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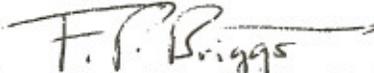
**U.S. Department of Labor**

Office of the Assistant Secretary for  
Veterans' Employment and Training  
Washington, D.C. 20210



DIRECTOR'S MEMORANDUM: Internal # 11-06

FOR: ALL NATIONAL OFFICE STAFF  
VETERANS' EMPLOYMENT AND TRAINING

FROM:   
F. Paul Briggs (Revised for Staffing by Paul Briggs, 06/16/06)  
Director, Office of Administration, Management and Budget

SUBJECT: OAMB Purchase and Procurement Procedure(s)

**Purpose:** To provide National Office staff with key contacts and procedures for initiating procurements, and submitting inquiries pertaining to pending procurements for goods and services.

**Background:** Procuring goods and services is a critical component of VETS' ability to fulfill its mission. VETS procures millions of dollars of goods and services each year at the National Office level. The types of procurements vary from acquiring office supplies, such as pencils and copier paper, to multi-million training contracts that contain option years.

**Procurement Oversight:** There is a multi-tiered system of oversight and control for all federal government procurements. The Federal Acquisition Regulations (FAR) governs the use of appropriated funds to acquire goods and services. OMB Circular A-123 and the Federal Managers Financial Integrity Act (FMFIA) require effective internal controls over procurements to protect against fraud, waste and abuse. The Department of Labor Manual Series (DLMS) lays out internal Department of Labor requirements for procurements. The Office of the Chief Financial Officer and the Inspector General conduct audits of procurements and procurement processes.

Without exception, procurements must be approved in advance of ordering proposed goods or services. Once a procurement request has been approved, only authorized personnel, such as agency COTRs or those Federal employees who possess signature authority to obligate funds on behalf of VETS, may contact vendors to order goods and/or services. Unauthorized procurements are purchases that are made without securing prior approval from the Office of Procurement Services and ultimately require "ratification." A ratification is initiated at the Departmental level. It is a unique investigation of the circumstances that have precipitated an unauthorized procurement.

In the case of a ratification, the individual who requested the services of a vendor, in advance of required approval(s), may be held personally liable for any debts the Agency incurs as a result of the unauthorized procurement.

### **How does VETS National Office Make Procurements?**

OAMB is responsible for initiating and tracking all of VETS' financial transactions, to include procurements and travel.

The Department of Labor requires an advance annual procurement plan at the beginning of each year, in which procurement needs are spelled out. This plan is used by VETS to budget for procurements in the coming year, and to manage the agency's budget during the year. While exceptions to the procurement plan can and do occur, the agency is best served by forecasting procurement needs in advance.

### **How are Agency procurements initiated?**

Effective immediately, the Agency's procurement process has been refined, with the overall goal(s) of ensuring VETS' ability to fulfill its mission through prompt and appropriate assistance to OAMB's internal customers, while ensuring that VETS' fulfills its fiscal fiduciary responsibilities through adherence to applicable statutes and regulations, as well as, maintaining the accuracy of financial data from the initial stage of recording commitments, through obligation and liquidation of funds. The new procedures are:

- Requests for the purchase of goods or services are formally initiated by a supervisor informing OAMB of a purchase requirement that is necessary to fulfill the Agency's mission, via a Purchase Request form. The attached form should be used to initiate the procurement process for all Agency requests.
- The template for VETS' Purchase Request form is available electronically and is stored on the O Drive under the folder titled, "FY 2006 Procurements," and document titled, "Purchase Request Form."
- The format of the Purchase Request form is designed to be simple and straightforward. The requestor completes the top half of the form and provides the basic information listed such as, "good or service to be purchased," "purpose of procurement" and "date by which the good or service is needed."
- The Purchase Request form can be used for all purchase requirements to include: micro-purchases (items that cost \$2500 or less), purchases above \$2,000, procurements for IT and equipment, new or re-compete contracts, inter-agency agreements and memorandums of understanding.

