



**DEPARTMENT OF VETERANS AFFAIRS
DEPUTY ASSISTANT SECRETARY FOR ACQUISITION AND LOGISTICS
WASHINGTON DC 20420**

IL 001AL-09-05
October 9, 2009

OFFICE OF ACQUISITION AND LOGISTICS INFORMATION LETTER

TO: Under Secretaries for Health, Benefits, and Memorial Affairs; Assistant Secretary for Management; Director, Office of Construction and Facilities Management; Veterans Integrated Service Network Directors; Directors, VA Medical Center Activities, Outpatient Clinics, Medical and Regional Office Centers, and Regional Offices; Directors, Denver Acquisition and Logistics Center, VA Austin Information Technology Center, Records Management Center, VBA Benefits Delivery Centers, and the VA Health Administration Center; Executive Director and Chief Operating Officer, VA National Acquisition Center; Chief Information Officer; VA Health Revenue Center; and VA Health Eligibility Center

ATTN: Senior Acquisition Officials, Heads of Contracting Activities and Contracting Officers (CO)

SUBJ: Use of Integrated Product Teams (IPT) for Major Acquisitions

I. Purpose

The purpose of this Information Letter (IL) is to provide updated guidance on implementing IPTs for Department of Veterans Affairs (VA) acquisitions. This IL supersedes IL 049-07-11, dated August 30, 2007.

II. Background

An IPT is a cross-functional team that is led by a Program Manager (PM). The IPT should work collaboratively to develop strategies and approaches to meet specific acquisition and program objectives. The goals of the IPT are to:

- A. Define and refine the technical requirements;
- B. Discuss risks and develop mitigation strategies;
- C. Determine the optimal acquisition strategy;

- D. Decide on the acquisition milestones and process to ensure success; and
- E. Accomplish effective lifecycle acquisition, contract, and performance management to provide the best value to the VA user.

III. Policy

- A. The use of IPTs is mandatory for all new acquisitions valued at \$5 million, including options. IPTs are recommended for complex acquisitions valued at less than \$5 million when there is considerable technical, program, or business risk to the Government. IPTs should be assembled at the earliest possible stage of the acquisition cycle.
- B. The following procurement actions are excluded from the IPT process:
 - 1. Construction, Architect-Engineering services;
 - 2. Orders against pre-existing Indefinite Delivery Vehicles, to include mandatory use of Government-wide acquisition contract vehicles such as Solutions for Enterprise-wide Procurement;
 - 3. Requirements to be covered under Interagency Agreements with other Federal Government agencies, i.e., SPAWAR, and,
 - 4. National Acquisition Center (NAC) pharmaceutical procurements and all Federal Supply Schedules established by NAC.
- C. IPTs are to be composed of voting members from the program office, procurement, the Office of Small and Disadvantaged Business Utilization, and any other representatives as determined necessary by the Chair. The Office of the General Counsel will be a non-voting member that provides legal support in an advisory capacity. Each IPT member is authorized to exercise sound business judgment within their core functional area of expertise and is empowered to make decisions without seeking higher level approval. The overall goal is to deliver a product or service that meets programmatic objectives in terms of cost, quality, and timeliness. Additionally, the IPT shall engage their local competition advocate in discussions regarding competition. They are also to consider the benefits of using reverse auctions.
- D. The role of the IPT is to produce the following work products:
 - 1. A statement of work, Performance Work Statement or statement of objectives;

3.
IL 001AL-09-05
October 9, 2009

2. An independent government cost estimate;
 3. An acquisition plan (See Attachment 2); and
 4. Any other products deemed necessary by the IPT.
- E. The program office is responsible for establishing the IPT, chairing the IPT, and funding the cost of a professional facilitator, when used. The role of the facilitator is to:
1. Keep the group focused and on schedule;
 2. Help members resolve conflict and achieve consensus; and
 3. Assist with writing and/or editing all documents, to include minutes of each session.
 4. Facilitators can be obtained by using the multiple award contract vehicles for Global IPT Facilitation Services. These awards are posted on the Acquisition Resource Center at: <http://arc.aac.va.gov/Acquisition/Pages/ARCHome.aspx>.
- F. The IPT may choose to develop an optional Charter. An example has been provided at Attachment 1.
- G. If the PM and the cognizant CO determine that the acquisition is not suited for the IPT process or that a facilitator is not necessary, a request for a waiver must be forwarded through the local HCA to the Associate Deputy Assistant Secretary for Acquisition and Logistics, Programs and Policy (001AL-P). The PM will need to justify why forming an IPT, or using a facilitator, is not in the best interest of VA. Examples of valid justifications include, but are not limited to:
1. The requirement is not considered to be complex enough to warrant an IPT or facilitator. If the Team is only seeking a waiver to use a facilitator, the request must acknowledge that the IPT members will be responsible for the tasks normally conducted by a facilitator; or
 2. Compelling urgency, such as a previously unknown mission critical or patient care need requiring immediate action.

