

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

eVIP IS COMING! PILOT PHASE 2 BEGINS JULY 2013

Faster. Cheaper. Better.

NIH's Electronic Vendor Invoicing Program (eVIP) enables electronic submission and processing of the 100,000 vendor invoices processed every year, saving the NIH and our mission-critical vendors time and money.

eVIP was initially piloted in 2009 with five vendors and will start a second pilot phase in July with six new vendors. NIH's full transition to electronic invoicing will continue as additional vendors are added to eVIP in the months after Pilot Phase 2, enabling:

- **Improved** visibility into the status of open orders, funding, and invoices.
- **Elimination** of 95% of the 20,000 invoices cancelled every year.
- **Savings** of over \$3 million per year by cutting invoice processing costs by 50%.
- **Reduced** processing time and errors associated with paper invoices.

Pilot Phase 2

Pilot Phase 2 will assess process and system improvements to enable expansion to the wider vendor community. The following four eVIP improvements will be rolled out in stages between July and November 2013:

1. The **NIH Registration and Authentication (NIHRA)**, a website that enables electronic registration and identity verification of vendors.
2. Dedicated **customer support** for eVIP vendors including self-help tools on NIHRA and an eVIP Help Desk.
3. A proactive approach to contract preparation, including **data clean-up, 2-way award modifications** and the development of an **electronic invoicing contract clause**.
4. New **Oracle-based approval process** for all paper and electronic 2-way invoices.
 - a. MarkView will no longer be used to approve 2-way paper invoices
 - b. Outlook-based Central Point of Distribution (CPD) mailboxes will be recreated in Oracle
 - c. Buyers will select the new Oracle-based CPD in the Payment Options field in PRISM at the time an award is created.

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

Schedule

June 22, 2013: Buyers begin selecting the new Oracle-based CPD from the Payment Options field in PRISM

July 22, 2013: Four of the five original 2009 vendors will re-register for eVIP using the new NIHRA electronic process, and will begin to use the new eVIP Help Desk.

August 22, 2013: Six new vendors will register through NIHRA and begin using the Help Desk.

November 2013: New 2-way approval process goes live for all paper 2-way invoices, and pilot vendors begin electronic invoice submission

Planning sessions with each Acquisitions Office are taking place now to prepare for the new 2-way approval process. Innovative web-based training is also under development to help prepare NIH and vendors for eVIP.

Questions?

Stay tuned for more information about the 2-way approval process, training and contract preparation activities.

If you have any questions about eVIP, please contact John Ogle (john.ogle@nih.gov) or Jenny Macaulay (jenny.macaulay@nih.gov).

THE SMALL BUSINESS ACCESS FORUM

The Health and Human Services' (HHS) Office of Small and Disadvantaged Business Utilization (OSDBU) recently developed a new program designed to improve communications between the major stakeholders involved in the Federal procurement process.

The Small Business Access Forum is a meeting between the program managers, acquisitions personnel and the HHS OSDBU assigned Small Business Specialist to discuss upcoming procurement opportunities. The goal is to achieve better acquisition outcomes in less time with more awards to qualified small business firms.

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

BACKGROUND

The Small Business Access Forum is in support of the HHS Deputy Secretary's memo, dated August 17, 2012, requiring the Department to improve communication with small businesses during the acquisition process.

The Office of Management and Budget issued several documents encouraging early, frequent, and constructive engagement with industry, including: "[Myth-Busting](#)," (issued February 2, 2011); "[Myth-Busting 2](#)," (issued May 7, 2012) and; the [25-Point Implementation Plan to Reform Federal Information Technology Management](#), (issued December 9, 2010). The aforementioned memos specifically address the importance of transparency and good communication with small vendors.

The Small Business Access Forum includes one-on-one discussions between vendors and program/project managers regarding current technology and future requirements, educate small vendors about the National Institutes of Health (NIH), and create increased outreach and technical counseling sessions for market research on specific requirements. For more information on pre-solicitation discussions, please review Federal Acquisitions Regulations (FAR) 15.201, Exchanges with industry before receipt of proposals.

WHY THE SMALL BUSINESS ACCESS FORUM?

The Small Business Access Forum benefits include:

- Program managers have the opportunity to refine their Statement of Work or Statement of Objectives based on discussions with industry.
- Allows program managers and acquisitions professionals to conduct market research in accordance with FAR Part 10.
- Creates a database of capable small businesses program managers may consider for future procurements.
- Allows program managers a more active role in the market research process.
- Encourages improved working relationships between program managers, acquisition professionals, and HHS OSD/BU.
- Allow small businesses the opportunity to meet key decision makers and to develop a greater understanding of the procurement before the solicitation process begins.

