

# The Office of Acquisition and Logistics Management Newsletter – May/June 2017

## Top Purchase Card Findings

In FY16, the NIH Purchase Card Program conducted over 500 different onsite and targeted reviews. These reviews help to monitor compliance with federal acquisition policies and regulations. The top three common findings at NIH in FY16 are detailed below.

- Missing pre-approval
- Missing receiving documentation
- Missing justification

Missing pre-approval – this is the top finding for both on-site and targeted reviews. Missing pre-approval occurs when approval for the purchase is obtained after the order has been placed or after the services have been provided. All goods or services that are to be purchased must have written approval in advance certifying that the proposed purchase is for a legitimate need of the government and not for personal benefit. This approval signature certifies that this is the case. Before the cardholder places an order for supplies or services with the vendor, the request to purchase must be approved in an electronic purchase request system, by a paper purchase request (signed and dated) or by a pre-approval method established by the IC.

Missing receiving documentation – the second top finding is missing receiving. Receiving must be completed by the requestor or program manager to ensure the delivery of goods or the performance of services after the services have been performed. Failing to verify if the goods or services were received means NIH may have paid for goods that were not delivered or services that were not performed.

Cardholders must include evidence in the purchase card file that the items or services purchased were received. Only Government employees may accept or reject contractor products or services ([FAR 7.503\(c\)\(12\)\(v\)](#)). For acquisitions under the micro-purchase threshold (MPT) made using the purchase card, the recipient of the goods or services should sign and date the packing slip, invoice or other documentation indicating that receipt has occurred. Acquisitions over the MPT have a [more stringent requirement](#).

Missing justification - the third top finding is missing justification. Each purchase request must include a justification for the purchase of goods or services and must address the following:

- The individual or office intended to receive the good or service.
- A clear description of the good or service to be purchased. This description should be clear enough that someone outside of your office will understand what you're buying.
- Brief description/justification as to why the good or service is needed. This should demonstrate the programmatic need that supports the NIH mission. If the cardholder does not deem the justification provided as sufficient then he/she should request additional information from the requestor.

If you have any questions about the above, please contact the NIH Purchase Card Help Desk at 301-435-6606.

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### The HHS FY2016 Small Business Procurement Scorecard Just Released

The Small Business Administration (SBA) just released the [HHS 2016 Procurement Scorecard](#). The Scorecard provides an assessment of HHS’s annual small business contracting achievement. The grade is comprised of three achievement categories: prime contracting, subcontracting and success factors. For FY2016, HHS scored a “B” overall.

HHS exceeded its prime contracting goals for small business, women-owned small business and small disadvantaged business, but fell short of meeting its goals for service-disabled veteran-owned small business and HUBZone small business (see table below). The HHS prime contracting goal achievement is based on data reported in the [Federal Procurement Data System – Next Generation](#) (FPDS-NG) as of February 20, 2017.

HHS FY2016 Small Business Prime Contracting Goals and Achievements

	<b>2016 Goal</b>	<b>2016 Achievement</b>	<b>Percentage Difference</b>
Small Business	22.75%	23.02%	+0.27%
Women-Owned Small Business	5%	7.29%	+2.29%
Small Disadvantaged Business	5%	10.86%	+5.86%
Service-Disabled Veteran-Owned Small Business	3%	1.56%	-1.44%
HUBZone Small Business	3%	1.03%	-1.97%

HHS exceeded its subcontracting goals for women-owned small business and small disadvantaged business, but fell short of meeting its goals for small business, service-disabled veteran-owned small business and HUBZone small business (see table below). The HHS subcontracting goal achievement is based on data reported in the [Electronic Subcontracting Reporting System](#) (eSRS) as of March 14, 2017.

HHS FY2016 Small Business Subcontracting Goals and Achievements

	<b>2016 Goal</b>	<b>2016 Achievement</b>	<b>Percentage Difference</b>
Small Business	33%	29.90%	-3.1%
Women-Owned Small Business	5%	6.70%	+1.7%
Small Disadvantaged Business	5%	5.40%	+0.4%
Service-Disabled Veteran-Owned Small Business	3%	1.50%	-1.5%
HUBZone Small Business	3%	0.90%	-2.1%

Small businesses are a vital part of this country's workforce and economy. At NIH they play an integral role in both the Intramural and Extramural Programs, and are essential partners in our ability to meet the NIH mission. NIH’s small business achievement directly contributes to HHS’s ability to meet its small business goals.

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As a reminder, it is the policy of the Government to provide maximum practicable opportunities in its acquisitions to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. Such concerns must also have the maximum practicable opportunity to participate as subcontractors in the contracts, consistent with efficient contract performance. ([FAR 19.201\(a\)](#))

More information on Scorecards can be found on the [SBA Goaling Scorecard website](#).

### **2017 NIH Small Business Industry Day**

The NIH's Office of Acquisition Management and Policy (OAMP) is hosting a Small Business Industry Day at the Natcher Conference Center on Thursday, June 8, 2017 from 9 a.m. – 4 p.m.

The June 8th event entitled "Make Every Connection Count" will enable all small businesses to network and potentially partner in acquisition opportunities at NIH. There will be a plenary session, panel discussions, workshops and one-on-one discussions between vendors and NIH representatives, and Government and Industry sponsored booths. We are holding this event in order to expand and enhance our relationships with small businesses.

For Industry Day general information, please contact Ms. Annette Owens-Scarboro at [NIHSmallBusiness@mail.nih.gov](mailto:NIHSmallBusiness@mail.nih.gov) or call 301-451-3861.

