



Department of Veterans Affairs (VA)  
National Acquisition Center (NAC)

# Federal Supply Schedule Service

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## FSS Monthly e-Newsletter

June 2011



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## News You Can Use

### FAR 51.1 Deviation

<sup>1</sup>Federal Acquisition Regulation (FAR) 51.1, Contractor Use of Government Supply Sources, prescribes policies and procedures under which contractors may use Government sources of supply. Previously, contracting officers could only authorize contractors to use Federal Supply Schedule (FSS) sources of supply during the performance of cost-reimbursement contracts and under other limited scenarios when determined to be in the best interest of the Government.

Recently, a deviation to FAR Part 51.1 was approved to expand the authority of contractors to use FSS sources of supply. Specifically, federal Government contracting officers are now authorized to give all contractors' access to the FSS and General Services Administration (GSA) Global Supply Programs when deemed appropriate for the fulfillment of their agency requirements. Please note that the deviation applies to the FSS programs managed by both the Department of Veterans Affairs and GSA. The authority is limited to the following types of orders:

- 1) Placed on a time and materials or labor hour basis;
- 2) For ancillary supplies/services that are in support of the overall order;
- 3) Issued in accordance with the procedures in FAR [8.405-1](#), Ordering Procedures for supplies, and services not requiring a statement of work;
- 4) Placed by the Federal Government. The authorization is **NOT** available to state and local governments.

#### FAR 51 vs. FAR 51 Deviation

	FAR 51	FAR 51 Deviation
<b>Contract Type</b>	Cost Reimbursement	Time & Materials or Labor Hour
<b>Ordering Process</b>	8.405-1(Supplies & Services not Requiring a Statement of Work (SOW)) 8.405-2 (Supplies & Services Requiring a SOW)	FAR 8.405-1(Supplies & Services not Requiring a SOW)
<b>What can be ordered?</b>	Supplies- FAR 8.405.1/8.405-2 Services- FAR 8.405.1/8.405.2	Supplies- FAR 8.405.1 Services- FAR 8.405.1
<b>Who can order?</b>	Federal agencies and authorized buying contractors	Federal agencies and authorized buying contractors

- o [View the web-based Ordering Guide](#) or [PDF version](#)
- o [View the letter of authorization template](#)

## Training Topic

### New Competition Requirements

On May 16, 2011, an [interim rule](#) became effective in the Federal Register to implement Section 863 of the Duncan Hunter National Defense Authorization Act, which enhances the competition requirements for orders placed against multiple-award contracts, including, but not limited to:

- Federal Supply Schedules (FSS)
- FSS Blanket Purchase Agreements (BPAs)
- Government-Wide Acquisition Contracts (GWACs)

#### **1) What are some of the important changes that affect how orders/BPAs are placed against VA FSS contracts?**

- Procedures for ordering supplies and services under FSS contracts (FAR [8.405-1](#) and [8.405-2](#)) when the order is above the Simplified Acquisition Threshold (SAT) (currently \$150,000) has been revised to require that ordering activities:
  - 1) Receive at least three quotes, as a general matter, that can fulfill the requirement and fairly consider all quotes received.
  - 2) Document the file to explain efforts made to obtain quotes from at least three FSS contractors that can fulfill the requirements if fewer than three quotes were received and e-Buy was not used.
- New competition procedures (FAR [8.405-3](#)) have been established when creating BPAs under FSS contracts and placing orders under the BPAs.
- The contract award synopsis provisions in FAR [5.301](#) have been amended to require synopsisizing FSS orders or BPAs greater than the SAT, which are supported by a limited source justification in accordance with FAR [8.405-6](#).
- Clarifies that ordering activities may seek a price reduction under FSS contracts at any time and that they shall seek a price reduction when placing an order or establishing a BPA that exceeds the SAT (FAR [8.405-4](#)).

#### **2) How can ordering activities attain quotes in compliance with the new competition requirements?**

A major component of this policy change requires "fair notice" to be given to all contract holders offering the required supplies and/or services prior to placing an order or establishing a FSS BPA estimated over the SAT. GSA [eBuy](#) meets the standard of providing "fair notice to all contractors" because all vendors offering the required supplies and/or services are able to view the Request for Quote (RFQ). If eBuy is not used and less than three quotes are received from schedule contractors that can fulfill the requirement(s), the contracting officer must document a determination that no additional contractors capable of fulfilling the requirements could be identified despite reasonable efforts to obtain the quotes.

