

The Office of Acquisition and Logistics Management Newsletter

OALM

[DCIS Helpline](#)
866-319-4357

OAMP

[Div of Acq Policy and Evaluation](#)
[Div of Financial Advisory Services](#)
[Div of Simplified Acq Policy & Services](#)
[Purchase Card Program](#)
[Purchase Card Helpline](#)
301-435-6606
[Simplified Acquisition Helpline](#)
301-496-0400
[BPA Helpline](#)
301-496-5212

OLAO

[Div of Logistics Services](#)
301-443-7977
[Property Management Branch](#)
301-496-5712
[Supply Management Branch](#)
NIH Supply Center
301-496-9120
Self-Service Store—Bldg 10
301-496-2051
Self-Service Store—Bldg 31
301-496-4430
[Transportation Management Branch](#)
301-496-4511
[NITAAC](#)
888-773-6542

INCREASES TO MICRO-PURCHASE THRESHOLD (MPT) AND SIMPLIFIED ACQUISITION THRESHOLD (SAT)

Effective July 9, 2018, in accordance with 2018 National Defense Authorization Act (NDAA) and HHS Class Deviation memorandum dated May 7, 2018, NIH recognized the new Simplified Acquisition Threshold (SAT) of \$250,000 and the new Micro-Purchase Threshold (MPT) of \$10,000.

MPT means \$10,000, except it means \$2,500 for acquisitions of services subject to [Service Contract Labor Standards Act](#) and \$2,000 for [Wage Rate Requirements \(Construction\) Act](#) acquisitions.

The following statutes, regulations, and policies are applicable to every purchase, including those at or below the MPT [Subpart 13.2](#).

- A procurement valued at or below the MPT (except TO/DOs against multiple award IDVs) may be conducted without competition;
- After consideration of required and priority sources ([Subpart 13.201\(e\)](#) and [Part 8](#)) and including category management, Best in Class designations, Smarter Buying initiatives ([HHSAR 312.1](#)) and use of other pre-negotiated instruments ([Subpart 7.102](#) (a) (4));
- After consideration of environmentally sustainable acquisitions ([Subpart 13.201\(f\)](#) and [23.1](#), [23.2](#), [23.4](#), and [23.7](#));
- After determination of a fair and reasonable price ([Subpart 13.106-3](#) and [13.203](#) (a)(2)).

Also, to the maximum extent practicable, micro-purchases shall be distributed equitably among qualified suppliers ([Subpart 13.203\(1\)](#)).

Delivery Orders (DO) and Task Orders (TO) Against Multiple Award – Indefinite Delivery Vehicles

In accordance with FAR [Subpart 16.505\(b\)\(1\)\(i\)](#) the fair opportunity threshold for Indefinite Delivery Contracts remains at \$3,500. (Note: This is not a reference to the MPT).

This means that the contracting officer (including purchase card holders) must provide each awardee a fair opportunity to be considered for each order exceeding \$3,500 issued under multiple delivery-order contracts or multiple task-order contracts e.g. NITAAC, LTASC, etc.

However, [FAR 16.505\(b\)\(1\)\(ii\)](#) states, in part, “if the order does not exceed the simplified acquisition threshold, the contracting officer need not *contact* each of the multiple awardees under the contract before selecting an order awardee if the contracting officer has information available to ensure that each awardee is provided a fair opportunity to be considered for each order.”

INSIDE THIS ISSUE:

Increases to Micro-Purchase Threshold and Simplified Acquisition Threshold	1
Raising Awareness about the Risk of Contract Fraud	3
Recap: The NIH Reverse Industry Day	4
Recap Corner	4
Acquisition Training Information	5

INCREASES TO MICRO-PURCHASE THRESHOLD (MPT) AND SIMPLIFIED ACQUISITION THRESHOLD (SAT)

Continued from page 1

The award file must be documented with evidence that each contractor has been provided a fair opportunity to be considered.

The \$3,500 competition threshold does not apply to GSA Federal Supply Schedule Delivery Orders (DO) or Task Orders (TO) which are governed by the procedures in [FAR Subpart 8.4](#). FAR Subpart 8.4 makes repeated reference to the Micro-Purchase Threshold, which is now \$10,000.

Written Fair & Reasonable Price Determinations

All purchases valued over \$5,000 and up to the Simplified Acquisition Threshold of \$250,000 must be determined fair and reasonable in writing in accordance with [FAR Subpart 13.106-3\(a\)](#) and the award file must be documented appropriately.

Limitations on Use of the Governmentwide Commercial Purchase Card

Because of system limitations, the purchase card shall not be used for any orders or payments subject to:

- 1) the Service Contract Labor Standards Act between \$2,500 and \$10,000 or;
- 2) the Wage Rate Requirements (Construction) Act between \$2,000 and \$10,000.

