LOUIS STOKES CLEVELAND VA MEDICAL CENTER
Medical Research Service
Standard Operating Policy and Procedure (SOP)

Effective Date: April 15, 2007

SOP Title: **Purchasing with VA Medical Research Funds**

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4/12/2007
Date

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Associate Chief of Staff or Committee Chairperson

Signature

4-25-2007
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Committee Chairperson/Administrator (if applicable)

Signature

Date

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SOP Number: SD-002
SOP Version: .01

1. **PURPOSE:** To establish policy and procedures for using VA funds to purchase supplies, equipment and services for research purposes.

2. **POLICY:** All Louis Stokes Cleveland Department of Veterans Affairs Medical Center (Louis Stokes VAMC) research purchase requests must be processed by the Medical Research Office as outlined below.

3. **DEFINITIONS:**

a. **Supplies**: Expendable and/or disposable items including chemicals.

b. **Equipment**: Non-disposable items that would be considered depreciable over a lifetime of several years. Equipment is stand-alone items, e.g. a centrifuge. There is no dollar amount to distinguish what is equipment and what is not equipment. However, items such as calculators and electrophoresis units are considered expendable.

c. **Computers / Information Technology (IT)**: Any automatic data processing item – hardware, software, supplies.

d. **Contracts**: Negotiated for services, which are provided by outside entities or individuals.

e. **Government Credit Card Purchases:** Most supplies will be ordered using a government credit card.

f. **Acquisition and Materiel Management Service (AMMS):** AMMS processes all orders that cannot be purchased by credit card as well as equipment, some services and all contracts.

g. **Information Resource Management (IRM)**: IRM is responsible for overseeing the purchase and use of computer hardware and software. It is also responsible for data security within the VA. IRM has a very broad mandate, which includes the encryption of laptop computers and thumbdrives.

4. **RESPONSIBILITIES:**

a. **Administrative Officer (AO)**: Approving Official for all Medical Research Service purchases. The AO also processes all equipment orders and contracts as well as IT Procurement requests.

b. **Computer Specialist:**

1) Maintains Access database of all Medical Research Service financial information.
2) Provides reports of investigator's budgets at least quarterly and upon request.

c. **Accounting Technician/Purchasing Agent**:

1) Places orders using government credit cards, reconciles credit card orders and delivers or oversees delivery of orders to investigators and laboratories.

5. **PROCEDURE**:

a. **General Guidance:**

2) Do NOT order anything directly from a vendor. The VA will not reimburse you!

3) Using the VA Research order form, **submit all orders through the VA Research Office,** room K-116, or fax to 216-229-8509. The Research order form can be requested from the purchasing agent 216-791-3800 x4655.

4) If you call a vendor for pricing and availability, make sure that the vendor understands that you are not placing the order and that a VA purchasing agent will call to place the order. Establish that the vendor will accept phone orders paid by government credit card. If not, purchasing agents from AMMS will place a purchase order. Always ask for General Services Association (GSA) pricing. If you are purchasing computer equipment and supplies, ask for Scientific and Engineering Workstation Procurement (SEWP) pricing.

5) The vendor must fill credit card orders quickly. Therefore, supplies that are on extended backorder will not be included in your order.

6) There may be 25-30 entries for a vendor in the VA VISTA system. It is important to include the vendor's mailing address, telephone number, and a contact person (if known) on each purchase request.

7) The VA fiscal year is October 1 through September 30 and is divided into four quarters: October 1 through December 31, January 1 through March 31, April 1 through June 30, and July 1 through September 30.

a) Historically we have carried balances over from one quarter to the next. It is important for you to spend your funds in a timely fashion within the quarter it has been allocated. VACO is continually reviewing balances in research programs and has withdrawn what they consider to be excess funds.

b) For those in the Biomedical Laboratory Research Program - At the end of the third quarter, any balance left in the 3rd quarter will be withdrawn from your budget. Funds left at the end of the fiscal year will be rolled over into a group fund. You will lose what you do not spend.

c) VA ordering is typically closed three weeks prior to the end of the quarter, usually by the second Friday of the 3rd month of the quarter. At the end of the fiscal year AMMS cuts off ordering early to be able to process all year-end orders. Therefore orders for equipment are due by August 15th whereas orders for supplies are due by August 31st. No orders except emergencies will be placed after August 31.

d) You can request an updated budget from Computer Specialist, Rachel Floyd, Rachel.floyd@va.gov or x4653.

b. **Supplies:**

1) General office supplies must be ordered from Metro Office Products. Catalogues are available in the research office. If there is a "legitimate" need for things that are considered too expensive (example: gel pens) through Metro, those requests have to be justified and okay'ed by Credit Card coordinator, Melanie Noe. Work with the research office purchasing agent on this matter.

