

Date: March 1, 2020

From: Executive Director, Office of Acquisition and Logistics (003A),  
and Senior Procurement Executive

Subj: VA Procurement Policy Memorandum (PPM) 2020-02, Head of Contracting Activity (HCA)  
Nomination and Appointment Procedures (VIEWS 00196481)

To: Heads of the Contracting Activities

**1. Purpose.** The purpose of this PPM is to establish procedures for nominating, appointing and terminating the Head of a Contracting Activity. This PPM rescinds PPM 2019-05 and adds the HCA qualification requirements and the HCA nomination memo template.

**2. Background.** In accordance with VA Acquisition Regulation (VAAR) 801.695-1, the Department of Veterans Affairs' (VA's) policy is to have a minimum number of HCAs. The authority vested in the Secretary to select, appoint, and terminate HCAs is delegated to the Senior Procurement Executive (SPE).

Federal Acquisition Regulation (FAR) Subpart 2.101 defines the HCA as the official who has overall responsibility for managing the contracting activity.

**3. Effective Date.** March 1, 2020.

**4. Expiration Date.** This PPM expires once incorporated into the revised VAAR or the Veterans Affairs Acquisition Manual (VAAM).

**5. Applicability.** This guidance applies to all Heads of Contracting Activities.

**6. Action Required.**

**a. HCA Nomination Procedures.** An HCA is an individual in a senior level acquisition position. HCAs are delegated broad authority to manage the agency's contracting functions. Officials who occupy an HCA position must have the education, training, and experience necessary to make and support sound business decisions. The nominee shall possess the required end-to-end acquisition lifecycle expertise focusing on proven and sustainable business practices from government and industry, along with the ability to serve as a senior business advisor for VA contracting activities. Nominations for HCA appointment shall be made using the template at Attachment A. A current copy of the nominee's resume will be submitted with the nomination package. Nominees must also possess a valid Federal Acquisition Certification (FAC) in Contracting or Project/Program Management. Another option is to use the FAC Fulfillment process where the SPE will

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recommend approval of a FAC based on a review of documentation to determine if the nominee has acquired the requisite education, training, and experience required.

**b. HCA Appointment Procedures.** In accordance with VAAR 801.695-2, an HCA must be appointed in writing and in accordance with internal VA policy as contained herein. The written delegation must state any limitation on the HCA's authority, other than a limitation contained in an applicable law or regulation.

(1) **Delegation of HCA Authority.** The authority delegated to an HCA may be either non-delegable or delegable. Non-delegable authority is one that cannot be re-delegated by the HCA to someone else; e.g., authorities which are deemed to be of such importance or sensitivity that the personal attention, expertise, or involvement of the HCA is considered necessary. All delegations of HCA authority must be in writing and must set forth the specific limitations on the designee's authority.

(2) **Limitations of HCA Authority.** Limitations on the HCA's authority shall be listed in the attachments to the HCA appointment letter. HCAs shall have full authority to delegate tasks listed in Attachment A. Tasks that may not be delegated are listed in Attachment B of the HCA appointment letter.

**c. HCA Responsibilities.** See VAAR 801.695-3, Authority of the HCA.

**d. Rescission of HCA Authority.** The SPE has the authority to rescind the HCA's authority. The HCA's appointment shall be rescinded in writing. The template at Attachment C shall be used to rescind the HCA's appointment.

**7. Questions or Concerns.** Please direct questions regarding this PPM to the Office of Acquisition and Logistics (003A), Procurement Policy and Warrant Management Service (003A2A), via email at [VA.Procurement.Policy@va.gov](mailto:VA.Procurement.Policy@va.gov).

/s/  
Angela Billups, Ph.D.

Attachments (3)

## ATTACHMENT A

**Department of  
Veterans Affairs**

# Memorandum

Date:

From:

Subj: Request for Head of Contracting Activity (HCA) Appointment

To: Executive Director, Office of Acquisition and Logistics (003A) and  
Senior Procurement Executive (SPE)

1. As authorized by Federal Acquisition Regulation (FAR) Part 1.601, I am nominating the individual identified in paragraph 2 below to serve as the Head of the Contracting Activity with the authority and responsibility to contract for authorized goods and services along with managing the Contracting Activity.

