



Department of Veterans Affairs Interment Flag

Industry/Vendor Day Briefing



Agenda

0850 – 0900	Arrival at Strategic Acquisition Center, Fredericksburg VA •Remote sites call-in (VA offices, Vendors)
0900 – 0905	Welcome to the Strategic Acquisition Center
0905 – 0910	Introductions/Agenda
0910 – 0920	Overview of Strategic Acquisition Center
0920 – 0950	Office of Small and Disadvantaged Business Utilization (OSDBU)
0950 – 1050	Requirement Introduction
1050 – 1100	Break (VANTS Line ends at 1050, New VANTS Line at 1100)
1100 – 1215	Review of Combined Synopsis Solicitation
1215 – 1250	Q&A Session/Conclusion
1250 – 1330	Lunch Break (on your own)
1330 – 1600	1-on-1s with Vendors (15 minutes allotted per vendor) •Remote sites by appointment



Industry/Vendor Day Goals

- Provide vendors with brief overview of the Interment Flag effort
- Provide vendors with opportunity to ask questions regarding the effort



Administrative

- No audio recording of the presentation is permitted
- Please hold your questions until after the presentation
- All questions must be written on provided question sheets
- Vendors participating from remote sites must e-mail questions to Regina McGregor & Jesse Hardy
 - (regina.mcgregor@va.gov, jesse.hardy@va.gov) during the meeting
- We will attempt to answer all questions during Q&A session—these are unofficial answers
- Official answers to all questions will be provided on fbo.gov website



Particulars

- Interment Flag
 - All solicitation documents are/will be posted to fbo.gov
 - Industry Day Questions/Answers will be posted to fbo.gov



Industry Day & Sources Sought

- This Industry/Vendor day & Sources Sought does not commit Government to pay any participant costs incurred in participation of this event.



Strategic Acquisition Center

Overview



The Future of Acquisition in VA

Secretary's Direction

- Implement the Acquisition Transformation Model that will consolidate and integrate acquisition functions, and allow for movement to a centralized model if outcomes (based on specific metrics) are not satisfactory.
- Office of Acquisition, Logistics and Construction (OALC) is in control of the Department's procurement integration strategy and has full authority to implement the strategy.
- There will be a major shift in VA's enterprise purchasing strategy.
- OALC has a corporate integration responsibility to pursue corporate procurement savings initiatives and authority to direct implementation of these initiatives.
- OALC has a review and oversight role over all enterprise procurement activities.