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

REQUIREMENTS

Contracting Officer's Representatives and acquisitions professionals interested in participating must identify: *Procurements with a minimum award value of \$25,000 and; the procurement is forecast for solicitation sometime within this Fiscal Year (FY).* The Small Business Access Forum is especially suited for new requirements, or complex buys where the industry products are changing rapidly, rendering previous acquisitions history or market research obsolete.

It is important to note that as of June, there are four months remaining in FY 13. A Small Business Access Forum saves time in the procurement process by identifying small businesses capable of performing the Government's needs, resulting in a small business set-aside. Market research types such as Requests for Information or Sources Sought Notices are typically posted for 15 business days. This does not include the time required for the program officials to review responses from the public. The Small Business Forum typically occurs over one day.

FREQUENCY

Small business specialists assigned to NIH are available to facilitate at least two Small Business Access Forum events each quarter of the fiscal year. For more information, please contact Wayne Berry by e-mail: wayne.berry@nih.hhs.gov or by phone, (301) 496-8023.

USE YOUR IN-HOUSE GWACs TO SAVE TIME, MONEY AND RESOURCES DURING THE Q4 RUSH

It's almost that time of year again, and NITAAC can help you simplify processes and save money during this always-busy season. Our three Government-Wide Acquisition Contracts (GWACs) for Information Technology (IT) products, services and solutions are available for use by all NIH Delegated Agents, Program Offices and Contracting Officers. Here's what you need to know:

ECS III is the HHS Strategic Source for IT products and related services. Use it to make purchases for the lab or office including, but not limited to:

- Apple Products
- Cloud Computing: SaaS, IaaS, PaaS
- Data Warehousing/Data Storage

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

- Enterprise Software Licenses
- Warranty and Maintenance
- Servers Built to Order (BTO)
- Desktops, Laptops, Smartphones, Tablets, Networking and Peripherals
- Lease Printers with Maintenance and Tech Support
- Citrix Support
- VMware Maintenance Renewal
- Software Maintenance Updates such as Oracle's "My Oracle Support" or Microsoft's "Windows Update"

By using the secure, online ECS III automated Request For Quote (RFQ) System, your requirement goes out to all of the eligible vendors on the contract. What this means is that even if only one quote is received, you will have done your due diligence in terms of competition and can proceed with your purchase.

Purchasing agents and program offices can easily work together through the RFQ system simply by listing their colleagues as the alternate Point-of-Contact when requirements are submitted. This gives both parties access to all activity in the system, from competition through award.

If you find a lower price elsewhere, you are encouraged to negotiate directly with ECS III Contract Holders for the lowest possible price. This GWAC is designed to offer prices less than or equal to Federal Supply Schedules, and you are encouraged to ask Contract Holders to match or beat market prices.

Use CIO-SP3 and CIO-SP3 Small Business to purchase IT services and customized solutions including, but not limited to:

- Help Desk/IT Support
- Configuration Management
- Enterprise Data Management
- Cyber Security
- Cloud Computing

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

- Biomedical Information Services
- Software Development
- Data Quality Management
- Web Development and Support
- ERP IT Infrastructure
- Identify and Access Management
- Capital Planning and Investment

Like ECS III, CIO-SP3 and CIO-SP3 Small Business are governed by FAR 16.505(b)(1)(i) for streamlined ordering, with CEILING RATES THAT AVERAGE 10-15% LESS THAN OTHER COMPARABLE VEHICLES. Competition at the task order level drives prices even lower.

If you're trying to help NIH meet socioeconomic goals, choose CIO-SP3 Small Business with set-aside categories for Small Business, Service-Disabled Veteran Owned Small Business, HUBZone, 8(a), and Women-Owned Small Business.

NITAAC's secure, online electronic-Government Ordering System (e-GOS) features easy-to-use tools that make collaboration and research a snap. For example, Q&A's are handled online, eliminating time-consuming conferences and/or multiple emails. Once the awardee is selected, notifications are automatically sent from the system, which serves as your database of record.

With the average CIO-SP3 award made in only 32 days from requirements submission, it's no wonder these GWACs are fast-becoming the vehicle of choice at so many federal agencies!

