



**NATIONAL INSTITUTE OF
ENVIRONMENTAL HEALTH
SCIENCES (NIEHS)**

**CONTRACTING
AND
SIMPLIFIED ACQUISITION
OPPORTUNITIES**



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INTRODUCTION

One of the primary objectives and policies of the Department of Health and Human Services (DHHS), the National Institutes of Health (NIH), and the National Institute of Environmental Health Sciences (NIEHS) is to stimulate competition in the acquisition arena to the fullest extent consistent with quality, efficiency, and economy. The NIEHS' policy also provides that small business, small disadvantaged business, woman-owned small business, HUBZone small business, veteran-owned small business, and service-disabled veteran-owned small business concerns receive a fair and equitable share of prime and subcontract dollars awarded by the agency and its major prime contractors. Through its partnerships with industry, the NIEHS strives for scientific progress in health research and preventive health care.

This publication has been prepared to acquaint individuals and businesses with the mission of the NIEHS and its acquisition and small business programs. Further, it is intended to assist individuals and businesses in understanding the NIEHS as a potential client and navigating the acquisition arena to discover business opportunities.

WHAT IS " NIEHS? "

Introduction

The acronym " NIEHS " stands for the National Institute of Environmental Health Sciences. The NIEHS is a Federal agency operating within the missions of the National Institutes of Health (NIH), Department of Health and Human Services (DHHS). NIEHS conducts and supports basic research to learn the effects of environmental agents on human health.

NIEHS conducts its in-house programs in the Research Triangle Park, North Carolina, primarily in a research complex consisting of ultra-modern scientific laboratories, administrative facilities, and maintenance shops on a 509-acre landscaped and wooded site. The NIEHS also occupies administrative areas in leased facilities on separate sites in the Research Triangle Park area.

Mission of NIEHS

Human health and human disease result from three interactive elements: environmental factors, individual susceptibility, and age. The NIEHS mission is to reduce the burden of human illness and dysfunction from environmental causes by understanding each of these elements and how they interrelate. The NIEHS achieves its mission through multi-disciplinary biomedical research programs, prevention and intervention efforts, and communication strategies that encompasses training, education, technology transfer, and community outreach.

Acquisition Program

The NIEHS accomplishes its mission by supporting and conducting both basic and applied biomedical research extramurally and in its own laboratories. In addition, the Institute supports or acquires scientific investigations and developmental efforts performed by other organizations through acquisition (research and development contracts) and assistance (grants and cooperative agreements) relationships.

In support of its research mission, the NIEHS conducts acquisitions for the services, hardware, and necessary items associated with research, administration, maintenance, construction, facilities operations, and support services at the NIEHS complex. Such needs are filled through contracts and simplified acquisitions with appropriate vendors.

The NIEHS acquisition program, and its personnel, is generally divided along programmatic lines. Research and development (R&D) contracts are conducted by the Research Contracts Branch in the Division of Extramural Research and Training. Station support contracts are conducted by contracting personnel in the Acquisitions Management Branch in the Office of Management. Simplified acquisitions are conducted by purchasing agents in the Acquisitions Management Branch, and also by program personnel throughout the Institute via the Government Purchase Card Program.

This handbook will describe the various acquisition programs at NIEHS, and provide helpful information to assist contractors that seek to provide products and/or services to NIEHS.

SIMPLIFIED ACQUISITIONS

The Federal Acquisition Streamlining Act (FASA) of 1994 and the Federal Acquisition Reform Act (FARA) of 1996 have dramatically changed the way the Federal Government obtains its supplies and services. FASA/FARA resulted in several changes to the simplified acquisition area, which used to be known as small purchasing. Simplified acquisitions are the procurement of relatively low dollar requirements that have their own set of award procedures. While the small purchasing threshold was formerly \$25,000, the simplified acquisition threshold is now \$100,000, with commercial items going up to \$5,000,000.

Simplified acquisitions are broken into several categories:

- Micro-purchases are the simplest type of simplified acquisition. Regulations provide a streamlined, less restrictive procedure for acquiring goods or services not exceeding \$2,500 (except for construction for which the threshold is \$2,000). Micro-purchases, unlike other simplified acquisitions, are not set-aside for small business, are exempt from the Buy American Act, do not have to be competed, and do not require a written determination of price reasonableness except in rare instances. Purchasing agents are, however, required to rotate sources to ensure that all interested vendors have an opportunity to obtain a

Government order. The new legislation encourages oral ordering of micro-purchases, and thus, many of these requirements are fulfilled through purchase cards and blanket purchase agreements (BPAs) by acquisition and non-acquisition personnel.

NIEHS encourages non-acquisition personnel to request purchase card authority up to the micro-purchase threshold (\$2,500). It is the intent of the program that micro-purchases be made by non-acquisition personnel in the office that generated the requirement, rather than a purchasing office, to the maximum extent practicable. The program also encourages purchasing offices to acquire goods or services up to the micro-purchase threshold using this or another oral ordering mechanisms.