<p>Department of Veterans Affairs</p> <p>Memorandum</p> <p>DATE: APR 27 2010</p> <p>FROM: Executive Director, Office of Acquisition, Logistics, and Construction (OALC)</p> <p>SUBJECT: Approval to Implement the Acquisition Transformation Initiative (Phased Model) (VAIG No. 7001317)</p> <p>TO: Secretary (D)</p> <p>1. As part of the Office of Acquisition, Logistics, and Construction's (OALC) fiscal year 2010 Strategic Initiatives, the office set out to analyze and provide new models for VA acquisition service delivery. On April 1, 2010, Secretary Shulman authorized OALC to implement the Phased Model presented at the Veterans Affairs Executive Board (VAEB). The purpose of this memorandum is to request your signature below to document your selection, approval, and authorization for implementation of the "Phased Model".</p> <p>2. There have been several internal and external studies that have identified deficiencies with VA's acquisition organization and processes and while numerous interim steps have been taken to address these issues, additional changes are needed to bring about the type of transformation the Secretary has articulated in his testimony before Congress. OALC was established in 2008 in an effort to provide increased oversight, establish enterprise level policy and systems, and leverage VA's purchasing power. Implementation of the chosen Acquisition Transformation Initiative method as the following describes further addresses those deficiencies. One critical piece of the effort that is essential to ensuring that the Secretary's objectives are achieved is the authorization for a new Assistant Secretary.</p> <p>3. On April 1, 2010, OALC senior leadership presented three potential models to the VAEB, each aimed at addressing VA's acquisition deficiencies. The "Phased Model" was recommended, and SECVA initially endorsed this recommendation as VA's acquisition transformation model (Attachment). These models were previously evaluated by the VA Senior Procurement Council (SPC) and vetted through the VA Senior Review Group and the Senior Management Council (SSM/C).</p> <p>4. The following highlights the benefits of the selected model:</p> <ul style="list-style-type: none">a. enables the Department to take a disciplined, collaborative approach in meeting the root causes of acquisition deficiencies;b. consolidates complex, high dollar value, procurements under a single organization;c. relates mission essential ability to perform daily mission activities;d. positions VA to better leverage its acquisition spend; ande. identifies a defined point in time to make additional organizational changes, based on performance outcomes.	<p>Page 2</p> <p>Subject: Approval to Implement the "Phased" Centralized Acquisition Model</p> <p>5. Three key changes and impacts associated with the selected model are:</p> <ul style="list-style-type: none">a. All acquisition authorities flow from the Chief Acquisition Officer (CAO) to the Heads of Contracting Activities (HCAs) who are responsible to ensure compliance with enterprise policies, processes, and systems. HCAs are directly accountable to the CAO with regard to the respective contracting program they oversee.b. Thresholds will define the maximum value of contracts field activities may put in place. Mission essential buying exceptions and the threshold amount will be identified during the implementation planning process.c. The Strategic Acquisition Center will be established under OALC to implement strategic sourcing initiatives for the Department and handle contracting requirements that exceed the field purchasing thresholds.d. The CAO is responsible for continuously assessing the health of the acquisition transformation model and to make a recommendation to SECVA that contracting functions be centralized if performance measures indicate organizations are failing to meet established standards. The performance metrics, as agreed upon by the VA SPC and various stakeholders, will be the determining factors for the need of additional centralization. The initial performance assessment will be approximately 18 to 24 months from the date the VA executive decision memorandum is approved. The initial assessment, or subsequent assessments, will determine whether the integrated process will continue to be used or whether the Department's contracting functions will move to full centralization aligned under OALC. Any further approval through the VA governance process (e.g., SPC/SSM/C, VAEB) will not be required to move the organization to the centralized model. <p><i>[Signature]</i> Eric K. Shulman Date: 4/29/2010</p> <p>Attachment</p> <p>APPROVED/NOT APPROVED:</p> <p><i>[Signature]</i> Eric K. Shulman</p>
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Executive Decision Memo



The Future of Acquisition in VA

- The VA's Secretary vision is to restructure VA's acquisition and construction business practices to achieve desired outcomes that result in improved services to Veterans and their families while controlling cost

Secretary's Acquisition Strategy

- Gain control over acquisition management information
- Effectively manage the acquisition life-cycle
- Improve the acquisition management workforce
- Leverage technology to ensure an enterprise management approach

Secretary's Acquisition Policy

- Achieve clear ownership and accountability of VA contracting mission
- Achieve a \$2.0 billion return on investment
- Pursue standardization/strategic sourcing
- Measure and improve customer satisfaction
- Manage data to drive mission outcomes
- Implement necessary changes while promoting transparency to our customers and stakeholders
- Implement a program management culture
- Improve contracting workforce competencies



OAQ Overview

- OAQ provides comprehensive operational and strategic acquisition support for VA's highly complex acquisition requirements.
- OAQ manages the Technology Acquisition Center (TAC), Strategic Acquisition Center (SAC), and the Acquisition Services in Washington DC and Frederick, MD.
- OAQ serves Office of Information & Technology (OI&T), Veterans Benefits Administration (VBA), National Cemetery Administration (NCA), Veterans Health Administration (VHA) and administrative/support offices in Veterans Affairs Central Office (VACO).



SAC Overview

Functions

The SAC will develop contracts that support strategic sourcing initiatives, cost-saving business cases based on spend analysis, identification of opportunities from customer organizations, best practices from industry and performance-based strategies.

SAC contracts will include BPAs (blanket purchase agreements), enterprise IDIQs (indefinite delivery, indefinite quantity) or unique contracts.