2. The basis for my nomination is experience, training, education, business acumen, judgment, character, and reputation; documentation is attached. I certify the nominee possesses the required end-to-end acquisition lifecycle expertise focusing on proven and sustainable business practices from government and industry, along with the ability to successfully serve as a senior business advisor and execute the duties of the HCA as authorized in the FAR and Veterans Affairs Acquisition Regulation (VAAR).

Nominee's Legal Name:

Grade and Series:

Years of Acquisition and/or Operational Contracting Related Experience:

Current Federal Acquisition Certification (Contacting, Project/Program Management):

Resume and Other Documents:

3. I certify the nominee's working knowledge of the FAR, VAAR, VA Acquisition Manual (VAAM), and other applicable laws, and executive orders are adequate to execute the duties of an HCA.

4. I further certify the nominee maintains high standards of conduct and avoids apparent conflict of interest situations.

Full Name of Nominating Official

Date

Signature

Title:

Email address:

Phone number:

## ATTACHMENT B

# Department of Veterans Affairs

# Memorandum

Date:

From: Executive Director, Office of Acquisition and Logistics (003A),  
and Senior Procurement Executive

Subj: Head of Contracting Activity (HCA) Appointment (*IEWS 000XXXXX*)

To: (*Title*), (*Organization*)

1. In accordance with Federal Acquisition Regulation (FAR) 1.601 and Department of Veterans Affairs Acquisition Regulation (VAAR) 801.695-2, I hereby appoint you, *Mr./Ms. (Name)*, as Head of Contracting Activity (HCA) for (*Organization*). This appointment is effective (*Date*).
2. By virtue of this appointment, all previous HCA delegations within (*Organization*) are hereby rescinded.
3. As HCA, you have full authority to exercise the tasks shown in Attachment A. These tasks may not be delegated.
4. The tasks which may be delegated are listed in Attachment B. These tasks may only be delegated as indicated.
5. This appointment shall remain in effect until terminated by the VA Senior Procurement Executive (SPE).
6. Please direct any questions regarding this delegation to the Procurement Policy and Warrant Management Service via e-mail at [vacovaproc@va.gov](mailto:vacovaproc@va.gov) or (202) 632-5288.

Senior Procurement Executive

Attachments (2)

**ATTACHMENT B**

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Subj: HCA Appointment Letter

**Head of Contracting Activity (HCA) Task Delegations  
"Authorities which Cannot be Re-Delegated by the HCA"**

Attachment A

TitleTask	Delegation Level	Description of Delegated Tasks	FAR/VAAR Reference
Ratification of Unauthorized Commitment	HCA	A contracting officer must not ratify unauthorized commitments made by other VA personnel or by another contracting officer who lacks authority without prior approval as specified in paragraphs (b)(1) through (b)(3) of this section. The specified approval authorities may not be re-delegated. Refer to VA Directive and Handbook 7401.7 for more detail.	VAAR 801.602-3(b)
Responsibilities Under the COCP	HCA	HCAs are responsible for the duties listed in VAAR 801-690-3(d) regarding the Contracting Officers Certification Program.	VAAR 801-690-3(d)
Voiding and Rescinding Contracts	HCA	If there is a final conviction for an offense punishable under subsection 27(e) of the OFPP Act, or if the head of the agency, or designee, has determined that the contractor has engaged in conduct constituting such an offense, then the HCA shall consider, in addition to any other penalty prescribed by law or regulation, declaring void and rescinding contracts or recommending the initiation of suspension or debarment proceedings.	FAR 3.704(c)
Sole Source - Approval of the Justification	HCA or Competition Advocate	Approval of Sole Sources in accordance with FAR 6.304.	FAR 6.304
Contract Clauses	HCA	In exceptional cases, the HCA may waive the requirement for inclusion of the clause (52.214-27) in a contract with a foreign government or agency of that government.	FAR 14.201-7(b)(2)
Cancellation of Invitations After Opening	HCA	The HCA may approve cancellation of invitations for bid after opening and may approve completion of the acquisition after cancellation, as provided in FAR 14.404-1(e).	VAAR 814.404-1(b)

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**Head of Contracting Activity (HCA) Task Delegations  
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Attachment A