- Purchases above \$2,500 and up to \$100,000 are known as simplified acquisitions. They can be obtained using more streamlined procedures than are used for contract awards. These acquisitions are reserved for small businesses and purchasing agents are required to solicit a "reasonable" number of sources to promote competition. While price may be the only consideration for award, other factors may be included if appropriate. The nonmanufacturer rule applies to all acquisitions greater than \$25,000. This means a vendor under a small business set-aside shall be a small business and shall provide either its own product or that of another domestic small business manufacturer (FAR 19.001)

Purchase orders (PO) and delivery orders (DO) are issued in accordance with the FAR, HHSAR, and other NIH policies and procedures. Requirements that exceed \$10,000 and are up to \$25,000, are either obtained by oral quotations or posted on boards at the office locations for 10 days. Requirements exceeding \$25,000 are synopsisized for 15 days in the FedBizOpps prior to issuance of a solicitation or obtaining oral quotations. The NIEHS issues purchase and delivery orders in accordance with standard Government practices. The NIEHS also places orders against GSA and other Government contracts.

- Commercial items up to \$5,000,000 are a new category of simplified acquisition. FASA has defined commercial items as those sold in substantial quantities to the public, and includes items that are not currently on the market but will be in the near future. This category also includes modifications to these items; installation and maintenance services for these items; and leases or licenses associated with these items. FASA has established a preference for commercial items. The government now is required to do market research to determine what is already available in lieu of continuing to expend significant R&D funds to develop comparable items. Commercial items costing up to \$5,000,000 can be obtained using simplified and more streamlined procedures than are used to obtain more complex items.

Simplified acquisitions are awarded more quickly than higher dollar procurements. For example, requirements only need to be advertised in the FedBizOpps for 15 days in lieu of the 30-45 days required for contractual requirements. What might have taken six months to award using more complex contract procedures can now be processed in one to two months.

PUBLIC POSTINGS OF AVAILABLE SOLICITATIONS

NIEHS simplified acquisition Requests for Quotations (RFQs) greater than \$10,000 are posted publicly in the Acquisitions Management Branch at the following address:

**Acquisitions Management Branch
Nottingham Hall
4505 Emperor Blvd, Suite 245
Durham, NC 27703**

A helpful summary of NIEHS' simplified acquisition program is included at the end of this handbook.

CONTRACTS

A contract is a legal instrument that is used to reflect a relationship between the Federal Government and the recipient whenever the principal purpose of the transaction is to acquire goods or services for the direct benefit or use of the Government. There are two basic methods of contracting utilized throughout the Government; sealed bidding and negotiation. The NIEHS requirements for R&D employ the negotiated method of contracting, while Station Support contracts utilize both contracting by negotiation and sealed bidding.

Negotiation is a procedure that includes the receipt of proposals from offerors, permits discussion, and usually affords offerors an opportunity to revise their offers before award of a contract. This method provides the contracting parties maximum flexibility to refine the contract work statement, and to establish and agree on anticipated costs of performance.

Sealed bidding procedures are used whenever the supplies or services required can be described in precise terms. An award is made to the responsible bidder whose bid, conforming to the IFB, will be most advantageous to the Government, considering only price and price-related factors included in the IFB.

Publicizing Contract Requirements

FedBizOpps.gov is the single Government point-of-entry (GPE) for Federal Government procurement opportunities over \$25,000. This is where prospective sources learn of planned NIEHS contract projects. Generally, all NIEHS solicitations are announced in FedBizOpps.gov. It is the NIEHS policy to seek competition in its contract programs to the greatest extent possible. Noncompetitive contracts are awarded on an exception basis only. Announcing competitive solicitations in FedBizOpps.gov provides a wide distribution of the NIEHS requirements to interested parties and potential contractors who may submit proposals in response to announcements of the Request for Proposal (RFP) availability.

In addition to announcing proposed contract projects in FedBizOpps.gov, the NIEHS also uses the NIH Guide for Grants and Contracts (Guide) for its R&D requirements. It contains policy guidance and administrative information concerning the NIH programs as well as the RFP announcements.

As another method of announcing and making RFPs available to the public, the NIEHS has established a Home Page on the **World Wide Web (WWW)**. This may be accessed at <http://www.niehs.nih.gov/omcpmb/internal/home.htm>. This page provides information on the overall NIEHS acquisition program, provides a listing of current contracts and small business forecasts for the current fiscal year, identifies most of the current solicitations, and provides links to the NIH homepage. The NIH homepage is available at <http://www.nih.gov/>. The previously mentioned NIH Guide, as well as the RFPs issued by a number of NIH ICDs, may be accessed at the NIH homepage address. All of the RFPs announced electronically may be downloaded directly to your personal computer.

Regulations Governing Contracting

All NIEHS contracts are governed by the Federal Acquisition Regulation (FAR) and the Health and Human Services Acquisition Regulation (HHSAR). The FAR contains regulations and prescribed contracting policies and procedures that must be followed by all agencies of the Government in the solicitation, selection, negotiation, award, and administration of their contracts. The HHSAR was developed to implement and supplement the FAR, providing DHHS-wide policies, procedures, and guidance that govern the acquisition process. Copies of these regulations may be purchased from the Superintendent of Documents, Government Printing Office, Washington, DC 20402-9371. The FAR is available at website <http://www.arnet.gov>.