- o [View training videos on Section 863 and GSA eBuy](#)
- o [GSA Section 863 webinar](#)

<sup>1</sup> GSA. Accessed on June 1, 2011. <http://www.gsa.gov/portal/category/100975>

## VA FSS Working for You

### VA FSS in Action

Well, the nice weather has begun to appear, which I am sure is making us all happy after the snowy winter. The FSS Service has continued to make progress throughout the winter and spring months, and our overall record is improving. We thought it was important to share some of our success with you all. From January to April, we have completed over 275 award and extension actions, while also completing over 1,900 modification actions. We successfully dropped the overall average pending post-award actions to 25 days or less. Our diligence and process updates have continued to pay off.

It looks like our plan to integrate a cradle-to-closeout format will begin this month into July. As we make formal assignments, you will receive notification and information about your point of contacts. This will allow us to continue our efforts to provide more specific and direct customer service and allow a more robust relationship to develop with our FSS vendors. All active contract vendors will receive formal notification of their Contract Specialist assignments, so everyone will know who to contact for information, action, and/or questions.

If you are experiencing any problems, please do not hesitate to contact Carole O'Brien, Director of the FSS Service, at (708)786-4957 and/or [Carole.O'Brien@va.gov](mailto:Carole.O'Brien@va.gov) or Craig Robinson, Executive Director of the VA National Acquisition Center, at (708)786-5157 and/or [Craig.Robinson@va.gov](mailto:Craig.Robinson@va.gov).

Just a reminder, we are already in the planning stages for our next conference event. If you have any suggestions or comments that you want to share, please send them to [PMRS@va.gov](mailto:PMRS@va.gov). Thank you for your continued support as we move through the next upgrade. Have a great month!

### 2<sup>nd</sup> Quarter FY 2011 Sales Due

At this time, all FSS contractors should have reported their 2<sup>nd</sup> quarter (i.e. January 1, 2011 – March 31, 2011) sales figures in accordance with contract [clause 552.238-74](#), Industrial Funding Fee (IFF) and Sales Reporting. Pursuant to this clause, a FSS contractor is required to submit its quarterly Report of Sales and IFF payment within 60 days of the completion of each quarter. Please note all FSS contractors are required to submit their sales data for the applicable quarter (even if no sales occurred under the contract). In order to avoid confusion and having an IFF payment returned, all sales figures should be reported **BEFORE** an IFF payment is submitted to our office (regardless of how the IFF is remitted).

- o [Access the VA Online Sales Reporting System](#)

Please direct all IFF and sales reporting related questions to the VA Sales Helpdesk at [FSSSales.ammhin@va.gov](mailto:FSSSales.ammhin@va.gov).

## Around VA

### National Veteran Small Business Conference

On August 15 - 18th, 2011, the Department of Veterans Affairs (VA) is hosting the [National Veteran Small Business Conference](#) at the Ernest N. Morial Convention Center in New Orleans, LA. The conference will provide Veteran-Owned and Service-Disabled Veteran-Owned Small Businesses (VOSBs and SDVOSBs) an opportunity to learn, network and market their businesses through its three scheduled venues:

- 1) Small business conference
- 2) Exhibit hall
- 3) VA open house

- o [View conference agenda](#)

## National News

### Recent Emergency & Disaster Declarations

Under the [Disaster Recovery Program](#), state and local Governments may purchase products/services off of FSS contracts in order to facilitate the recovery from a major disaster. As such, there were [twenty six declarations](#) by President Obama during the previous month, April 2011, which can be seen below.

#### MAJOR DISASTER DECLARATIONS

Number	Date	State	Disaster Type	Designated Counties
<a href="#">1974</a>	5/01	TN	Severe Storms & Flooding	
<a href="#">1975</a>	5/02	AR	Tornadoes & Flooding	
<a href="#">1976</a>	5/04	KY	Severe Storms & Flooding	
<a href="#">1977</a>	5/05	IA	Severe Storms	
<a href="#">1978</a>	5/09	TN	Severe Storms & Flooding	
<a href="#">1979</a>	5/09	TN	Severe Storms	
<a href="#">1980</a>	5/09	MO	Severe Storms	
<a href="#">1981</a>	5/10	ND	Flooding	
<a href="#">1982</a>	5/10	MN	Severe Storms & Flooding	
<a href="#">1983</a>	5/11	MS	Flooding	
<a href="#">1984</a>	5/13	SD	Flooding	
<a href="#">1985</a>	5/13	OK	Snowstorm	
<a href="#">1986</a>	5/20	ND	Winter Storm	
<a href="#">1987</a>	5/20	ID	Flooding & Landslides	
<a href="#">1988</a>	5/27	OK	Severe Storms & Flooding	

