



Department of Veterans Affairs  
Office of Acquisition, Logistics, and Construction

# ***National Acquisition Center Overview***



May 2017



# National Acquisition Center (NAC) General Overview

- Report to Office of Acquisition & Logistics
- Over 2,000 Active Contracts
- \$24 Billion in Sales Transactions (FY16)
- Nearly 2/3 of contract actions to small business providers
- Serve/support VA & Other Government Agencies (OGA)  
*State/City/County/Local Government customers*
- Located in Hines, IL
  - Denver Acquisition & Logistics Center (DALC) - Golden, CO



# What does the VA buy?

- Pharmaceuticals, medical, and surgical supplies
- Equipment, supplies, and materials for facility operation
- Maintenance and repair of medical and scientific equipment
- Building construction, maintenance, and repair
- Prosthetic and orthopedic aids
- IT enterprise solutions
- Enterprise-wide solutions in information and technology
- Architect/Engineer services



# What are the Dollars?

## VA Top 10 Industries and Small Business Obligations for FY 2016

NAICS	Total	Small Business	%SB
621111 - Offices of Physicians (except Mental Health Specialists)	\$2,266,813,392	\$78,337,515	3.46%
325412 - Pharmaceutical Preparation Manufacturing	\$5,707,631,076	\$69,432,451	1.22%
541512 - Computer Systems Design Services	\$1,524,658,102	\$538,929,564	35.35%
541519 - Other Computer Related Services	\$1,166,323,256	\$1,029,140,196	88.24%
339113 - Surgical Appliance and Supplies Manufacturing	\$900,819,261	\$403,544,162	44.80%
339112 - Surgical and Medical Instrument Manufacturing	\$1,080,372,595	\$377,271,433	34.92%
236220 - Commercial and Institutional Building Construction	\$1,690,733,478	\$1,291,597,927	76.39%
517110 - Wired Telecommunications Carriers	\$310,705,198	\$6,658,344	2.14%
621492 - Kidney Dialysis Centers	\$434,825,494	\$2,485,231	0.57%
334510 - Electromedical and Electrotherapeutic Apparatus Manufacturing	\$598,176,487	\$54,781,251	9.16%



# NAC / FSS – What we manage

- Drugs, Pharmaceuticals, & Hematology Related Products (65 I B)
- Medical Equipment and Supplies ( 65 II A)
- Dental Equipment & Supplies (65 II C)
- Mobility Devices (65 II F) (Wheelchairs, Scooters, Walkers, Patient Aids, etc.)
- Invitro Diagnostics, Reagents, Sets & Kits (65 V II)
- X-Ray Equipment & Supplies (65 V A) (incl. X-ray Film)
- Clinical Analyzers, Cost-Per-Test (66 III)
- Professional & Allied Health Care Staffing Services (temporary) ( 621 I)
- Medical Laboratory Testing and Analysis Services (*Reference Lab*) (621 II)



# Federal Supply Schedules

- Commercial products & services
- Every company provided same opportunity to acquire a contract
- Open & Continuous Solicitation
- Multi-Year Contracts (5 years (base) w/ option years)
- Ordering open to all Federal agencies, State & Local Gov't under Stafford Act
- Can add new products, delete products, and affect price changes (increases/decreases)





# National Contract Service

- Standardized Contracts
  - Pharmaceuticals
- High-Tech Medical Equipment
  - Consolidated Requirements/Buys
- Laundry Processing Systems
- Prime Vendor Distribution
  - Pharmaceuticals
  - Subsistence



# Steps for an FSS Proposal

- Step 1 – Take GSA’s “Pathway to Success” course
  - New Contractor Orientation. Certificate is provided
- Step 2 – Review the NAC/FSS Website
- Step 3 – Ensure your company has completed all regulatory and compliance checks (*DUNS, SAM, LoC, insurance, etc.*)
- Step 4 – Identify which solicitation best matches your products and/or services and submit your offer via email to:  
[vafssoffers@va.gov](mailto:vafssoffers@va.gov).