TitleTask	Delegation Level	Description of Delegated Tasks	FAR/VAAR Reference
Sealed Bidding - Other Mistakes Disclosed Before Award	HCA	Authority to make the administrative determination set forth in FAR 14.407-3(a),(b),(e), and (d) are further delegated to the HCA without power of redelegation.	VAAR 814.407-3
Prohibition on Obtaining Cost or Pricing Data	HCA	The HCA may, without power of delegation, waive the requirement for submission of cost or pricing data in exceptional cases	FAR 15.403-1(c)(4)
Requiring Cost or Pricing Data	HCA	Unless prohibited because of an exception at 15.403-1(b), the HCA, without power of delegation, may authorize the contracting officer to obtain cost or pricing data for pricing actions below the pertinent threshold provided the action exceeds the simplified acquisition threshold.	FAR 15.403-4(a)(2)
Limitations - Types of Contracts	HCA	Fixed-ceiling-price contracts with retroactive price redetermination shall not be used unless the HCA (or a higher-level official, if required by agency procedures) approves its use in writing. (VAAR does not require a higher-level official)	FAR 16.206-3(d)
Letter Contracts - Application	HCA	If the contracting officer and the contractor cannot negotiate a definitive contract because of failure to reach agreement as to price or fee, the contracting officer may, with the approval of the HCA, determine a reasonable price or fee.	FAR 16.603-2(c)(3)
Multi-Year Contracts	HCA	The contracting officer may enter into a multi-year contract if the HCA determines appropriate.	FAR 17.105-1(a)
Multi-Year Contracts	HCA	HCAs may approve multi-year contracts that do not require legal/technical reviews under 801.602-70 and that do not contain a first year cancellation ceiling exceeding 20 percent of the contract value over the full multi-year term.	VAAR 817-105-2(a)

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TitleTask	Delegation Level	Description of Delegated Tasks	FAR/VAAR Reference
HUBZone Set-Aside Procedures	HCA	Upon receipt of notice of SBA's intent to appeal (HUB Zone set-aside decision), the contracting officer shall suspend action on the acquisition unless the HCA makes a written determination that urgent and compelling circumstances exist.	FAR 19.1305
Small-Disadvantaged Veteran-Owned Small Business Set-Aside Procedures	HCA	Upon receipt of notice of SBA's intent to appeal (SDVOB set-aside decision), the contracting officer shall suspend action on the acquisition unless the HCA makes a written determination that urgent and compelling circumstances exist.	FAR 19.1405
Resolving Differences Between VA and the SBA	HCA w/ concurrence from OSDBU	Before appealing a certificate of competency, the HCA must seek concurrence from the Director, OSDBU.	VAAR 819-602-3
Labor Relations	HCA	The HCA may designate programs or requirements for which it is necessary that contractors be required to notify the Government of actual or potential labor disputes that are delaying or threaten to delay the timely contract performance.	FAR 22.101-1(e)
Exceptions	HCA	IAW FAR the HCA may make a determination that an article, material, or supply is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality. IAW VAAR if the HCA believes that the non-availability of an article is likely to affect future acquisitions, include a recommendation that a copy of the determination and supporting documentation be forwarded to the Civilian Agency Acquisition Council (CAAC) for possible addition to the list of non-available articles in FAR 25.104.	FAR 25.103(b)(2) & VAAR 825.103(b)(2)

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**Attachment A**

TitleTask	Delegation Level	Description of Delegated Tasks	FAR/VAAR Reference
Exceptions	HCA	IAW FAR the HCA may determine that a particular construction material is not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities of a satisfactory quality. IAW VAAR if the HCA believes that the non-availability of an article is likely to affect future acquisitions, include a recommendation that a copy of the determination and supporting documentation be forwarded to the Civilian Agency Acquisition Council (CAAC) for possible addition to the list of non-available articles in FAR 25.104.	FAR 25.202(a)(2) & VAAR 825.203(b)(3)
Unauthorized, Omitted or Incorrect Markings	HCA	Provide CO with concurrence that contractor proprietary markings are not authorized and can be canceled or ignored.	FAR 27.404-5
Other Types of Bonding	HCA	The HCA may approve using other types of bonds in connection with acquiring particular supplies or services.	FAR 28.105
Substitution of Surety Bonds	HCA	A new surety bond covering all or part of the obligations on a bond previously approved may be substituted for the original bond if approved by the HCA, or as otherwise specified in agency regulation.	FAR 28.106-2(a)
Commercial Item Purchase Financing	HCA	Approve, before award, contracts that includes unusual contract financing. This authority is not re-delegable.	VAAR 832.201.1 FAR 32.202-1(d)
Protests	HCA	Prior to issuing a final decision regarding collection of costs associated with a post award protest, the contracting officer shall request review of the matter by the HCA.	FAR 33.102(b)(3)(ii)
Protests to the Agency	HCA	For protests filed with the contracting officer, the HCA shall be the approving official for the determinations identified in FAR 33.103(f)(1) and (f)(3).	VAAR 833.103(c)