#### EMERGENCY DECLARATIONS

Number	Date	State	Disaster Type	Designated Counties
<a href="#">3320</a>	5/04	MS	Flooding	
<a href="#">3321</a>	5/04	TN	Flooding	
<a href="#">3322</a>	5/06	LA	Flooding	

#### FIRE MANAGEMENT DECLARATIONS

Number	Date	State	Incident
<a href="#">2906</a>	5/08	TX	Gage Holland Fire
<a href="#">2907</a>	5/09	AZ	Horseshoe Two Fire
<a href="#">2908</a>	5/09	TX	Matt Loop Fire
<a href="#">2909</a>	5/22	AK	Moose Mountain Fire
<a href="#">2910</a>	5/24	TX	Ceed Fire
<a href="#">2911</a>	5/29	TX	Reimer Fire
<a href="#">2912</a>	5/29	TX	Pitt Road Fire
<a href="#">2913</a>	5/29	TX	Stone Ridge Fire

- [Disaster Recovery Program FAQs](#)

## Upcoming Events

### VA NAC FSS Calendar

- Please review the [FSS Calendar of Events](#)

## Recently Awarded FSS Contracts (May 2011)

### Pharmaceutical, Dental, Patient Mobility, & X-Ray Contracts:

- Somaxon Pharmaceuticals, Inc.: V797P-5190B (Large Pharmaceutical Business)
- Upsher-Smith: V797P-5240B (Small Pharmaceutical Business)
- Outdoor Hands, LLC.: V797P-5246B (Small Pharmaceutical Business)
- OraSure Technologies: V797P-5239B (Small Invitro Diagnostic, Reagents, Test Kits and Sets Business)
- BioGenex Laboratories, Inc.: V797P-5249B (Small Invitro Diagnostic, Reagents, Test Kits and Sets Business)
- Bisco Dental Products Company: V797P-3238M (Small Dental Business)
- Dental Equipment, LLC. DBA Pelton & Crane: V797P-3241M (Large Dental Business)
- Performance Medical Supply, Inc.: V797P-3240M (Small Patient Mobility Business)

### Medical/Surgical Equipment Contracts:

- M&M Merchandisers Medical Supply & Equipment, LLC.: V797P-4437B (Small Med/Surg Business)
- Wilburn Medical, Inc.: V797P-4443B (Small Med/Surg Business)
- Midmark Corporation: V797P-4435B (Large Med/Surg Business)
- General Scientific Corporation: V797P-4423B (Small Med/Surg Business)
- Electro Medical Equipment Co., Inc.: V797P-4446B (Small Veteran Owned Med/Surg Business)
- Reliance Medical Products, Inc.: V797P-4445B (Small Med/Surg Business)
- SafeLife/Triosyn Corp.: V797P-4442B (Small Med/Surg Business)
- Pepper Medical, Inc.: V797P-4447B (Small Woman Owned Med/Surg Business)
- Medline Industries, Inc.: V797P-4444B (Large Med/Surg Business)
- AM Medical, LLC.: V797P-4441B (Small Woman Owned Med/Surg Business)

### Medical Professional & Laboratory Testing Services & Cost-Per-Test Contracts:

- AHS PharmStat: V797P-7348A (Small Professional Medical Healthcare Services Business)
- Abbott Laboratories, Inc. (Point of Care Division): V797P-7322A (Large Cost-per-Test Business)

In order to obtain pricing information for all of the companies referenced above or any other FSS contractor, please review the [NAC Contract Catalog Search Tool \(CCST\)](#) or [GSA E-Library](#). If you have any questions/concerns or would like to learn more about a specific topic and/or issue, please feel free to contact the FSS helpdesk by phone at (708)786-7737 and/or by e-mail at [helpdesk.ammhinfss@va.gov](mailto:helpdesk.ammhinfss@va.gov).