



**THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON**

January 25, 2022

The Honorable Robin Carnahan
Administrator
U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405

Dear Ms. Carnahan:

Thank you for your September 28, 2021, letter to the Department of Veterans Affairs (VA) in response to the Government Accountability Office (GAO) Report, **VA ACQUISITION MANAGEMENT, "Steps Needed to Ensure Healthcare Federal Supply Schedules Remain Useful,"** (GAO-20-132), dated January 9, 2020. In collaboration with VA's National Acquisition Center, the General Services Administration (GSA) drafted a new Delegation of Authority/Assignment of Function for VA to continue its management and operation of health care-related Federal Supply Schedules.

As requested, enclosed is the signed Delegation of Authority/Assignment of Function agreement, which is included in the Corrective Action Plan for GSA and VA to resolve the GAO-20-132 report's recommendations.

Thank you for your continued partnership with VA, and we look forward to working together for the benefit of all Veterans.

Sincerely,

A handwritten signature in black ink, appearing to read "Denis McDorrough".

Denis McDorrough

Enclosure



The Administrator

DELEGATION OF AUTHORITY/ASSIGNMENT OF FUNCTION

TO: U.S. Department of Veterans Affairs (VA)
FROM: U.S. General Services Administration (GSA)
RE: Agreement regarding GSA's Delegation of Authority and Assignment of Function to VA for the operation and management of healthcare-related Federal Supply Schedules (FSS)

I. Purpose

This Agreement formally documents and clarifies the delegation of authority and assignment of function from the Administrator of General Services to the Secretary of Veterans Affairs for the operation and management of healthcare-related FSS and delineates the scope of VA's FSS program. This Agreement supersedes and replaces any and all previous delegation/s of authority and/or assignment/s of function/s that may have been previously issued to VA by GSA for VA FSS.

II. Authority

This delegation of authority and assignment of function are made pursuant to the authority of the Administrator of General Services pursuant to 40 U.S.C. § 121.

III. Delegation of Authority

A. In accordance with 40 U.S.C. § 121(d), the operation and management of health care-related FSS pursuant to 40 U.S.C. § 501, are delegated to VA as follows:

- Federal Supply Group (FSG) 65 - Medical, Dental, and Veterinary Equipment and Supplies:
 - Federal Supply Class Code (FSC) 6515 - Medical and Surgical Instruments, Equipment, and Supplies
 - Medical/Rescue and Patient Transportation Products
 - FSC 6530 – Hospital Furniture, Equipment, Utensils, and Supplies
- FSG 66 - Instruments and Laboratory Equipment:
 - FSC 6640 - Laboratory Equipment and Supplies
 - FSC 6630 - Chemical Analysis Instruments
 - FSC 6650 - Optical Instruments, Test Equipment, Components and

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Accessories

- FSC 6670 - Scales and Balances
- FSC 6685 - Pressure, Temperature, and Humidity Measuring and Controlling Instruments

B. GSA has made the determination that the items under the FSCs in III.A., which have practical application beyond the direct patient healthcare context, may be offered by both GSA and VA, in order to meet the diverse needs of eligible ordering activities.

IV. Assignment of Function

In accordance with 40 U.S.C. § 121(e), and subject to VA's consent, the operation and management of healthcare-related FSS pursuant to 40 U.S.C. § 501, are assigned to VA as follows:

- FSG 65 - Medical, Dental, and Veterinary Equipment and Supplies (except for those FSCs referenced in Section III.A. above)
- FSG 66 - Instruments and Laboratory Equipment (except for those FSCs referenced in Section III.A. above)
- Federal Supply Class Code (FSC) J065 - Maintenance, Repair, and Rebuilding of Equipment – Medical, Dental and Veterinary Supply
- FSC Q301 - Medical – Laboratory Testing
- FSC Q999 - Medical – Other (including 621-I Temp Healthcare Staffing Services)

V. Authority Not Delegated

Pursuant to and as required by 40 U.S.C. § 121(d)(2)(A), GSA retains its authority to prescribe regulations and establish policies and procedures governing and generally applicable to the FSS program. VA shall be afforded the opportunity to review and comment on all new and/or revised policies and procedures related to the operation and management of health care-related FSS prior to them going into effect. Also, once a new or revised GSA policy and/or procedure related to the operation and management of health care-related FSS is approved for official release, VA shall be made aware prior to it going into effect.

VI. Scope

VA is responsible for maintaining internal oversight of the VA FSS program to ensure compliance with applicable procurement laws and regulations, and VA FSS program policies and procedures. VA is also responsible for implementation of and compliance with laws, regulations, policies and procedures specifically applicable to VA FSS. VA may independently make future improvements to VA managed FSS, as long as they do not conflict with laws, regulations, policies and procedures generally governing FSS programs. The scope of this Agreement may be revised or amended by mutual agreement of the parties to address the future needs and priorities of both GSA's and VA's FSS programs.

VII. Termination

Both GSA and VA reserve the right to terminate this Agreement in whole or in part, upon 365 calendar days' notice, by notifying the other party in writing (via email or memorandum). In the event of termination, the parties agree to assist to ensure a reasonably seamless transition in order to provide uninterrupted use of the FSS covered by this Agreement and any successors to it.

VIII. Counterparts

This Agreement may be signed in counterparts, and when a copy is signed by an authorized representative of each Party, the Agreement shall be effective as if a single document were signed by both Parties. Electronic, facsimile, or photocopied signatures shall be considered as valid signatures as of the date affixed, although the original signatures shall thereafter be appended.

IX. Effective Date

This Agreement is effective on the date signed by the Administrator of General Services and shall remain in effect unless revised or amended by the Parties in accordance with the terms above, or as otherwise required by law.



Robin Carnahan, Administrator, GSA

2/8/2022

Date



Denis McDonough, Secretary of Veterans Affairs

1/25/22

Date