4.
IL 001AL-09-05
October 9, 2009

IV. Point of Contact

Questions should be addressed to the Acquisition Policy Division (001AL-P1A) at (202)461-6876.

/S/

Maurice C. Stewart
Associate Deputy Assistant Secretary for
Acquisition and Logistics Programs and Policy

Attachments (2)

**OPTIONAL CHARTER
TEMPLATE**

[PROJECT NAME]

INTEGRATED PRODUCT TEAM (IPT)

Signature/Program or Project Manager
Chairperson, IPT

Date

Signature

Date

Facilitator, IPT

Date

Signature/IPT Member and Title

Date

Signature/IPT Member and Title

Date

Signature/IPT Member and Title

Date

I. PURPOSE

This section should set forth the overall description of the project mission and the specific objectives of the team. Team goals should be in writing to prevent conflicts resulting from misunderstandings or hidden agendas that may develop.

II. SCOPE OF PROGRAM

This section should provide a description of the work that the team is to accomplish and how it fits into the overall Department of Veterans Affairs mission.

III. INTEGRATED PRODUCT TEAM (IPT) MEMBERSHIP, ROLES, AND RESPONSIBILITIES

- A. This section should set forth the IPT's membership by office and function, to include the roles and responsibilities of the Chairperson of the IPT (who is the Program Manager), the members as a whole, and any other special members of the IPT, for example, the recorder if the team appoints one.
- B. It is important to select the appropriate number of people with the right traits and skills. The team members must be willing to share responsibilities and accountability while working together toward a common objective. IPT members must possess the ability to work in a less structured environment and to be innovative. The Contracting Officer, as the Government's authorized agent, shall provide guidance to the IPT members regarding the rules and regulations for acquisitions. A skilled facilitator will be invaluable to the team, ensuring goals and schedules of the IPT are being met. The program office will fund the cost of the facilitator, whose role will also include resolving conflict and aiding in team consensus. Pursuant to Federal Acquisition Regulation, Part 1.102-4 (e), if a particular strategy or practice is not prohibited by law, policy or executive order, assume it can be done.
- C. Likewise, it is important for IPT members to have a mixture of skill sets to include the following:
1. Technical or functional expertise;
 2. Problem-solving and decision-making skills;
 3. Interpersonal skills; and
 4. Team-building skills.

IV. PERFORMANCE MEASURES

Measurable performance goals should be established to shape a purpose for the team that is meaningful to the program and team members. Performance goals, such as awarding the contract with effective competition by a certain date, should be a key measure for all plans. A list of work products and a planned date for completion will be produced by the IPT.

V. OPERATING PROCEDURES

This section should set forth the team's meeting procedures and, most importantly, how decisions will be made. For example, will the team hold regular meetings or conference calls? May alternates attend? What will constitute a quorum? Will decisions be made by majority vote or consensus? How will a tie or lack of consensus be resolved? Will voting by e-mail be allowed?

VI. DISSOLUTION OF THE IPT

This section should set forth the date or milestone at which the IPT is dissolved.

8.
IL 001AL-09-05
October 9, 2009

Attachment 2

ACQUISITION PLAN

FOR THE

**(INSERT PROGRAM NAME AND ACQUISITION PHASE)
DATE: (INSERT DATE ISSUED)**

PREPARED BY:

**(INSERT PROGRAM/PROJECT MANAGEMENT OFFICE AND
LOCATION)**

9.
IL 001AL-09-05
October 9, 2009

ACQUISITION PLAN No. _____

PROGRAM:

PROGRAM MANAGER:

DESCRIPTION OF PROGRAM

**(INSERT A BRIEF TECHNICAL DESCRIPTION OF THE
SYSTEM/EQUIPMENT/SERVICE)**

APPROVED:

CONCUR:

TABLE OF CONTENTS

10.
IL 001AL-09-05
October 9, 2009

PART A - ACQUISITION BACKGROUND AND OBJECTIVES

Statement of Need
Applicable Conditions
Cost
Capability or Performance
Delivery or Performance - Period Requirements
Trade-Offs
Risks
Acquisition Streamlining

PART B - PLAN OF ACTION

Sources
Competition
Source Selection Procedures
Acquisition Considerations
Budgeting and Funding
Product or Service Descriptions
Priorities, Allocations, and Allotments
Contractor versus Government Performance
Inherently Government Functions
Management Information Requirements
Make or Buy
Test and Evaluation
Logistics Considerations
Government-Furnished Property
Government-Furnished Information
Environmental and Energy Conservation Objectives
Security Considerations
Contract Administration
Other Considerations
Milestones for the Acquisition Cycle
Identification of Participants in Acquisition Plan Preparation

PART A
ACQUISITION BACKGROUND AND OBJECTIVES

Statement of Need. ([see FAR 7.105\(a\)\(1\)](#))

A brief statement of need; technical and contractual history, if any. Discuss feasible acquisition alternatives, if any.

