

Consolidated VA Acquisition and Logistics Conference Call

11:00 am Eastern – February 25, 2009

Call-In Number: 1-800-767-1750 (Access #: 15958)

Moderator: Freddie Martinez

Logistics Policy Issues

1. Property Management Award Programs (Freddie Martinez)
2. Release of the VA Spend Analysis Tool for FY 2008 (Nelson Gonzalez)
3. Asset Value (Virginia Boyett)
4. Adding Information to Bar Code Labels (Jim Teal)

Acquisition Issues

1. Influenza Vaccine Recall (Fran DeRosa)
2. December 2008 Consolidation Timeline/Awarded Contract Listing (Update) (Janet Barnes)
3. March 2009 Direct Delivery Consolidation Timeline (Janet Barnes)

Field Q/A

***Next: VA Consolidated Acquisition and Logistics Conference Call
Wednesday – March 25, 2009 (11:00 – 12:00 Eastern)
Same Call-In Number and Access Code***

Logistics Policy Issues

Property Management Award Programs: Although OAL is reviewing the “Louis P. Nangeroni Award for Excellence in Logistics,” which recognized VA logisticians for significant achievements in logistics operations and services, it is still important to recognize efforts in improving property and material management. We recommend that you consider submitting outstanding programs for the General Services Administration (GSA) Miles Romney Achievement Award for Innovation in Personal Property Management. The Miles Romney Achievement Award was instituted in 1998 by the GSA Office of Government-wide Policy, Office of Transportation and Personal Property. This award recognizes federal agencies with a \$5000 cash award for:

- Innovative personal property management practices
- New property management practices that maximize reuse of government assets
- Improvements to current property disposition processes

The award is dedicated to Miles Quinton Romney, a public servant who died in 1998. Miles served on the Committee on Government Operations in the U.S. House of Representatives for 41 years, setting a record on Capitol Hill for service by a staff member. He was widely recognized for his work with the GSA on property management and he was instrumental in drafting the 1949 Property Act, the foundation for federal property management.

Another award program to consider is the GSA Annual Gold Star Award for Excellence in Implementing Federal Computers for Learning Programs. The Gold Star Award is presented annually to recognize a federal agency’s innovative implementation of [Executive Order 12999](#) and the winner is recognized with a \$1500 cash award. The goal in presenting this award is to publicly recognize and draw attention to the federal government commitment to improving access to computer technology in American education. Agencies are encouraged to share their Computers for Learning innovative, cost-effective, or streamlined practices or policies that have improved access to computer technology in America’s classrooms. These may include practices that:

- Protect educationally useful federal equipment for transfer to schools and educational nonprofit organizations;
- Lead to the efficient transfer of educationally useful federal equipment to schools and nonprofit organizations;
- Assist in teachers’ professional development; and/or
- Help connect America’s classrooms to the World Wide Web.

The nomination period for both awards ends March 31, 2009. Individuals and/or Team nominations from Federal agencies will be accepted via mail or online at: www.gsa.gov/assetawards. The Awards will be presented at the NPMA National

Education Seminar in San Antonio, TX, August 17 - 20, 2009.
(Freddie Martinez)

The Office of Acquisition and Logistics (OAL) Delivers the Fiscal Year 2008 Spend Analysis Tool: On February 23, 2009, OAL delivered the FY 2008 Spend Analysis tool for use by the current licensed users. For FY 2008, we were able to capture \$19.4 billion in spend (exclusive of pharmacy) and we also created a separate spend cube for purchase card orders. The VA Spend Analysis tool enables logisticians, contracting officers, finance specialists, purchasing agents, and other logistics staff to perform a top down supply chain management review of VA commodities. Users can utilize the tool to deliver facility; Veterans Integrated Service Network (VISN), Meramec Integrated Service Network (MISN), and Veterans Benefits Administration Approving Officer spend analyses. Although the VA decentralized procurement infrastructure makes centralized reporting a challenge, use of the spend analysis tool allows VA logisticians and financial managers to develop customized reports to suit their needs from available VA data. OAL plans to increase the frequency of data refresh and the number of licensed users for FY 2009. (Nelson A. Gonzalez, (202) 461-6893)

Asset Value: Questions have been raised on what costs can and cannot be included in the asset value of a nonexpendable item. VA Handbook 4511, issued in 2003, states that Property, Plant & Equipment (PP&E) will be recorded at cost to include all costs incurred to bring the PP&E to the usable state for which it was intended. These costs include but are not limited to: transportation charges, handling and storage costs, labor, materials and supply costs, direct or indirect productions costs where applicable, building service equipment and related installation costs. Costs that will be expensed include but are not limited to: training costs, costs incurred to restore damaged property to its original state of usefulness, and general operating expenditures, such as preventive maintenance and service contracts, incurred to maintain PP&E in good operating condition. (Virginia Boyett)

