Date: March 30, 2018

From: Acting Deputy Senior Procurement Executive

Subj: Class Deviation from the VA Acquisition Regulation (VAAR) Subpart 813.307 Forms and VAAR Subpart 853.213 Simplified acquisition procedures (SF’s 18, 30, 44, 1165, 1449, and OF’s 336, 347, and 348) (VAIQ #7877771)

To: Heads of Contracting Activities

1. **Purpose:** To issue a class deviation in accordance with Federal Acquisition Regulation (FAR) 1.404, Class deviations, and Department of Veterans Affairs (VA) Acquisition Regulation (VAAR) 801.404, Class deviations, to increase the dollar threshold to the Simplified Acquisition Threshold (SAT) for VA Form 10-2421, Prosthetics Authorization for Items or Services.

2. **VAAR Section Impacted:** VAAR Parts 813 and 853.

3. **Effective Date:** March 31, 2018.

4. **Expiration Date:** This class deviation expires on July 31, 2018, unless otherwise rescinded.

5. **Applicability:** This Class Deviation applies to all Veterans Health Administration (VHA) contracting activities.

6. **Exception:** None.

7. **Background:** The VAAR limits the use of VA Form 10-2421 to purchases not in excess of $300. Most prosthetic purchases are over $300. VHA Procurement does not have the resources to make duplicate entries in the Electronic Contract Management System (eCMS) and in the Graphical User Interface (GUI) system. The existing process has strained the ability to manage workload and has caused a backlog in vendor payments. Since funds for these actions reside in the GUI system, it is more efficient for the staff to use that system for delivery and task orders on a transactional basis and use eCMS solely for Federal Procurement Data System (FPDS) reporting. On March 31, 2017, a class deviation from VAAR Subpart 813.307 - Forms and VAAR Subpart 853.213 - Simplified acquisition procedures was issued. This class deviation expired on March 31, 2018. Although VHA is leading development of new non-FAR processes which, once in effect, will obviate the need for this class deviation, those processes will not be in place before the current class deviation expires. Accordingly, a class deviation from VAAR Subpart 813.307 - Forms and VAAR Subpart 853.213 - Simplified acquisition procedures must be in place until July 31, 2018.
a. **Current VAAR 813.307 Policy:**

**VAAR Subpart 813.307 Forms.**

(f) The contracting officer must use VA Form 10-2421, Prosthetics Authorization for Items or Services, for indicated services not in excess of $300.

**VAAR Subpart 853.213 Simplified acquisition procedures (SF’s 18, 30, 44, 1165, 1449, and OF’s 336, 347, and 348).**

(d) VA Form 10-2421, Prosthetics Authorization and Items and Services, will be used for indicated procurements not to exceed $300 as prescribed in 813.307.

b. **Need for Class Deviation:** A deviation is needed to authorize contracting officers to use VA Form 10-2421, Prosthetics Authorization for Items or Services, to purchase items and services up to the SAT. Procurement Policy Memorandum 2012-02, “Mandatory Usage of VA’s Electronic Contract Management System (eCMS),” mandates the use of eCMS for all procurement actions valued above the micro-purchase threshold. The only form available in eCMS is the SF 1449.

The requested increase in the threshold for use of VA Form 10-2421 will reduce the duplication of effort for high volume, low value transactions for surgical implants and result in a more efficient process for purchasing prosthetic implants. Prior to issuance of the prior class deviation, contracting officers were required to complete two separate purchase orders (one in IFCAP/GUI and a second in eCMS). This practice resulted in delayed receipt of prosthetic items/services and delays in payments to vendors due to the large volume of requests for prosthetic implants. The issuance of a new class deviation will enable VHA to avoid previously-realized delays until the new non-FAR processes are implemented.

c. **New Policy:** The following VAAR sections 813.307(f) and 853.213(d) are revised as follows:

**VAAR Subpart 813.307 Forms.**

(f) The contracting officer may use VA Form 10-2421, Prosthetics Authorization for Items or Services, for prosthetic implants not in excess of the Simplified Acquisition Threshold (SAT). Applicable FAR and VAAR clauses will be added to the form as required. Patient information will not be stored in the Electronic Contract Management System (eCMS). Supporting documentation and Federal Procurement Data System (FPDS) reports will be accomplished in accordance with VA policies.
VAAR Subpart 853.213 Simplified acquisition procedures (SF’s 18, 30, 44, 1165, 1449, and OF’s 336, 347, and 348).

(d) VA Form 10-2421, Prosthetics Authorization for Items and Services, will be used as prescribed in 813.307.

8. Attachment: Class Deviation from VAAR Subpart 813.307, Forms and VAAR Subpart 853.213, Simplified acquisition procedures (SF’s 18, 30, 44, 1165, 1449, and OF’s 336, 347, and 348).

9. Point of Contact: Direct questions regarding this deviation to the Office of Acquisition and Logistics (003A), Procurement Policy and Warrant Management Service (003A2A), at (202) 632-5288, email: VA.Procurement.Policy@va.gov.

/s/
Thomas A. Burgess
CLASS DEVIATION
VAAR Subpart 813.307 Forms and VAAR Subpart 853.213 Simplified Acquisition Procedures (SF’s 18, 30, 44, 1165, 1449, and OF’s 336, 347, and 348)

VAAR Subpart 813.307, Forms.

(f) The contracting officer may use VA Form 10-2421, Prosthetics Authorization for Items or Services, for prosthetic implants not in excess of the Simplified Acquisition Threshold (SAT). Applicable FAR and VAAR clauses will be added to the form as required. Patient information will not be stored in the Electronic Contract Management System (eCMS). Supporting documentation and Federal Procurement Data System (FPDS) reports will be accomplished in accordance with VA policies.

VAAR Subpart 853.213, Simplified acquisition procedures (SF’s 18, 30, 44, 1165, 1449, and OF’s 336, 347, and 348).

(d) VA Form 10-2421, Prosthetics Authorization for Items and Services, will be used as prescribed in 813.307.

END