- The Purchase Request form may also be used to submit procurement and/or budget questions to OAMB, pertaining to such topics as planning a conference or locating a list of available vendors who may provide a specific good or service.
- Once the Purchase Request form is completed and the requestor has secured the signature of his/her supervisor, the request should be submitted to OAMB by placing the hard copy of the form in the inbox, located outside of the Deputy Director's Office for OAMB, between the hours of 7:45 AM and 3:45 PM, Monday through Friday.
- Each workday, the OAMB's budget and financial management function(s) will review all request forms submitted for that day; verify the availability of funds by initialing each request; and record each proposed procurement and the corresponding dollar amount(s) as separate commitment(s).
- The Purchase Request forms are then submitted, by the budget function, to the Deputy Director and Director of OAMB for review, approval and assignment of each request to an OAMB specialist. Specialist assignments are recorded and tracked by the budget function. Requests are then forwarded to the OAMB specialist assigned to the case file for processing.
- Upon receipt of the Purchase Request form, the assigned specialist will begin a procurement file on each request. The specialist will make an initial determination as to the processing requirements of each proposed procurement; and develop a plan of action to bring the procurement to fruition, in accordance with the Federal Acquisition Regulations, as well as, all applicable statutes, Agency and Departmental guidelines. (Appeals to the specialist's determination will go through the Director of OAMB for re-consideration by Senior Leadership as appropriate.)
- Each requestor should expect to be contacted by an OAMB specialist, pertaining to the status and processing plan of action for his/her procurement request, within 48 hours (2 working days) of submitting the hard copy form to OAMB. (Requestors, who have not been contacted within 2 working days of submitting their procurement request form to OAMB, should contact the Deputy Director or Director of OAMB.)
- The assigned OAMB specialist will work with the requestor through each step of the procurement plan of action and process to delivery of the good or service. The assigned specialist will also work in tandem with the budget function to provide timelines that will inform the processes of obligating, tracking, and liquidating funds.

### **Who approves a procurement request?**

All purchase requests must go through at least three standard levels of review before Agency funds can be obligated and expended. The first layer of review begins when the Requestor identifies a present need for the Agency to purchase goods or services and receives concurrence from his/her supervisor, who signs the Purchase Request form.

The second level of review is completed by the OAMB budget function, which verifies the availability of funds and initials each request form. The third level of review is completed by Paul Briggs and/or Eric Rudert, who sign each proposed purchase request and assign the case file for processing. (Special exceptions, unique circumstances, and other exigencies may need to be submitted to the DASVET for further consideration.)

### **How far in advance should procurements be initiated?**

As far in advance as possible. The DOL Office of Procurement Services (OPS) publishes a list of anticipated procurement timeframes, based upon the nature of each procurement type, to include micropurchases, incremental funding for contracts, etc. To better assist the agency in its procurement planning, this list is posted above the VETS' procurement inbox. A copy of the OPS procurement timeframes is also available on the VETS' shared drive, folder name: FY 2006 Procurement Forms.

### **How long do procurements take?**

This depends on the size of the procurement, FAR and DOL requirements and the instrument used for acquisition (credit card, purchase order, contract), and availability of the good or service. For instance, office supplies purchased via a government credit card could be received by the next day or even the same day, if there is an urgent need. A million dollar competitive contract can take six months or more.

Non competitive procurements that involve contracting officer approval, such as acquiring conference meeting room space, are taking at least 30 days to process. OAMB has NO control over the amount of processing time that the contracting officer and her staff in OPS take to finalize a procurement.

### **Who should I call if a procurement action has taken a long time?**

The first point of contact is the OAMB Specialist assigned to your individual procurement request. If the Specialist has not provided the expected level of customer service, given the depth of actions necessary to complete the procurement process, Paul Briggs and Eric Rudert are available to assist you with any concerns and expedite, if necessary the processing of your request.