2) Supply orders totaling less than $3000 will be ordered using the VA credit card.

3) Any order exceeding $3000 will be processed by AMMS who will issue a purchase order number. This may take longer but most orders are processed within one week. Choice of

vendors is the sole purview of the Purchasing Agent who may have mandates of which you are not aware. However, they will make every effort to use your chosen vendor, as long as you justify a sole source.

c. **Equipment:**

1) AMMS will issue a VA purchase order for equipment. The request must be submitted through the Research Office.

2) Include an official written quote with your research order form. Make sure that the vendor is aware that the VA will be purchasing the item, since many quotes issued to personnel at Case do not include GSA contract prices, but may include quantity discounts for which the VA is not eligible. Carefully justify the purchase.

4) All computer equipment and software purchases require written quotes. When ordering computers, be sure to include the operating system. See more detailed information below.

5) Equipment purchased with VA funds is VA property. It is tagged as such and appears on a Consolidated Memorandum Receipt (CMR), which is monitored by AMMS. Old, broken or unused equipment must be returned to the Research Office for proper disposal so the item can be taken off the CMR.

d. **Computers and IT:**

1) All data processing items, including hardware, software and disposable supplies such as disks, cables, and minor components will be submitted through the Research Office to the IT Procurement Office in VA Central Office for approval BEFORE they can be purchased. Note: toner cartridges are not considered IT supplies.

2) Computers, other hardware, e.g. hard drives, and software must be ordered from **SEWP vendors** (which may include Apptis [Dell Equipment], GTSI, Compaq/HP, etc) and must be approved by VA Central Office prior to purchase. **Compaq/HP is the preferred vendor.** If the item is not available under a SEWP contract, then you must justify why you want the specific item you requested and why a similar item under SEWP contract is not adequate. A GSA contract is NOT the same as a SEWP contract. We require a written quote from the company that indicates that is a SEWP item.

3) If you are ordering a computer, indicate the operating system. Indicate whether the item you are purchasing will be attached to the VA computer network and where the unit will be located – within the VA or on non-VA premises.

4) Because of new security regulations, all notebook computers must be encrypted by IRM before they can be released to a specific user. Encryption requirements necessitate the purchase of particular thumb drives. The purchasing agent can provide you with this information. We cannot purchase PDAs, or any hardware with bluetooth technology.

e. **Contracts:**

1) Any contract, that is NOT a service contract on equipment, must be submitted as a Contract Request Package (CRP) to the Research Office. (**See Attachment A)** All vendors, whether they are individuals or companies, must have a Data Universal Numbering System (DUNS) number obtained through Dun and Bradstreet, as well as a Central Contractor Registration (CCR) number. These can be found by going to http://www.ccr.gov/

2) Depending on the vendor (type of business) and contact requirements, contracts exceeding $10,000 may be sent out by AMMS to Business Commerce Daily for bids.

3) Depending on the services required, contracts exceeding $25,000 may be sent out for competitive bidding.

4) Some service orders totaling less than $3000 may be ordered using the VA credit card.

a. **Animals:**

1) Animals may be purchased as long as there is a VA IACUC-approved animal protocol on file in the Research Office. The VA IACUC number must be on the order form. The VA purchases animals that will be housed and used here in the VA Animal Research Facility (ARF). The VA also purchases animals that will be housed at the Case Western Reserve University (CWRU) Animal Resource Center (ARC). Also CWRU will purchase animals that will be housed at the VA.

Funding source	Housed at	Complete	Include
VA Medical Center	the VA ARF	Regular VA order form	VA Protocol #
CASE	the VA ARF	ARC order form	VA and CASE Protocol #
VA Medical Center	the CASE ARC	ARC order form	VA and CASE Protocol #

2) For **VA-purchased animals** housed at the VA, the purchase order form must be submitted to the Supervisor of the ARF for signature. The signature assures that the protocol is active and that there is a sufficient balance of animals for that protocol. Additionally, the supervisor has determined that there is sufficient space in the ARF to house the animals. After the ARF Supervisor signs the purchase order, it is returned to the research technician who is responsible for placing the order in the VA order box for purchase by the purchasing agent.

4) For **CWRU-purchased animals** that will housed at the VA, the CWRU animal purchase form must be submitted to the Supervisor of the ARF for signature. The signature assures that the protocol is active and that there is a sufficient balance of animals for that protocol. Additionally, the supervisor has determined that there is sufficient space in the ARF to house the animals. After the ARF Supervisor signs the purchase order, it is returned to the research technician who is responsible for faxing the order to CWRU ARC for purchase.