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Attachment A

Title/Task	Delegation Level	Description of Delegated Tasks	FAR/VAAR Reference
Concurrent Performance of Firm Fixed-Price and Other Types of Construction Contracts	HCA	In view of potential labor and administrative problems, cost-plus-fixed-fee, price-incentive, or other types of contracts with cost variation or cost adjustment features shall not be permitted concurrently, at the same work site, with firm-fixed-price, lump sum, or unit price contracts except with the prior approval of the HCA.	FAR 36.208
Two-Phase Design-Build Selection Procedures	HCA	May establish criteria to be used in two-phase design-build selection procedures.	FAR 36.301
Utilities - Procedures	HCA	The contracting officer shall notify GSA prior to acquiring utility services without executing a tendered contract, provided that a determination is approved by the HCA that a written contract cannot be obtained and that the issuance of a purchase order is not feasible.	FAR 41.202(c)(2)
Value Engineering - Collateral Savings Not Cost Effective for Supply/Service Contracts	HCA	The HCA may determine the cost of computing and tracking collateral savings for a contract, or class of contracts, will exceed the benefits to be derived.	FAR 48.201(e)
Value Engineering - Collateral Savings Not Cost Effective for Construction Contracts	HCA	The HCA may determine the cost of computing and tracking collateral savings for a contract, or class of contracts, will exceed the benefits to be derived.	FAR 48.202

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**Head of Contracting Activity (HCA) Task Delegations  
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Title/Task	Delegation Level	Description of Delegated Tasks	FAR/VAAR Reference
Conflict of Interest - Violations or Possible Violations	One Level Above the CO; Director of Contracting for VHA	Take appropriate action if violation of conflict of interest occurs IAW FAR 3.104-7(b)-(f). The HCA may delegate his or her authority under this subsection to an individual at least one organizational level above the contracting officer and of General Officer, Flag, Senior Executive, or equivalent rank IAW FAR 3.104-7(g).	FAR 3.104-7
Debarment, Suspension, and Ineligibility - Effect of Listing	No Level Lower than the Chief/Director of the Contracting Office	The authority under FAR 9.405(a), 9.405(d)(2), and 9.405(d)(3) to determine whether to solicit from, evaluate bids or proposals from, or award contracts to contractors whose names appear on the Excluded Parties List System is further delegated to the HCA or designee.	VAAR 809.405
Continuation of Current Contracts	No Level Lower than the Chief/ Director of the Contracting Office	Authority to make the determinations under FAR 9.405-1 is delegated to the HCA or designee.	VAAR 809.405-1
Restrictions on Subcontracting	No Level Lower than the Chief/Director of the Contracting Office	When a subcontract is subject to Government consent, authority to make the written determination required under FAR 9.405-2 consenting to a contractor's use of subcontractor who is debarred, suspended, or proposed for debarment is further delegated to the HCA or designee.	VAAR 809.405-2
Describing Agency Needs - Market Acceptance	No Level Lower than the Chief/Director of the Contracting Office	The requirements of FAR 11.103 have been further delegated to the HCA or designee.	VAAR 811.103
Maintenance of Standardization Documents	No Level Lower than the Chief/Director of the Contracting Office	Provide approval in advance to a Contracting Officer for deviation from specifications contained in the Federal Supply Catalog, Stock List, FSC Group 89, Subsistence, and IMPs is delegated to the HCA or designee.	VAAR 811.202(b)(3)

