

Date: March 15, 2020

From: Executive Director, Office of Acquisition and Logistics and
Senior Procurement Executive

Subj: Emergency Acquisition Flexibilities – Emergency Assistance Activities in support of Global
Pandemic for Coronavirus Disease 2019 (COVID-19)

To: VA Heads of Contracting Activities

1. This memorandum provides guidance when immediate actions are required to support the President's declared National Emergency in response to COVID-19.
2. As the Department of Veterans Affairs (VA) continues to diligently prepare for eventualities related to COVID-19 across the United States, our contracting officers have an array of emergency acquisition flexibilities available for their use to expedite the delivery of critical goods and services. The Federal Acquisition Regulation (FAR) Part 18 outlines those emergency flexibilities.
3. The following information is provided to assist the Heads of Contracting Activities (HCAs) and Contracting Officers actively responding to COVID-19. The purpose of this memo is to delegate authority to VA HCAs to invoke emergency acquisition flexibilities provided in FAR Part 18. Given the President's declaration of a National Emergency, this delegation expedites the delivery of goods and services. This memorandum focuses on the flexibilities in FAR subpart 18.2, but as a reminder, the flexibilities in FAR subpart 18.1 apply to emergency situations for the direct purposes of responding to the COVID-19 National Emergency.
 - The micro-purchase threshold is increased to \$20,000 for goods and services purchased in the United States.
 - The simplified acquisition threshold (SAT) is increased to \$750,000 for any contract to be awarded and performed in the United States.
 - The threshold for simplified procedures for certain commercial items is increased to \$13 million (see FAR 13.500(c) and 18.202(d)).
 - Purchases outside the United States will be approved on a case by case basis.
 - These threshold increases will remain in effect until June 30, 2020, unless otherwise rescinded, modified, or extended.
4. The additional flexibilities of FAR subpart 18.2 cannot be used for any other acquisitions. The threshold increases are specific only to support the designated National Emergency COVID-19. The Davis-Bacon and Service Contract Act (SCA) thresholds are not changed by the use of any of these flexibilities.

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5. FAR Part 6 also provides the opportunity to expedite purchases after justifying exceptions to competition. There may also be opportunities to use existing contracts by negotiating bilateral modifications to allow for additional quantities of goods or a surge for services included in current awards.
6. Federal Procurement Data System (FPDS) Reporting: A National Interest Action Code has been established. The NIA Code will be used strictly for reporting purposes related to COVID-19 and involves the exercise of the emergency authorities identified in Federal Acquisition Regulation 18.2. The FPDS system details for this NIA Value Name is *COVID-19 2020*, to be used starting 03/13/2020 and ending 07/01/2020.
7. Additional Guidance:
 - VA's unique legislation related to Veterans First Contracting Program applies. U.S. Small Business Administration's Office of Disaster Assistance provides additional guidance and resources for efficiently including small business concerns to successfully and quickly respond to requirements in support of relief efforts (see <https://www.sba.gov/offices/headquarters/oda/resources>).
 - Several existing acquisition strategies are specifically designed to address emergencies and should be considered first. You should first verify if the required services and supplies are available under [GSA's Disaster Relief and Emergency Preparedness Schedules](#) on GSA Advantage.
 - Consult the [Disaster Response Registry](#) via System for Award Management (SAM) Advanced Search for the availability of contractors for debris removal, distribution of supplies, relief services, and other actions (see FAR 18.102).
 - If these sources do not meet the need, consider other existing contract vehicles before soliciting new contracts.

Acquisition personnel should note that because the President's emergency declaration is under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (41 U.S.C 5121, et seq.) Contracting Officers are ordinarily required to give preference to local firms in the designated area as discussed in FAR subpart 26.2. In this case, however, the emergency response applies to a global pandemic, so there is no clear local area. Therefore, at this time local set-aside requirements do not apply. This memorandum will be updated if the Office of Management and Budget offers supplemental guidance related to the application of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Contracting officers should consider Service-Disabled Veteran-Owned and Veteran-Owned Small Businesses (SDVOB/VOSB) to the maximum extent practicable. In addition,

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- Use pre-positioned or pre-existing contracts first, such as Blanket Purchase Agreements (BPA), schedule contracts, or Indefinite-Delivery Indefinite-Quantity (IDIQ) contracts;
- Use competition to the maximum extent practicable in response to emergency declarations.
- Limit competition when needed, following guidance in FAR Part 6. If you use FAR Part 6, make sure the required documentation is completed preferably within one week of the event.
- For all contracts awarded under FAR Part 6, keep the period of performance brief. The period of performance for contracts awarded using FAR Part 6 should not be any longer than necessary to respond to the emergency and allow for a re-compete.
- Exercise discretion to ensure fiscal responsibility when implementing these emergency acquisition flexibilities.

8. Should you have any questions regarding this memo, send an email to VA.Procurement.Policy@va.gov.

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