Office of Small and Disadvantaged Business Utilization (OSDBU)

Mark Taylor

United States Department of Veterans Affairs



Industry Day

Interment Flags

November 29, 2011

Mark Taylor

VA Office of Small and Disadvantaged Business Utilization



Today's Topics

- OSDBU Mission
- Procurement Preference Goals
- Types of Teaming Arrangements
- Teaming Arrangement (Overview)
- Joint Ventures (Overview)
- Joint Ventures for SDVOSB/VOSB



OSDBU Mission

OSDBU serves as an advocate for SDVO, VO, SDB, HUBZone and Women Owned Small Businesses. OSDBU provides outreach and liaison support to business (small and large) and other members of the private sector concerning small business acquisition issues. OSDBU is responsible for monitoring VA implementation and execution of the socioeconomic programs.

It is the policy of the VA that firms be given maximum practicable opportunity to participate in our acquisitions, including subcontracting:

FY 2011 Goals & Accomplishments

(October 1, 2010 – September 30, 2011)

Category	Secretary's Goals	VA Accomplishments
Small Business	33.5%	34.4%
Small Disadvantaged Business [including 8(a)]	5%	8.2%
Woman Owned SB	5%	3.7%
Veteran Owned SB	12%	20.5%
Service Disabled Veteran Owned SB	10%	18.3%
HUBZone SB	3%	2.2%



Team Arrangement (FAR 9.601)

The FAR uses the term “Team Arrangement” which describes two kinds of relationships:

- **Joint Venture:** Two or more companies form a partnership or joint venture to act as potential prime contractor; or
- **Teaming Agreement:** A potential prime contractor agrees with one or more other companies to have them act as its subcontractors under a specified Government contract or acquisition program



Team Arrangement (FAR 9.603)

The FAR states:

The federal government will recognize the integrity and validity of contractor team arrangements: *provided*, arrangements are identified and company relationships are fully disclosed in an offer



Teaming – Why?

- Customer demands specialized technology, competencies, and highly skilled work force
- Source selection criteria require depth of experience and past performance
- Successful proposals are expensive to write
- Share the cost of the risk of not winning



Choosing between a TA and a JV

Study the solicitation

- ✓ How does the capability of your company measure up to the evaluation factors?
- Technical ability
- Key Personnel
- Past Performance
- Experience



Choosing between a TA and a JV

Due Diligence: Ask the important Questions!

- ✓ Evaluate your company and your potential teaming partners
 - Do you want to bid as the prime?
 - Would you rather let another take the risk and commit as its subcontractor?
 - Do you and other desire to bid together as a single prime contractor?



Teaming Agreement Overview

- Parties retain their separate identities
- One party agrees to be the Prime Contractor and the other agrees to be a Subcontractor
- TA is a promise from the Prime, that it will engage the Subcontractor if the Prime wins award of the government contract



Teaming Agreements

Key Components of Teaming Agreement:

- Identify the solicitation
- Terms of the subcontract
- Agreed division of the statement of work (Subcontracting Limitations)
- Exclusivity of TA



Joint Venture Overview

- JV is a new entity
- CCR registration is required for JV
- JV are limited to three contract awards not offers
- JV subject to the approval or rejection of the warranted contracting officer of mention



Joint Ventures (continued)

VA IL 049-6-4

- SDVOSB /VOSB and one or more other business concerns may submit an offer on a competitive procurement if each company is:
 - A Small Business under the size standard to the NAICS code for the procurement
 - Revenue Base – Procurement exceeds half the size standard to the NAICS assigned to the contract
 - Employee Based – Procurement exceeds \$10,000,000



JV and SDVOSB set-asides

- VA 's Informational Letter (IL-049-06-4)
 - JV and Teaming Arrangements for SDVOSB/VOSB
 - IL does not apply to joint ventures under the 8(a) or HUBZone programs. (CFR 125.15)**
 - VA Contracting Officers must review and approve these JV under the SDVOSB/VOSB procurement program



JV agreement (IL-049-6-4)

VA IL 049-6-4

- **Key Components of JV agreement:**
 - SDVO/VOSB must be the managing partner
 - Employee of the SDVO/VOSB must be project manager
 - 51% of profits distributed to SDVOSB
 - JV agreement must obligate all parties to ensure performance
 - Final records kept by SDVOSB for JV
 - Contract execution in the name of the JV

Link to VA IL 049-06-4

<http://www.va.gov/oal/docs/library/ils/il06-4.pdf>



Affiliation

Definition:

- ✓ Business concerns and entities are affiliates of each other when one controls or has the power to control the other, or a third party or parties controls or has the power to control both. It does not matter whether control is exercised, so long as the power to control exists.