Not only will you find faster, easier, cost-competitive ordering, NITAAC offers world-class customer service at no additional cost:

- Help with defining and/or writing requirements
- 1-hour response to any contractual, technical or procedural question
- Complimentary SOW/PWS/SOO assessments returned to customers within one day

We're also happy to train you and your staff free of charge to assure you get the most benefit with the least effort!

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

Contact NITAAC Support at 1-888-773-6542 or email us at NITAACsupport@nih.gov. For more details, visit <http://nitaac.nih.gov>.

FREE TRAINING FROM NITAAC – EARN 2 CLPS!

The NIH Information Technology Acquisition and Assessment Center (NITAAC) offers free monthly training sessions for federal agencies that purchase information technology products, services and solutions.

The monthly training courses start at 1:00PM and end at 3:00 PM, allowing time for detailed Q&A with our contracting officers. Each attendee earns 2 CLPs when you learn about our Government-Wide Acquisition Contracts (GWACs).

Upcoming NITAAC training dates

WebEx training courses – Registration is FREE, quick and easy for a WebEx in the comfort of your office. The course begins at 1:00PM and finishes with Q&A at approximately 3:00PM. Please follow this link to register for one of the monthly WebEx classes. <http://nitaac.nih.gov/nitaac/free-training/web>

May 30

June 27

July 30

August 27

Classroom - Registration is FREE! Please visit the NITAAC website for registration details and locations on NIH Campus or Rockville. The course begins at 1:00PM and finishes with Q&A at approximately 3:00PM. <http://nitaac.nih.gov/nitaac/free-training/nih>

June 6 – 6130 Executive Blvd, Room H, Rockville, MD 20852

July 2 – NIH Campus at Natcher Auditorium, Room C1/C2, 9000 Rockville Pike, Bethesda, MD

Aug 1 – 6130 Executive Blvd, Room H, Rockville, MD 20852

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

SUBSCRIPTION, MAINTENANCE AND WARRANTY SERVICES

The Purchase Card Program Office frequently receives questions from NIH Purchase Cardholders regarding guidance in purchasing subscriptions, warranties and/or maintenance. In some cases, the vendor uses the terms interchangeably; however, there is a difference especially when deciding if NIH can purchase the subscription, maintenance or warranty service and if the purchase card can be used.

Most of the decisions revolve around the concept of advance payments which are prohibited in accordance with 31 U.S.C. 3324. Advance payments cannot be made for services or goods that the government has not yet received. The purchase card therefore cannot be used to pay a vendor in advance of having received the item or service.

Subscriptions: A subscription is generally an agreement to pay an amount of money to receive a recurring publication for a set period of time. According to the Government Accountability Office (GAO), “advance payment is authorized for charges for a publication printed or recorded in any way for the auditory or visual use of the agency” (31 U.S.C. § 3324 (d)(2)). Therefore, payment for a subscription is allowable using the purchase card. Typically, the subscription is paid for and then the delivery of the service occurs.

Maintenance: A maintenance agreement is an agreement under which a service provider agrees to perform specific maintenance services. GAO has held that payment in advance for maintenance agreement/contracts is prohibited by the advance payment statute. **(B-219074, 1985)**. A maintenance agreement can be procured; however, payment can only be made after the services are rendered provided the total estimated annual cost does not exceed the cardholder’s single purchase limit.

Warranty: A warranty is generally a contractor’s affirmation to the Government regarding the nature, usefulness, or condition of the supplies or performance of services furnished under the contract. The HHS Appropriations Law Principles course provides the following guidance to distinguish warranties from maintenance agreements:

So long as the warranty made at the time the government purchases the equipment or creates a contractual right in the government for the correction of defects resulting from the failure of the goods to conform

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

their represented quality, payments for such warranties are not prohibited by the advance payment statute.

[However], if the “extended warranty”, offered upon expiration of the original warranty envisions routine, periodic maintenance, then, even if a vendor characterizes the agreement as a “warranty”, advance payment is not allowed.

If the warranty is purchased at the time the equipment is purchased, generally the purchase of the warranty is not prohibited. GAO decision B-249006, Apr. 6, 1993 states that some extended warranties may be purchased without violating the advance payment prohibition. One important criterion is whether the so-called “warranty” is really a contract that contemplates periodic maintenance service, because advance payment for periodic maintenance does violate the advance payment prohibition.

If you have additional questions, please call the Purchase Card Program Help Desk at (301) 435-6606.