Adding Information to Bar Code Labels: Freddie Martinez provided information regarding this subject back in November's call and I have been asked by someone from the field to reiterate this procedure/process. As everyone may recall, as a result of the GAO audit on IT equipment, it was identified that there was no way for the auditors to differentiate between IT and non-IT computer items (e.g. laptops used with MRIs or CAT Scanners, or the servers supporting those units, etc.). It was agreed upon by OAL and the IT Asset Advisory Group (ITAAG), in conjunction with the Procurement and Logistics Office (P&LO) office, to add something into policy to help mitigate this situation. So, OAL has added into handbook 7002 the requirement for all printed bar code labels to encompass the Federal Supply Classification (FSC). This change will enable any auditor to be able to identify a computer/laptop/server/printer that is specifically used in support of a medical system verses one that is not, by simply looking at the FSC (e.g. 6000 – medical, 7000 – IT) printed out on the label. In order to make this

happen, OAL has placed into policy the requirement to print out on the bar code label the Category Stock Number (CSN). The CSN will provide any auditor the required information necessary to identify the item from an IT asset or from an item that happens to be IT that is being used in support of a medical asset. The individual's dilemma at the facility that asked me to re-do this subject is "what labels should be placed onto the children" belonging to the parent unit? OAL is highly recommending that a label be placed onto the child referring back to the medical unit that it belongs to. In other words, either place another parent's label onto the child, or ask your local IT staff to enable the system to print out a child's label which will have the EE# for the child, and see if they can add the CSN that belongs to the parent unit. This procedure will ensure that there are no ambiguities as to which system the child belongs to and that the IT asset is being used in direct support of a medical piece of equipment.
(Jim Teal, (240) 678-6156)

CLARIFICATION CONCERNING "ADDING INFO ON BAR CODE LABELS"

The intent of adding the CSN onto a bar code label is to ensure that the Federal Supply Classification (FSC) appears on the label to assist auditors in differentiating whether an Automatic Data Processing (ADP) equipment item is used in support of a medical device or the item is a regular piece of IT equipment that should be on an IT Equipment Inventory Listing (EIL). OAL recommends that all facilities contact the services (e.g. Imaging, Medical, etc) that will be affected by this requirement and ensure those ADP items that are being used in support of medical devices are bar coded in such a manner that an auditor will be able to distinguish these ADP items. This will require that ADP equipment in support of medical devices be labeled with FSC 6000 and that regular IT equipment items be labeled with FSC 7000. (Jim Teal, (240) 678-6156)

Acquisition Issues

Influenza Vaccine Recall: Novartis Vaccines and Diagnostics, Inc. submitted a voluntary notice requesting that health care providers immediately discontinue use and return any remaining doses that they may have from five lots of FLUVIRIN® Influenza vaccine Luer-Lok pre-filled syringes due to potency issues. The Food and Drug Administration (FDA) and the Centers for Disease Control (CDC) agree that these lots do not pose any risk to patient safety for previously vaccinated patients because all the affected vaccine was shipped when the vaccine met potency requirements; most of the vaccine was administered during October and November when the vaccine met potency requirements; and the decrease in antigen content is small and would have a negligible (if any) effect on immune response to the vaccine. Revaccination of patients that have been vaccinated with the affected lots is not necessary. Novartis will be contacting each affected facility and will be providing a credit for the number of doses

returned or providing replacement product based on the direction of each facility.
(Fran DeRosa (708) 786-5921)

December 2008 Consolidation Timeline/Awarded Contract Listing (Update) – All vendor offers in response to the December 2008 Direct Delivery consolidated bulk buy were due on February 6, 2009. To date, not all follow-on contracts for some of the previous hi-tech biomedical imaging contract holders have been awarded. The National Acquisition Center (NAC) and the Defense Supply Center Philadelphia (DSCP) continue to work diligently in securing joint follow-on contracts for those un-awarded vendors. Federal customers were provided a spreadsheet reflecting all eligible vendor quotes along with a current listing of active imaging and radiation therapy equipment contract holders on February 9, 2009. Customer selections/justifications are due to NAC by March 2, 2009. If the purchase order becomes emergent, the VA customer may obtain an appropriate waiver from VA Central Office (if needed) and locally procure from the non-contracted vendor; select/justify award to a contracted vendor; cancel the requisition; or withdraw the requisition and defer it to a later consolidation. (Janet Barnes (708) 786-5186)

March 2009 Direct Delivery Consolidation Timeline - Customer requisitions for the March 2009 consolidated bulk buy are due to the Direct Delivery Branch on March 2, 2009. All requisition benchmarks are anticipated to be posted to equipment vendors on March 20th. Vendor offers will be due into the Direct Delivery Branch by April 20th and will be forwarded to VISN Chief Logistic Officers for evaluation and selection by April 22nd. All customer selections with justifications will be due into the Direct Delivery Branch by May 13th and all delivery orders are anticipated to be awarded and issued on or before June 22nd. Although not preferred and cautiously granted, schedule adjustments may occur for legitimate requests made by customer, vendor and/or the National Acquisition Center. Whenever an adjustment occurs, Rusty Bales (VACO/10F) will be promptly provided a revised timeline schedule for dissemination to field activities. (Janet Barnes (708) 786-5186)