are provided to **AGENCY NAME**, which may impact the agency directly, or other customers that NAC DD provides acquisition support to in this capacity. From time to time a formal survey will be sent to **AGENCY NAME**, which when requested should be returned within 10 business work days for formal feedback on the services that NAC DD is providing to the agency.

V. Contract Compliance

1.1 **AGENCY NAME** is not authorized in accordance with the contracts awarded to the vendors to use NAC DD contracts for the purpose of locally obtaining the best discount with vendor, based on the use of VA contracts. This will be a violation of the agreement, and contractually with the vendors.

1.2 As procedures are modified to the process which DD uses to administer the contract, and delivery orders, **AGENCY NAME** will be notified of these changes as they occur, and identify how they will impact the procedures that have been established.

1.3 VA will serve as the Contracting Office ultimately responsible for awarding and administering all Direct Delivery National Contracts, and approving all changes to the contracts. This includes contract oversight responsibilities for implementation and enforcement of contractual remedies as a result of DD non-compliance.

1.4 The termination of a delivery order with a vendor shall be done on the part of DD to the vendor, and not directly from **AGENCY NAME** once an order has been awarded to a vendor. If **AGENCY NAME** decides to cancel an order, this request must be done in writing, which will be sent to the NAC via a FAX, for the purpose of being date stamped, along with an email to DD. Cancellations to a delivery order must be done by DD and not **AGENCY NAME** because contractually with the vendors a modification has to be done to the delivery order to execute the cancellation of the order.

1.5 When a delivery order is to be cancelled it can only be done, prior to delivery. The vendor has the right to charge a restocking fee, which will go up proportionally in price; the closer an order is to the delivery date. When a cancellation is done close to the delivery date, the restocking fee could potentially amount to the actual amount of the ordered equipment, based on the equipment being completely manufactured, and in the process of being shipped to the station..

VI. Liaison

1.1 Contracting Officers (CO) at National Contracts, Direct Delivery, are presently assigned specific vendors, from which any delivery orders placed against their vendor's contracts, become their responsibility to award and track through the process administering the delivery order contract. The designated vendor contracting officer will serve as **AGENCY NAME**'s primary liaison representative from the VA. Questions

regarding a specific order should be addressed to that POC, unless upon transmitting an email to the VA, or calling the CO, a notice/voice mail is given noting that the contracting officer is unavailable, in which case an alternate POC will be identified for the period of their absence. The contracting officer(s) for each contracted vendor can be viewed at <http://www.va.gov/oamm/acquisitions/nac/ncs/directdelivery.htm> This web link will also serve to provide a list of the vendors that NAC DD presently has contracts with.

**Approved and Accepted for Department of
Veteran Affairs**

**Approved and Accepted for
AGENCY NAME**

NAME

Associate Deputy Assistant Secretary
for Acquisitions
Service
Department of veterans Affairs

NAME

Director of Operations
Administrative Operations

AGENCY RELATED Center
AGENCY NAME

Date

Date