NITAAC HONORED WITH HHS GREEN CHAMPION AWARD FOR SUSTAINABLE ACQUISITIONS

Not only does NITAAC save time, money and human resources – we save trees! Thanks to paperless transactions through our secure, online ordering systems, and a robust set of tools to support EPEAT and Energy Star requirements, NITAAC is doing its part to assure NIH remains a green leader.

NITAAC operates within a virtualized technology environment, using only one server for all its Program operations. This reduces energy consumption and costs, and is considered one of the most cost efficient initiatives for reducing carbon footprint. Our virtual environment also allows NITAAC to conduct multiple webinar trainings for up to 90 participants at one time, saving additional resources that would otherwise be expended through travel.

Each of our GWACs offers the flexibility to specify additional energy-efficient requirements at the task and delivery order level, such as recycled content products, and environmentally preferable products and services. Because all transactions are paperless, and our systems serve as the database of record for the lifecycle of a procurement, we are able to eliminate waste products down the line associated with printing, copying, file storage and the like.

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

NITAAC is proud to support NIH and HHS in their sustainability initiatives and will continue to align our daily operations in support of human, environmental, and economical health.

REIMBURSEMENT OF EXPENSES TO OBTAIN PROFESSIONAL CREDENTIALS

Reimbursement for professional credentials is now driven by departmental and OHR policies. Professional Licensure is explained on the OHR website at the following links:

<http://www.hhs.gov/asa/ohr/manual/files/575-2.pdf>

<http://www.delegations.nih.gov/DOADetails.aspx?id=3761>

<http://intrahr.od.nih.gov/compensation/title5/documents/ReimbursementofExpensestoObtainProfessionalCredentialsSOP.pdf>

<http://intrahr.od.nih.gov/compensation/title5/documents/MemoRequestforApprovalofAppropriatedFundstoPayforProfessionalLicensure.pdf>

<http://intrahr.od.nih.gov/compensation/title5/documents/SF1034.pdf>

The professional licensure is paid by the individual and, after proper approvals have been obtained, reimbursement is made via SF-1034.

The OHR policy **does not** allow for use of the Government purchase card, convenience checks, government purchase order or other acquisition mechanism.

This is a reimbursement, not an acquisition.

NOTE: Please be aware that these are **new** procedures for obtaining professional credentials and they have been in effect since 2012.

PRIORITY SOURCE FOR FURNITURE

Supplies manufactured and services performed by Federal Prison Industries (FPI), also referred to as **UNICOR**, are listed in the FPI Schedule, which can be accessed at <http://www.unicor.gov> or by submitting a written request to Federal Prison Industries, Inc., Department of Justice, Washington, DC 20534.

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

Although purchasing from FPI is not required below \$3,000, agencies are encouraged to purchase FPI supplies and services to the maximum extent practicable.

Before purchasing an item of supply listed in the FPI Schedule:

- 1) Conduct market research to determine whether the FPI item is comparable to supplies available from the private sector that best meet the Government's needs in terms of price, quality, and time of delivery.
- 2) Prepare a written determination that includes supporting rationale explaining the assessment of price, quality, and time of delivery, based on the results of market research comparing the FPI item to supplies available from the private sector.
- 3) If the FPI item is comparable, purchase the item from FPI following the ordering procedures at <http://www.unicor.gov>, unless a waiver is obtained.
- 4) If the FPI item is not comparable in one or more of the areas of price, quality, and time of delivery, acquire item(s) using competitive procedures.
 - a) Include FPI in the solicitation process and consider a timely offer from FPI.
 - b) Award to the source offering the item determined by the agency to provide the best value to the Government, and when the FPI item is determined to provide the best value to the Government as a result of FPI's response to a competitive solicitation, follow the ordering procedures at <http://www.unicore.gov>.

If the item(s) are not purchased from FPI or non-profit agencies participating in the Ability One Program, Buyers should consider Strategic Sourcing Office Furniture BPAs prior to acquiring the item(s) from other commercial sources. A complete list of the Office Furniture BPAs can be found at <http://intranet.hhs.gov/abouthhs/administrative/ssc/of/index.html>.