Affiliation

SBA may determine that the relationship between a prime contractor and its subcontractor is a joint venture, and that affiliation between the two exists when:

- ✓ The subcontractor is a ostensible subcontractor performing primary and vital requirements of a contract, or of order under a multiple award schedule contract, or a subcontractor upon which the prime contractor is Unusually Reliant.
- See 13 CFR 121.103 (h) (4)



VA Office of Small & Disadvantaged Business Utilization

www.va.gov/osdbu / **1-202-461-4300**

Mark.Taylor@va.gov **202-461-4258**

VA Center for Veterans Enterprise

1-866-584-2344

www.VetBiz.gov





Requirement Introduction: Interment Flags

Maurice Stewart/Neal Kemp



Perfect Order Fulfillment (POF)

- POF focuses capabilities on effectively and efficiently providing the right item or service:
 - At the right place
 - At the right (or needed) time
 - To meet the Veteran's need
 - Functioning properly/Good quality
 - With all supporting documentation
- Acquisition Transformation = POF
- Flag Requirements
 - FY11 served 489,408 families of deceased Veterans
 - Nationwide shipping to over 50 distribution points
 - Average inventory of 295,000 flags
 - Exceptional product quality suitable to honor our Veterans is required





Interment Flag

- Continuous and expeditious delivery of high quality burial flags is critical to support of families of deceased veterans
- Flags will be manufactured to the highest quality IAW specifications
- Proposal submissions will be reviewed for technical capability, specifically the means to furnish the product and the ability to manufacture to the specification
- VA retains right to conduct an On Site Pre Award Survey to verify information in the proposal and technical/manufacturing capability
- The VA will require First Article Submission prior to notice to proceed in order to validate technical capability



Strom Thurmond National Defense Authorization Act

- **Public Law 105-261, 105th Congress**
- **SEC. 1073.** REQUIREMENT THAT BURIAL FLAGS FURNISHED BY THE SECRETARY OF VETERANS AFFAIRS BE WHOLLY PRODUCED IN THE UNITED STATES
- (a) Requirement.—Section 2301 of Title 38, United States Code, as amended by section 517, is further amended by adding at the end the following subsection:
- (g)(1) The Secretary may not procure any flag for the purposes of this section that is not wholly produced in the United States.
- (3) For the purpose of paragraph (1), a flag shall be considered to be wholly produced in the United States only if—
- (A) the materials and components of the flag are entirely grown, manufactured, or created in the United States;
- (B) the processing (including spinning, weaving dyeing, and finishing) of such materials and components is entirely performed in the United States; and
- (C) the manufacture and assembling of such materials and components into the flag is entirely performed in the United States”.



Delivery

	Quantity
U.S. Interment Flags – Base Year	250,008
OPTION YEAR 1	250,008
OPTION YEAR 2	250,008
OPTION YEAR 3	248,832
OPTION YEAR 4	248,832
Base Year/Option Year Total	1,247,688



Contract Discussion/Overview

Patrick McKeown/Jesse Hardy



Economic Price Adjustment Clause

- The requirement will utilize Economic Price Adjustments (EPA) in accordance with FAR 16.203
- Based on the utilized materials, what is the best approach to utilizing EPA? Should adjustments be based on *established prices, actual costs of labor or material* or *cost indexes of labor or material*?
- The cost of fluctuation (up or down) will only affect the portion of the material affected by the increase or decrease
- Are there any industry questions or concerns with the application of the EPA?



Milestones

Milestone	Date
Industry Day / Sources Sought FBO Announcement	18 Nov 11
Industry Day	29 Nov 11
Release of Combined Synopsis Solicitation	9 Jan 12 (tentative)
Proposals Due	23 Jan 12 (tentative)
Award Announcement	29 Feb 12 (tentative)
Post Award Conference	April 12
Contract Start Date	1 May 12
First Article Delivery	Early May
First Delivery	30 May 12 (NLT)



Q&A



Conclusion

- Action Items/Questions
 - Review what Q&A
- Re-emphasize:
 - Importance of requirement to our Veterans
 - Answers provided today unofficial until posted
 - All documents, Q&A, etc. posted to FBO.gov