Such requirements must be procured using a written instrument issued in NBS Prism. The Contracting Officer is responsible for reporting these awards IAW FAR [Subpart 4.6 - Contract Reporting](#).

Because of system limitations and practical considerations, use of the Purchase Card above the MPT as an ordering and payment mechanism is limited as specified in the 2015 policy "[Use of Purchase Card Over MPT Policy](#)". If a vendor can accept a written instrument (including digital) including a purchase order, delivery order, task order or BPA order, the procurement *should* be issued in writing from NBS Prism and paid through normal Office of Financial Management (OFM) invoicing procedures.

For purchase card holders who also have authority to issue convenience checks, the new threshold for convenience checks is \$5,000 (1/2 of the MPT). Convenience checks may be issued for not to exceed \$5,000 only after receipt of a new delegation of procurement authority letter.

Delegations of Procurement Authority – NBS Prism

Delegated Acquisition Community members with a current Certificate of Appointment (SF-1402) aka Warrant that states "Micro-Purchase Threshold" or "MPT" may start using the new \$10,000 MPT authority to issue written awards in NBS Prism. NBS Prism provisioning was updated effective July 15, 2018.

Delegations of Procurement Authority – Purchase Card

Warranted contracting officers who are also purchase card holders may use the new \$10,000 MPT with their purchase cards and purchase card holders who are not warranted contracting officers will be eligible for a new \$5,000 SPL, if/when, their Executive Officer approves the request and their SPL has been adjusted in issuing bank and NIH systems. New delegation of procurement authority letters will be forthcoming.

Continued on page 3

INCREASES TO MICRO-PURCHASE THRESHOLD (MPT) AND SIMPLIFIED ACQUISITION THRESHOLD (SAT)

Continued from page 1

Delegations of Procurement Authority Simplified Acquisition Threshold (SAT)

Warranted Contracting Officers who hold a valid and current Federal Acquisition Certification in Contracting (FAC-C) acquisition certification are eligible for a revised warrant with a limit of \$250,000 to approve transactions against pre-negotiated instruments e.g. GSA FSS TOs & DOs, GSA FSS BPA Calls, and Indefinite Delivery Vehicle TOs and DOs. Holders of current FAC-C based warrants can expect to receive a new warrant with the \$250,000 SAT, for approving awards against pre-negotiated instruments, in the coming weeks.

Warranted Contracting Officers who hold an acquisition certification other than the FAC-C will be eligible for a limit of \$150,000 to approve awards against pre-negotiated instruments (GSA FSS TOs & DOs, GSA FSS BPA Calls, and Indefinite Delivery Vehicle TOs and DOs).

RAISING AWARENESS ABOUT THE RISK OF CONTRACT FRAUD

Every PMAP in HHS contains a statement in the Critical Elements about addressing weaknesses in the grant and procurement systems. That statement is certainly applicable to employees in the Contracts offices and in the Delegated Offices of Acquisition. You have a responsibility to assist in combating fraud, waste, and abuse in all departmental programs. You are encouraged to report matters involving fraud, waste, abuse, misconduct, and mismanagement in any HHS programs. The HHS Office of Inspector General (OIG) is responsible for conducting investigations into fraud, waste, and abuse involving HHS programs, including HHS contracts.

The HHS OIG has published tools to raise awareness about contractor fraud.

- [Examples of Contract Fraud](#)
- [Awareness Poster](#)
- [4-minute Video](#) about FAR and helpful information to avoid problems with an HHS contract

- [Contractor Self-Disclosure Program and Form](#)
- [OIG Hotline Page](#)

Additionally, the NIH Office of Management Assessment's Division of Program Integrity (DPI) is responsible for conducting independent reviews and investigations of allegations involving (1) fraud, waste, abuse, mismanagement, misuse and employee misconduct of NIH grants and contracts; (2) grantee or contractor conflicts of interest, and (3) other misconduct or misuses of NIH resources by NIH employee or others doing business with NIH. DPI also performs a liaison role for the HHS OIG on investigations at NIH and collaborates with the HHS OIG on specific cases as appropriate. DPI monitors the [NIH Hotline](#) which is available to NIH staff and the public to report allegations. You can learn more about DPI by visiting this NIH [web site](#).

RECAP: THE NIH REVERSE INDUSTRY DAY

On June 6, 2018, the National Institutes of Health (NIH) and the Professional Services Council (PSC) hosted a Reverse Industry Day at the Natcher Conference Center. The Reverse Industry Day provided an opportunity for industry to express their perspectives pertaining to acquisitions related interactions with the NIH.