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

ELECTRONICS STEWARDSHIP AND NIH

The Federal Electronics Challenge (FEC) is a partnership program that encourages Federal facilities and agencies to: purchase greener electronic products, reduce the impacts of electronic products during use, and manage used and obsolete electronics in an environmentally safe way. The FEC assists federal agencies and facilities in meeting the goals of E.O. 13514 and facing the challenges posed by electronics acquisition, use, and disposal. The focus is primarily on computer monitors, CPU's, workstations, desktops, tablets, thin clients, laptops, televisions, and displays. The National Institutes of Health has participated in the FEC since October 2010 and earned the bronze award for its efforts in fiscal year 2011. This involved completing all applicable general mandatory activities and all lifecycle mandatory activities in one of the three lifecycle phases (acquisition and procurement, operation and maintenance, or end-of-life management). The NIH is currently waiting for results on the silver award application which was submitted for fiscal year 2012. With moving forward on activities to qualify for the gold award, there are specific steps that the Acquisition and Procurement Specialists need to keep in mind.

Before processing an electronics purchase, check the [EPEAT Registry](#) to make sure it is listed as bronze, silver, or gold. Remember that the FEC focuses on computer monitors, CPU's, workstations, desktops, tablets, thin clients, laptops, televisions, and displays.

Be sure that the brand and model information is inputted into the nVision property system accurately and in a timely manner. Every month, reports are generated from it and are reviewed for EPEAT ratings by product and institute and there is a possibility that the EPEAT status of a product will change before the information is put into nVision. The reports are submitted to the HHS Sustainability Team and included in the FEC award proposal. Our goal is to have 95% of our electronics EPEAT compliant by the end of fiscal year 2013 and continued support for this effort is greatly appreciated.

For more information, contact Jacquelyn Johnson at (301) 496-7990; visit the [Federal Electronics Challenge](#) website as well as the Electronics Stewardship page on the [NIH Environmental Management System](#) website.

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

ACQUISITION TRAINING SCHEDULE

Acquisition Training Classes can be accessed at the following link: <http://trainingcenter.nih.gov/list.aspx?catId=1>

CON 100 Shaping Small Business Arrangements
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9566

CON110 Mission Support Planning
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9568

CON 237 Simplified Acquisition Procedures
http://icatalog.dau.mil/onlinecatalog/courses.aspx?crs_id=32

Advanced Simplified Acquisition
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9532

Basic Simplified Acquisition
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9530

Federal Appropriations Law
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC5521

HHS Appropriations Law
<http://hhsu.learning.hhs.gov/learning/faq.asp#after04182011>

Internal & External Requisitioner (NBS)
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9516

Price Reasonableness in Simplified Acquisitions
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC2617

Professional Services
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC5512

Purchase Card Training (NBS)
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC9512

Negotiation Strategies for Simplified Acquisitions
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC5513

NBS PCard Logs & Reconciliation (Refresher)
http://trainingcenter.nih.gov/show_details.aspx?cId=NIHTC2635

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

Simplified Acquisition & Delegated Procurement (NBS)
http://trainingcenter.nih.gov/show_details.aspx?cld=NIHTC9513

AT100 - Section 508 Electronic & IT Training - Phase II
http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT100

AT170 - Section 508 Training for Purchasing Agents: Purchases, VPATS & POTS
http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT170

AT171 – Acquisition Process – Making Sure You Are in Compliance with Section 508
http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT171

AT180 - Introduction to Making MS Office 2010 Documents 508 Compliant
http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT180

AT190 - Creating 508 Compliant PDF Documents using Adobe Acrobat X
http://training.cit.nih.gov/class_details.aspx?cld=NIHCIT-AT190

GREEN PURCHASING TRAINING

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.

Please visit the Green Purchasing webpage for further information including an application form and searchable database. It may be accessed at:
<http://oamp.od.nih.gov/Division/acp/GreenPurchasing/GreenPurchasingForWebsite.asp>

Questions? Please send to: 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 following URL: <http://oamp.od.nih.gov/Division/SAPS/Acq/PCard/BPAProgram.asp>

This location contains Three BPA Lists:

1. Complete vendor alphabetical list;
2. Vendor list sorted by commodity; and
3. A listing of the preferred HHS Strategic Sourcing Vendors

The Office of Acquisition and Logistics Management Newsletter

May/June Edition

If you have any questions or need further clarification, please contact the BPA helpline at 301-496-5212 or e-mail at BPAProgramBranch@od.nih.gov

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

The OALM Newsletter has been published six (6) times in calendar year 2013. 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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If you have any questions or comments regarding the information, policy and/or procedures published in this issued, you may contact Annette Romanesk at the e-mail address above. For future issues please contact the Simplified Acquisitions Helpline on 301-496-0400 or via e-mail at SimplifiedAcquisitionHelp@od.nih.gov and you will be referred to the appropriate editor.