



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

IL 90-00-2
June 20, 2000

OFFICE OF ACQUISITION AND MATERIEL MANAGEMENT INFORMATION LETTER

TO: Veterans Integrated Service Network Directors; Directors, VA Medical Center Activities, Domiciliaries, Outpatient Clinics, Medical and Regional Offices, Denver Acquisition and Logistics Center, Austin Automation Center, Records Management Center, VBA Benefits Delivery Centers, and Veterans Health Administration Center; Executive Director and Chief Operating Officer for the National Acquisition Center; and Under Secretary for Memorial Affairs, National Cemetery Administration

ATTN: Heads of Contracting Activities; All VA Contracting Officers

SUBJ: Solicitation and Contract Review Procedures

1. SCOPE: This procedural guideline supplements the requirements of VAAR 801.602-70, 801.602-71, 801.602-72, and other related documents. The information contained herein is provided for immediate dissemination and will be incorporated in the contract handbook

2. POLICY:

a. Prior to a solicitation being issued, a contract awarded, a modification (over \$100,000) executed, or novation, name change, assignment of claim processed, each respective file with its supporting documentation and rationale shall be reviewed and evaluated by at least one level above the contracting officer. The contracting officer is responsible for the completeness and accuracy of the solicitation/contract documentation package.

b. Legal and technical reviews of solicitations, contract awards, modifications, or novations, name changes, assignment of claims, shall be conducted in accordance with VAAR 801.602-70.

c. The contracting officer shall respond within 5 days in writing to any comments or recommendations provided by the Acquisition Resources Service (95) or the Office of the General Counsel (025) and maintain the appropriate documentation in the contract file.

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d. Contracting personnel are encouraged to consult with the Acquisition Resources Service (95) and/or the Office of the General Counsel Staff (025) to clarify issues at any point in the procurement process.

e. Integrated Product Team. The integrated product team is a consultative tool that contracting officers may utilize for the entire acquisition process or at any time during the process (e.g., negotiations). It is especially useful for complex negotiated procurements but can be applied to any acquisition regardless of dollar amount. A contracting officer can create an integrated product team by inviting key personnel from multiple disciplines (e.g., technical, general counsel, acquisitions, finance) to assist in streamlining the acquisition process.

3. PROCEDURES:

a. SOLICITATION REVIEW:

DEFINITION: Solicitation review is the process used to ensure that solicitations conform to applicable laws and regulations, and established policies and procedures including format and contents.

b. BUSINESS CLEARANCE REVIEW:

DEFINITION: A business clearance review is a technical review of all solicitation and contract award or modification documents immediately prior to contract award or modification.

(1) Bids/offers for contracts which exceed \$5 million in total evaluated cost (excluding FSS contracts) must be reviewed and concurred in by the Office of Acquisition and Materiel Management prior to contract execution, as required by VAAR 801.602-70. The contracting officer shall forward a reproduced copy of the contract file documentation to the Acquisition Resources Service (95). At a minimum the file shall include the following documents:

- (a) Successful bid/offer
- (b) Abstract, if applicable
- (c) Contracting officer's rationale for contract award
- (d) Price Negotiation Memorandum (PNM) for negotiated offers
- (e) Approved subcontracting plan, if applicable
- (f) Source Selection Plan
- (g) Justification and Approval (FAR 6.303) if applicable
- (h) EEO Clearance (for acquisitions exceeding \$10M)
- (i) HHS Exclusionary List

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- (j) Confirmation of EFT compliance of form to be mailed
- (k) VET-100 Form (acknowledgement of completion)
- (l) Any pertinent correspondence related to the bid/offer
- (m) Any additional documentation that may be required

(2) A full review of the contracting officer's price analysis will be made by the Acquisition Resources Service (95) to ensure there is sufficient documentation showing that the proposed awarded prices are fair and reasonable. Where price analysis does not substantiate reasonableness of price, a more in-depth analysis will be requested by the Acquisition Resources Service (95).

c. CONTRACT ADMINISTRATION REVIEW:

DEFINITION: Contract Administration review is the process used to ensure that the contract administration is performed in accordance with applicable laws and regulations, and established policies and procedures.

(1) The Acquisition Resources Service (95) shall conduct random technical reviews on contract files.

(2) Contract files are to be complete, uniform, and neatly organized. The contract files shall be adequately documented to permit reconstruction of actions taken without having to obtain additional information from other sources. Where additional folders are required, files are to be numbered (1 of 2; 2 of 2; etc.), and the contents of the file, where applicable, are to be indexed and tabbed.

4. VA FEDERAL SUPPLY SCHEDULE CONTRACTS:

a. FSS PREAWARD REVIEW:

DEFINITION: Preaward contract review is the process used to ensure that a proposed contract conforms to applicable laws and regulations, and established policies and procedures. The contracting officer's rationale for determining that proposed award prices are fair and reasonable will be evaluated.

(1) The contracting officer of record on proposed contract awards of \$500,000 or more will submit the complete contract file to the Acquisition Resources Service (95). A complete contract file includes an undated and unsigned copy of the contract award letter. At a minimum the file shall include the following documents:

- (a) Abstract, if applicable
- (b) Price Negotiation Memorandum (PNM) for negotiated offers
- (c) Contracting officer's rationale for contract award

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- (d) Approved subcontracting plan, if applicable
- (e) EEO Clearance (for acquisitions exceeding \$10M)
- (f) HHS Exclusionary List
- (g) Confirmation of EFT compliance of form to be mailed
- (h) VET-100 Form (acknowledgement of completion)
- (i) Any pertinent correspondence related to the bid/offer
- (j) Any additional documentation that may be required

(2) A full review of the contracting officer's price analysis will be made by the Acquisition Resources Service (95) to ensure there is sufficient documentation showing that the proposed prices are fair and reasonable. Where price analysis does not substantiate reasonableness of price, a more in-depth analysis will be requested by the Acquisition Resources Service (95).

b. FSS CONTRACT ADMINISTRATION REVIEW:

(1) The Acquisition Resources Service (95) shall conduct random technical reviews on contract files.

(2) The reviews may involve completed contract documents, such as contract modifications, and current contract administration issues. The contracts files, whether they are closed on in progress, shall be organized, clearly tabbed, and contain adequate documentation to allow an independent party to determine what has occurred in the procurement.

/s/David S. Derr
Associate Deputy Assistant Secretary
for Acquisitions

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