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## Recent FAR Changes

Final rules recently published in Federal Acquisition Circulars (FAC) that impact the acquisition workforce can be found on the [FAR Alert Notice](#) section of the [acquisition.gov](#) website. The FAN was established by the Office of Federal Procurement Policy to help the acquisition workforce stay aware of upcoming regulatory changes.

Below are brief descriptions of some of the recent changes.

### [FAR Case 2013-014, Uniform Use of Line Items](#)

This final rule amends the FAR to establish standards for the uniform use of line items in Federal procurement. These standards are designed to improve the accuracy, traceability, and usability of procurement data. The new language covers when to establish line and subline items, provides required data elements for line and subline items and exceptions and discusses modifications and solicitation alternative line item proposals. This rule became effective on January 13, 2017. In order to provide agencies with time to transition their information systems, agencies have until October 1, 2019, to apply the requirements of [FAR 4.1002](#) through [4.1008](#) of [subpart 4.10](#).

### [FAR Case 2012-022, Contracts Under the Small Business Administration 8\(a\) Program](#)

This final rule, effective on January 13, 2017, amends the FAR to implement clarifications made by the Small Business Administration in its final rule, which was published in the Federal Register at 76 FR 8222 on February 11, 2011. This final rule clarifies in the FAR the procedures and requirements used when contracting under the 8(a) program including information on the evaluation, offering, and acceptance process.

### [FAR Case 2010-013, Privacy Training](#)

This final rule amends the FAR to clarify the training requirements for contractors whose employees will have access to a system of records on individuals or handle personally identifiable information. Prime contractors are required to flow down these requirements to all applicable subcontracts. This rule became effective on January 19, 2017.

### [FAR Case 2014-004, Payment of Subcontractors](#)

This final rule amends the FAR to implement section 1334 of the Small Business Jobs Act of 2010 and the Small Business Administration's final rule, published on July 16, 2013. If a contract requires a subcontracting plan, the prime contractor must notify the contracting officer in writing if the prime contractor pays a reduced payment to a small business subcontractor, or an untimely payment if the payment to a small business subcontractor is more than 90 days past due for supplies or services for which the Government has paid the contractor. The contractor is also to include the reason for the reduction in payment or failure to pay. This rule became effective on January 19, 2017.

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## Training Information

### New Purchase Card Approving Official Training

New Card Approving Official (CAO) training has been developed to help educate CAOs on their role and to provide guidance in fully understanding their responsibilities. Training will be scheduled for some time in June. CAOs who attend will receive 2 CLPs. Please contact Sarah Kessler at [sarah.kessler@nih.gov](mailto:sarah.kessler@nih.gov) if you are interested in attending a session.

### LSS Green Belt Training

The Office of Logistics and Acquisition Operations (OLA) at NIH will host a five day Green Belt level training course for federal employees on Lean Six Sigma, a process improvement methodology, to help you address challenges in your daily workload. Lean Six Sigma is a set of methodologies used to systematically improve processes by:

- Emphasizing quality and/or speed of product or service delivery.
- Eliminating sources of variation and waste (defects).
- Targeting process improvements around issues voiced by the customer and the organization.
- Measuring performance against original process requirements (baseline).

\*Refer to flyer on page 5 of the PDF version of this month's newsletter\*

### GSA Acquisition Program Training Opportunities

Did you know that FREE training on how to effectively use the GSA acquisition program is available right from your desktop – and offers continuous learning points that may count towards your continuing education requirements too?

GSA offers periodic FREE webinars. Find more information at the [GSA Schedules News and Training website](#). Upcoming sessions include:

- GSA Schedules vs. Open Market (2 CLPs) on 6/8/17
- eBuy: An Overview (2 CLPs) on 6/8/17
- How to Integrate Green into Acquisition (2 CLPs) on 7/12/17
- Buying Services Through GSA Schedules (4 CLPs) on 7/13/17
- Category Management and the Acquisition Gateway (1 CLP) on 7/24/17
- Basic Contracting for GSA Schedules (4 CLPs) on 8/3/17

A number of online training modules are available through the Federal Acquisition Institute (FAI) by registering through the [FAI Training Application System \(FAITAS\)](#).

The modules below are FREE and are available to take anytime at your convenience.

**FAC 023** Basic Contracting for GSA Schedules

**FAC 024** GSA Global Supply

**FAC 027** GSA Schedules and Small Business

**FAC 028** GSA Schedules and Sustainable Acquisition

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**FAC 029** GSA Schedules vs. Open Market

**FAC 036** GSA Schedules BPAs and CTAs

**FAC 037** GSA eBuy: An Overview

**FAC 038** How to Integrate Green into Acquisition

**FAC 048** The GSA MAS Program: Buying Services Through GSA Schedules

Federal Supply Schedules are included in the list of sources at [FAR 8.004\(a\)\(1\)](#) that agencies are encouraged to use if an agency is unable to satisfy requirements for supplies and services from the mandatory sources listed in [FAR 8.002](#) and [FAR 8.003](#). The sources listed at [FAR 8.004\(a\)\(1\)](#) and (2) are prioritized before consideration of the commercial (open market) sources listed at [FAR 8.004\(b\)](#).

Now that the end of the fiscal is fast approaching, consider if this may be an ideal time to refresh your knowledge of the GSA acquisition programs available to you.

### 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](mailto:GreenPurchasing@mail.nih.gov).

### 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;

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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](#).

### **We Would Like to Thank All Those Who Contributed to This and Future Editions of the OALM Newsletter.**

The OALM Newsletter will be published six (6) times in calendar year 2017. 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.

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