5) For **animals on VA protocols that are housed at CWRU**, CWRU will purchase these animals and bill the VA. The CWRU animal purchase form must be submitted to the Supervisor of the ARF for signature. The signature assures that the protocol is active and that there is a sufficient balance of animals for that protocol. After the ARF Supervisor signs the purchase order, it is returned to the research technician who is responsible for faxing the order to CWRU ARC for purchase. If this procedure is not followed, the VA will not reimburse CWRU for the animal purchase.

6) The CWRU ARC telephone number is 216-368-3490; their fax number is 216-368-4763.

6. **REFERENCE**: Medical Center Policies: 090-004 "Use of IFCAP Generated Procurement Request and Turn-In VAF 90-2237" issued June, 2, 2004; 090-019 "Contact with Vendors" issued September 21, 2004; and 090-027 "Government-Wide Commercial Purchase Card" issued December 13, 2004

7. **RESCISSION:** The rescission date for this procedure is April 15, 2010

8. **FOLLOW UP RESPONSIBILITY:** Purchasing Agent

Contract Request Package (CRP) - Please format your contract as follows:

Vendor: **Name (Company, Dept at Univ, etc)** **Dun #**
Address **CCR#**
City, State, Zip **SS# (if individual)**
Contact Person
Telephone # **Fax #**

TITLE:

CRP for: (enter the product or service required name)

REQUESTING SERVICE: Research Service

1. Scope: Provide a brief (two to three sentences) description of the work to be performed.

a. Background: Describe the current or past situation that has influenced the decision to procure the resources. Be as quantitative and precise as possible.

b. Objectives: In one or two bullets, provide a description of the enhanced situation that will result from acquisition of the services. This is not a list of tasks, but rather the result of the tasks being performed.

2. Applicable Documents: Provide complete citations of specific documents that will be crucial to performance of the work, and that should be brought to the attention of the contractor. Indicate if the Government will provide any of the documents.

3. Contracting Officer's Technical Representative (COTR) - [Principal Investigator]

Provide the complete information for the COTR including: Name, Title, Address, Phone Number, Fax Number, e-mail address

5. **Specific Tasks:** The Specific Tasks defines the work effort to be performed by the Contractor. Use functional terms to detail the tasks. Individual tasks should be arranged in a systematic and logical sequence. Describe what is required, not how it shall be accomplished.

Address any special requirements in this section, following a description of the tasks. For example, will the Contractor need building passes? Will the Contractor need to have access to the buildings during non-duty hours? Will they need computer network access?

5. Period of Performance: Enter the start and anticipated completion dates. Consult with AMD on the potential total life span of a contract if a contract in excess of one year is contemplated.

6. Deliverables: List specific products that are to be delivered, completed, demonstrated, documented, etc., using a task list. Schedules of delivery frequencies and locations are appropriate.

It might be useful to use a tabular format such as:

DELIVER ABLE NUMBER	ITEM	QUANTITY	DRAFT DELIVERY DATE	FINAL DELIVERY DATE	PAYMENT PERCENTAGE

This many include providing a statement on the format for deliverable, such as hard copy, disk copy, e-mail.

7. Proprietary Information Statement: If proprietary information is an issue, explicitly state how copyrights or patents will be handled with the work to be performed. If the government supplies proprietary information, the Contractor must sign a statement regarding its use and promulgation.

An example of proprietary information statement is:

"The government will retain rights to all intellectual property produced in the course of developing, deploying, training, using and supporting _____ . All modifications to _____ will be the property of the government. The contractor will be required to negotiate agreements with commercial system vendors relating to non-disclosure of vendor-proprietary information."

8. Security Requirements: Provide specific details regarding security requirements including access to confidential data – including PHI, access to restricted buildings, or other circumstances that require special attention. Participating in mandated training and abiding by the Privacy Act are common requirements.

9. Level of Effort: Based on your needs, estimate the number of hours per labor category that will be needed to satisfactorily complete the work, and an estimate of the Other Direct Costs.

a. Staffing

Labor category	*# of Hours*	*Est. Rate/hour*	*Total cost*

b. Other Direct Costs: Provide a list of Other Direct Costs (resources other than direct labor hours (i.e. direct materials) that must be purchased to complete the tasks.)

c. **Indirect Costs:** Provide an assessment of indirect costs structures applicable to the procurement request.

10. Government Furnished Equipment: List all government-furnished equipment that will be provided to the contractor and include the following statement:

"The contractor shall maintain a financial inventory accounting system for Government Furnished Equipment and provide the Contracting Officer's Technical Representative (COTR) with information necessary to manage the contract."

11. Place of Performance: Indicate the location(s) where work is to be performed.

12. Special Consideration: Provide special instructions to the Contractor regarding architecture, policies and standards, integration and interoperability, life cycle management, configuration management, and quality assurance methodologies, information security requirements, and other considerations related to the work to be performed.