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Title/Task	Delegation Level	Description of Delegated Tasks	FAR/VAAR Reference
Sealed Bidding - Mistakes After Award	No Level Lower than the Chief/Director of the Contracting Office	The requirements contained in VAAR 814.407-4 are delegated to the HCA or designee.	VAAR 814.407-4
Letter Contract - Limitations	One Level Above the CO; Director of Contracting for VHA	A letter contract may be used only after the HCA or designee determines in writing that no other contract is suitable.	FAR 16.603-3
Special Contracting Methods - Contracts	No Level Lower than the Chief/Director of the Contracting Office	Authorize awarding a contract that includes options exceeding the 5-years limitation specified in FAR 17.204(e). The DSPE has delegated this authority to the HCA or designee.	VAAR 817.204
HCA Responsibilities - Small Business Programs	No Level Lower than the Chief/Director of the Contracting Office; with written approval from OSDBU	An HCA performs functions listed in VAAR 819-202-70, or functions can be delegated with written approval of the Director, OSDBU.	VAAR 819.202-70
Rejecting SBA Recommendations	One Level Above the CO; Director of Contracting for VHA	The SBA procurement center representative may appeal the contracting officer's rejection to the HCA (or designee) IAW FAR 19.606(b).	FAR 19.505(b)
Payment Bond - Furnishing Information	CO	IAW FAR when a payment bond has been provided for a contract, the head of the agency or designee shall furnish a certified copy of the bond and the contract. IAW VAAR the contracting officer for the applicable contract will furnish copies of payment bonds to a requestor under the provisions of FAR 28.106-6(c).	FAR 28.106-6(c) & VAAR 828.106-6
Unusual Progress Payments	One Level Above the CO; Director of Contracting for VHA	The contracting officer may provide unusual progress payments only if the contractor's request is approved by the HCA or designee.	FAR 32.501-2
Construction Contracting - Presolicitation Notices	One Level Above the CO; Director of Contracting for VHA	Unless the requirement is waived by the HCA or a designee, the contracting officer shall issue presolicitation notices on any construction requirement when the proposed contract is expected to equal or exceed the Simplified Acquisition Threshold.	FAR 36.213-2(a)

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**Head of Contracting Activity (HCA) Task Delegations  
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Title/Task	Delegation Level	Description of Delegated Tasks	FAR/VAAR Reference
A/E Contracting - Evaluation Boards	Senior CO on Site	IAW FAR 36.603-3 the evaluation board should be under the general direction of the head of the contracting activity. IAW VAAR 836.602-2 the evaluation board for a VA field facility will consist of no less than two members, one of whom will be the HCA (or the senior contracting officer at a facility if there is no HCA on site) and the other the Chief, Engineering Service, or their alternate.	VAAR 836.602-2
A/E - Design Within Funding Limitations	One Level Above the CO; Director of Contracting for VHA	The HCA or a designee may determine in writing that cost limitations are secondary to performance considerations and additional project funding can be expected.	FAR 36.609-1(c)(1)
Funeral Authorization	CO	a) When a Veteran dies while receiving care in a VA health care facility and the decedent's remains are unclaimed, the HCA will receive a properly executed VA form 10-2065, Funeral Arrangements, requesting that funeral and burial services for the deceased.	VAAR 837.7003(a) and (e)
GSA Areawide Contracts	One Level Above the CO; Director of Contracting for VHA	IAW FAR 41.204(c)(1) Any Federal agency having a requirement for utility services within an area covered by an areawide contract shall acquire services under that areawide contract unless—(ii) The HCA or designee otherwise determines that use of the areawide contract is not advantageous to the Government.	FAR 41.204(c)(1)(ii)
Assignment of Contract Administration	One Level Above the CO; Director of Contracting for VHA	IAW FAR 42.202(c) Delegating additional functions. For individual contracts or groups of contracts, the contracting office may delegate to the CAO functions not listed in 42.302, provided that— (2) In the case of authority to issue orders under provisioning procedures in existing contracts and under basic ordering agreements for items and services identified in the schedule.	FAR 42.202(c)(2)

## ATTACHMENT C

# Department of Veterans Affairs

# Memorandum

Date:

From: Executive Director, Office of Acquisition and Logistics (003A),  
and Senior Procurement Executive

Subj: Head of Contracting Activity (HCA) Appointment Rescission (*VEWS 000XXXXX*)

To: *Mr./Ms. (Name), (Title), (Organization)*

1. In accordance with Department of Veterans Affairs Acquisition Regulation 801.695-2, I hereby rescind your appointment as the *Head of Contracting Activity (HCA) for (Organization), effective (Date)*.
2. *Mr./Ms. (Name), the (Title)*, has been appointed as *(Organization)*'s HCA. By virtue of *Mr./Ms. (Name)*'s appointment, all previous HCA delegations within *(Organization)* are rescinded.
3. Please direct any questions regarding this rescission to the Procurement Policy and Warrant Management Service via e-mail at [vacovaproc@va.gov](mailto:vacovaproc@va.gov) or (202) 632-5288.

Senior Procurement Executive