# Proposal Review & Award Process





# Procurement Action Lead Time

- Procurement Action Lead Time (PALT) - PALT does not start from the time the offer is received at FSS. The PALT starts from the time that the Contract Specialist (CS) has a complete package
  - Commodities – 180 days
  - Services – 240 days

Offers	
PRIORITY CODE	DESCRIPTION
Priority 1	Expiring Contracts for Critical Items with no alternative support Expiring Contracts with BPAs (upon concurrence of Director or Chiefs) Emergency or High Profile actions (as identified by Director or Chiefs)
Priority 2	No Awards Expiring Contracts that require pre-award audit Expiring Contracts that cannot be extended
Priority 3	New Elevated to Priority 2 if PALT exceeded
Priority 4	Expiring Contracts that can be extended



# Contract Award Decision





# Best Practices – Proposal Review

- Understand the review process and anticipated timelines.
- Provide **timely** and **complete** responses to all requests for information and clarification requests.
- **Ask questions!** If you are not sure what information to provide contact the FSS Help Desk or your assigned contracting officer.
- Be ready to negotiate the company's **best offer**.



# VA/NAC Search Tools

- NAC Contract Catalog Search Tool (CCST)
  - <http://www.va.gov/nac/>
- VA Small Business Contacts
  - <https://www.va.gov/osdbu/about/contacts.asp#sbl>
- VA Forecast of Contracting Opportunities (FCO)
  - <https://www.vendorportal.ecms.va.gov/eVP/fco/FCO.aspx>



# SCOTUS KingdomWare Ruling

- 2006 - Veterans Benefits, Health Care, and Information Technology Act (Vets First) - Rule of Two
- 2011 - GAO ruling stated VA must comply with Rule of Two
  - VA chose not to comply with GAO decision
- 2012 – U.S. Court of Federal Claims sided with VA
  - As long as Agency goals were being met for SDV/VOSB
- 2014 – U.S. Court of Fed. Appeals upheld USCFC decision
- 2015 – VA argues “contract” excludes GSA orders before SCOTUS. SCOTUS strikes down lower court decisions in unanimous ruling
  - *“On the merits, we hold that [Section] 8127 is mandatory, not discretionary.”*





# SCOTUS KingdomWare Ruling

- VA PROCUREMENT POLICY MEMORANDUM (2016-05) dated 25 July 2016
  - <http://www.va.gov/oal/docs/business/pps/ppm201605.pdf>
- VAAR Class Deviation
  - [http://www.va.gov/oal/docs/business/pps/deviationVCFP\\_20160725.pdf](http://www.va.gov/oal/docs/business/pps/deviationVCFP_20160725.pdf)
- Decision Tree Tool
  - <http://www.va.gov/oal/docs/business/pps/flash16-20att3.pdf>
- *“The Veterans First Contracting Program applies to all VA contracts and takes precedence over other small business programs.”*



# Affiliations

- Affiliation is all about control
  - SBA's affiliation rules look to whether one firm has the power to control another, or a third firm has the power to control both
- Control can be affirmative or negative
- Does not matter if control is exercised, so long as the power to control exists
- Center for Verification and Evaluation (CVE) verifies SDVOSBs/VOSBs according to the tenets found in Title 38 Code of Federal Regulations (CFR) Part 74 that address Veteran eligibility, ownership, and control.
  - In order to qualify for participation in the Veterans First Contracting Program, **eligible SDVOSBs/VOSBs must first be verified**



# Affiliations

- Small business status is determined by your:
  - Average annual receipts over your three most recently completed fiscal years; or
  - Average number of employees for each pay period during the past 12 months
  
- When you have an affiliate, your affiliate's annual revenues or employees are counted with yours to determine if you are a small business. This means you may be small on your own, but if you have affiliates, the combination of the affiliates and your firm may push you over the size standard, rendering your company "other than small"



# Contact

**[Merl.stroder@va.gov](mailto:Merl.stroder@va.gov)**

**708.786.7600**

**FSS Helpdesk**

**<http://www.fss.va.gov>**

**708.786.7737**

**Kingdomware Questions:**

**[vacovaprocedure@va.gov](mailto:vacovaprocedure@va.gov)**

**CVE Questions:**

**866.584.2344**

**<https://www.va.gov/osdbu/verification/index.asp>**