Applicable Conditions. ([see FAR 7.105\(a\)\(2\)](#))

Requirements for compatibility; any known cost, schedule, performance constraints.

Cost. ([see FAR 7.105\(a\)\(3\)](#))

Life Cycle Cost. (see FAR 7.105(a)(3)(i))

Design-to-Cost. (see FAR 7.105(a)(3)(ii))

Application of Should-Cost. (see FAR 7.105(a)(3)(iii))

Capability or Performance. ([see FAR 7.105\(a\)\(4\)](#))

Delivery or Performance-Period Requirements. ([see FAR 7.105\(a\)\(5\)](#))

Trade-Offs. ([see FAR 7.105\(a\)\(6\)](#))

Risks. ([see FAR 7.105\(a\)\(7\)](#))

Technical Risks.

Cost Risks.

Schedule Risks.

Acquisition Streamlining. ([see FAR 7.105\(a\)\(8\)](#))

**PART B
PLAN OF ACTION**

Sources. ([see FAR 7.105\(b\)\(1\)](#))

Discuss Market Research & Small Business Consideration
Discuss consideration of required sources of supply.

Competition. ([see FAR 7.105\(b\)\(2\)](#))

Description of how competition will be sought, promoted, and sustained (see FAR 7.105(b)(2)); Authority for Other than Full and Open Competition, and discussion thereof, when applicable.

Subcontracting Competition ([see FAR 7.105\(b\)\(2\)\(iv\)](#))

Source Selection Procedures. ([see FAR 7.105\(b\)\(3\)](#))

Acquisition Considerations. ([see FAR 7.105\(b\)\(4\)](#))

Budgeting and Funding. ([see FAR 7.105\(b\)\(5\)](#))

Product or Service Descriptions. ([see FAR 7.105\(b\)\(6\)](#))

Priorities, Allocations and Allotments. ([see FAR 7.105\(b\)\(7\)](#))

Contractor versus Government Performance. ([see FAR 7.105\(b\)\(8\)](#))

Inherently Governmental Functions. ([see FAR 7.105\(b\)\(9\)](#))

Management Information Requirements. ([see FAR 7.105\(b\)\(10\)](#))

Make-or-Buy. ([see FAR 7.105\(b\)\(11\)](#))

Test and Evaluation. ([see FAR 7.105\(b\)\(12\)](#))

Logistics Considerations. ([see FAR 7.105\(b\)\(13\)](#))

Assumptions

Contractor or Agency Support. (see FAR 7.105(b)(13)(i))

Contractor or Agency Maintenance. (see FAR 7.105(b)(13)(i))

Distribution of Commercial Products. (see FAR 7.105(b)(13)(i))

Reliability and Maintainability (R&M). (see FAR 7.105(b)(13)(ii))

Reliability. (see FAR 7.105(b)(13)(ii))

Maintainability. (see FAR 7.105(b)(13)(ii))

Quality Assurance. (see FAR 7.105(b)(13)(ii))

Warranties. (see FAR 7.105(b)(13)(ii))

Data Requirements. (see FAR 7.105(b)(13)(iii))

Standardization Concepts. (see FAR 7.105(b)(13)(iv))

Government-Furnished Property. ([see FAR 7.105\(b\)\(14\)](#))

Government-Furnished Information. ([see FAR 7.105\(b\)\(15\)](#))

Environmental and Energy Conservation Objectives. ([see FAR 7.105\(b\)\(16\)](#))

Security Considerations. ([see FAR 7.105\(b\)\(17\)](#))

Contract Administration. ([see FAR 7.105\(b\)\(18\)](#))

Other Considerations. OSHA, foreign sales implications - [FAR 7.105\(b\)\(19\)](#))

Milestones for the Acquisition Cycle. ([see FAR 7.105\(b\)\(20\)](#))

Include the following events, when applicable:

EVENT	DATE
Acquisition plan approval.	
Statement of work.	
Specifications.	
Data requirements.	

14.
IL 001AL-09-05
October 9, 2009

Completion of acquisition-package preparation.
Purchase request.
Justification and approval for other than full and open competition where applicable and/or any required D & F approval.
Issuance of synopsis.
Issuance of solicitation.
Evaluation of proposals, audits, and field reports.
Beginning and completion of negotiations.
Contract preparation, review, and clearance.
Contract award.

Identification of Participants in Acquisition Plan Preparation. ([see FAR 7.105\(b\)\(21\)](#))

Should include at a minimum:

POC for Requiring Activity
Contracting Officer
Contract Specialist