Date: March 31, 2017

From: Acting Deputy Senior Procurement Executive (DSPE)

Subj: Class Deviation from 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).

To: Heads of the Contracting Activities (HCAs)

1. **Purpose:** To issue a class deviation, in accordance with the 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 Parts Impacted:** VAAR Part 813 and 853.

3. **Effective Date:** Immediately.

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 **Expiration Date:** This class deviation expires on March 31, 2018, unless otherwise rescinded.

5. **Applicability:** This class deviation applies to all VHA contracting activities.

6. **Background:** The VAAR limits the use of the VA Form 10-2421 to purchases not in excess of $300. Most prosthetic purchases are over $300. Currently, 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 the funds 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.

   a. **Current VAAR 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.
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 Simplified Acquisition Threshold. 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 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 transaction for surgical implants and result in a more efficient process for purchasing prosthetic implants. Currently, COs are required to complete two separate purchase orders (one in IFCAP/GUI and a second in eCMS). This practice has resulted in delayed receipt of prosthetic items/service and delays in payments to vendors due to the large volume of requests for prosthetic implants.

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 and Items and Services, will be used as prescribed in 813.307.
7. **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).

8. **Additional Information:** Direct any questions or comments regarding this deviation to Procurement Policy and Warrant Management services via email at vacovaproc@va.gov or (202) 632-5288.

/s/
Phil W. Parker
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 and Items and Services, will be used as prescribed in 813.307.
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).

Determination and Findings

FINDINGS

The Veterans Health Administration’s Deputy Chief Procurement Officer requested a deviation to 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) to authorize contracting officers to use VA Form 10-2421, “Prosthetics Authorization for Items or Services”, to purchase items and services up to the Simplified Acquisition Threshold. 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 1449. The deviation requires the contracting officer to enter the purchase in the IFCAP/GUI system and use eCMS solely for FPDS reporting.

Currently, COs are required to complete two separate purchase orders (one in IFCAP/GUI and a second in eCMS). This practice has resulted in delayed receipt of prosthetic items/service and delays in payments to vendors due to the large volume of requests for prosthetic implants. The requested increase in the threshold for use of VA Form 10-2421 will reduce the duplication of effort for high volume, low value transaction for surgical implants and result in a more efficient process for purchasing prosthetic implants.

DETERMINATION

In accordance with FAR 1.404 and VA Acquisition Regulation (VAAR) 801.404, I hereby issue a class deviation to authorize the contracting officer to use VA Form 10-2421, “Prosthetics Authorization for Items or Services”, to purchase items and services up to the Simplified Acquisition Threshold.

/s/ Phil W. Parker
March 31, 2017
Acting Deputy Senior Procurement Executive