Ms. Diane Frasier, Head of Contracting Activity and Director of the Office of Acquisition and Logistics Management, commenced the event with remarks and Dr. Alfred Johnson, Deputy Director for Management, acted as the keynote speaker. A presentation demonstrating the challenges that companies face when striving to conduct business with the NIH followed. The second session consisted of a panel comprised of 4 industry representatives and members of the PSC. The panelists discussed the importance of the availability, and clarity, of the statement of work and evaluation criteria in Requests for Proposals. During both sessions, NIH staff had the opportunity to ask questions and engage in conversation with industry representatives.

The final session consisted of a “mockup” debriefing meeting for a lost bid. Industry representatives provided a glimpse of the discussions that arise when a company loses a bid. Moreover, industry furnished input regarding shortcomings within the debriefing process and the overall importance of a thorough debriefing. Both industry and the NIH staff were engaged throughout the question and answer session.

Ms. Diane Frasier provided the closing remarks and the conference adjourned. The NIH will host an HHS wide Reverse Industry Day on October 9, 2018, in the Natcher Conference Center.

RECAP CORNER

Below is a recap of recent OALM communications to the NIH acquisition workforce (5/22/18 – 7/17/18)

ID	Date	Title	Purpose
18-19	5/22/18	DCIS ALERT –NIH Item 100 Type of Procurement Action - ERROR	Resolution of DCIS Item 100 Type of Procurement Action - ERROR
18-20	5/22/18	NIH Reverse Industry	Notice of Reverse Industry Day
18-21	6/5/18	PRISM Displays Contract Number Not Found - Error Message	Correcting Contract Number in PRISM
18-22	6/18/18	SAM Update	“Special Notice” in FBO urging contractors to plan as far in advance as possible for initial and renewal registrations.
18-23	6/29/18	New Login Process for SAM	Notice of SAM implementation of multi-factor authentication for all registered SAM.gov users.
18-24	6/29/18	Execution of NBS PO Final Close Program on FY13 Canceling Year	Information on Canceling Year Funds

RECAP CORNER

18-25	7/3/18	Document Generation System (DGS) Training	The DGS Team will be offering DGS Training
18-26	7/13/18	FPDS Product Maintenance	The FPDS team will be conducting maintenance activities to increase data performance.
18-27	7/13/18	Micro-Purchase Threshold and Simplified Acquisition Threshold (MPT/SAT) Implementation	Information on the increase of the Micro-Purchase Threshold and the Simplified Acquisition Threshold
18-28	7/17/18	SAM Registration Backlog	Notice of SAM Registration Backlog Cleared

NIH BLANKET PURCHASE AGREEMENT (BPA) LISTS AVAILABLE ONLINE

Lists of all NIH Blanket Purchase Agreements (BPAs) can be found at the NIH Blanket Purchase Agreement [webpage](#).

This location contains Two BPA Lists:

1. Complete vendor alphabetical list;
2. Vendor list sorted by commodity; and

If you have any questions or need further clarification, please contact the BPA helpline at 301-496-5212 or [email](#).

ACQUISITION TRAINING INFORMATION

Acquisition Training at NIH

Acquisition Training Classes that are offered by the NIH Training Center can be accessed at the following link:

[Acquisition Management Training.](#)

Federal Acquisition Certification Coursework

CON courses and other Federal Acquisition Certification required courses can be found at the [NIH Training Center](#), [Federal Acquisition Institute](#), and [Defense Acquisition University](#).

Section 508 Accessibility Training

Section 508 Accessibility Training courses can be accessed at:

[CIT Section 508 Accessibility training website.](#)

Green Purchasing Training

Green Purchasing Training and other Green Training courses can be found at:

[OALM Green Purchasing Website.](#)

As a reminder, per HHS policy, all contracting officers, contract specialists, purchase cardholders, card approving officials, CORs and acquisition staff in job series 1102, 1105, and 1106 are required to take the Green Purchasing training every two calendar years. The training includes online training modules for your convenience.

Questions regarding Green Purchasing Training should be sent to:

GreenPurchasing@mail.nih.gov.

GRACIAS

“Thank You” in Spanish

SPECIAL THANKS

**We’d like to thank all those who contributed to this issue
and to future editions of the OALM Newsletter.**

The OALM Newsletter will be published six (6) times in calendar year 2018. OALM invites your comments and suggestions for future articles. We encourage staff to submit articles that would be of interest to our readers. We will do our best to include such articles in future editions of the OALM Newsletter.

Please address all correspondence to the editors: Jesse Lee, Jesse.Lee2@nih.gov, Michele McDermott, McdermottMI@od.nih.gov, Milton Nicholas, NicholaM@od.nih.gov, Annette Romanesk, RomanesA@od.nih.gov, or Barry Solomon, SolomonBJ@od.nih.gov.

If you have any questions or comments regarding the information, policy and/or procedures published in *this* issue, you may contact Annette Romanesk at the email address above. For future issues please contact the Simplified Acquisitions Helpline on (301) 496-0400 or via email at OALMNewsletter@mail.nih.gov and you will be referred to the appropriate editor.