ELECTRONIC PAYMENTS

As the Federal Government moves into the Information Age, many changes affecting how we conduct business can be expected. Starting January 1, 1998, in accordance with Federal law, the NIH will begin making payments to vendors from the U.S. Treasury via Electronic Funds Transfer (EFT). EFT includes Automated Clearing House (ACH), Fedwire, I.M.P.A.C. purchase cards, and American Express ATM (automated teller machine) transactions. ACH is currently the system used to transfer payments to vendors and report on payments to vendors, possibly for a fee. All active vendors with orders placed before July 26, 1996, had to be converted to ACH no later than January 1, 1999; all new vendors are required to utilize ACH beginning January 1, 1998. Vendors must register with each Federal Agency with whom they do business. Vendors register by completing a SF-3881, ACH Vendor/Miscellaneous Payment Enrollment Form.

Prior to issuing a purchase order or signing a contract the responsible Federal Official will provide the SF-3881 to all new vendors. Any questions and/or additional information can be directed to The NIH Financial Systems Branch, Office of Financial Management, 301/435-3505, the URL site is <http://www4.od.nih.gov/ofm/>. The Department of the Treasury has made the Guide to Federal Financial EDI Payments available on a Fax-on-Demand line at: **202/874-8616 and via their URL site, <http://www.fms.treas.gov/vendor.html>.**

Beginning October 1, 2003, the Central Contractor Registration (CCR) database will be the primary vendor/contractor database for all Federal Agencies. To register, go to the CCR website at <http://www.ccr.dlis.dla.mil>. This is a one-time registration that provides basic information relevant to your Company's procurement and financial transactions. In addition, the information in the CCR database must be updated or renewed annually for the Company to maintain an active status.

WHAT DO WE BUY?

BIOMEDICAL RESEARCH

Includes environmental research, research support, and clinical trials.



INFORMATION TECHNOLOGY SERVICES

Includes database management, data entry services, training, software development, maintenance, and systems analysis.



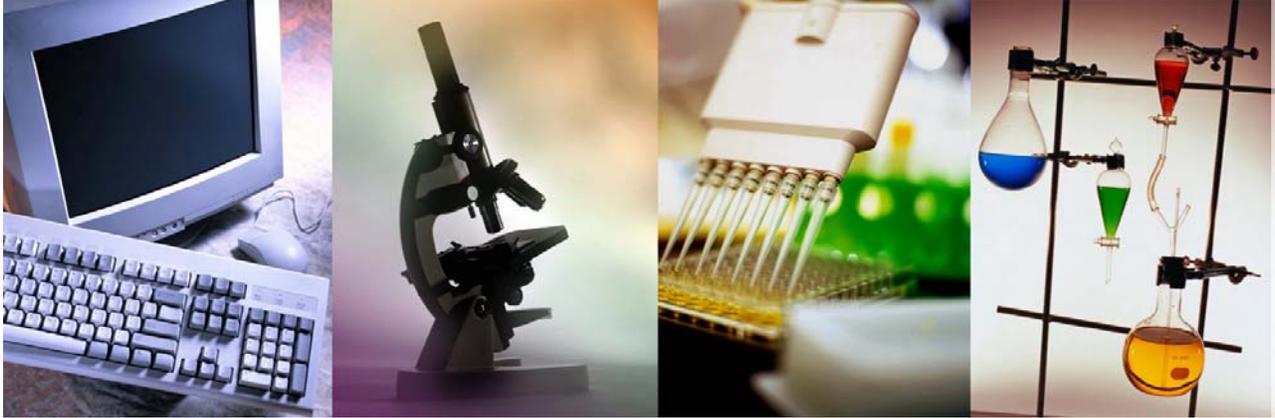
STATION SUPPORT SERVICES

Includes non-R&D services to support the intramural research program and also includes support services to maintain the physical plant and equipment.



PRODUCTS

Includes the purchase of equipment, supplies, textile goods, office furniture, chemicals, paper products, machinery, office machines, computer equipment, laboratory equipment, and communication equipment.



NIEHS SMALL BUSINESS PROGRAM

The primary objective of the NIEHS Small Business Program is to promote the federal procurement preference programs within the NIEHS by providing quality service to all customers effectively and consistently in a timely manner. The Small Business Act of 1958, as amended, and the Small Business Investment Act of 1958 reflects the declared policy of the Congress that small business concerns should receive a fair proportion of the Federal Government's contracts and purchases. It is the policy of the Federal Government to provide maximum practicable opportunities in its prime contracts and subcontracts to small, disadvantaged, woman-owned, HUBZone, veteran-owned, and service-disabled veteran-owned small business concerns.

NIEHS follows the guidelines established by DHHS regarding its procurement policy. The procurement policy of DHHS is to stimulate competition among potential contractors and to make awards on a competitive basis to the fullest degree consistent with quality, efficiency, and economy. It is also the Department's policy that small, disadvantaged, woman-owned, HUBZone, veteran-owned, and service-disabled veteran-owned small business concerns receive a fair and equitable share of contracts awarded.

The DHHS and all of its Operating Divisions implement this Federal socioeconomic policy through an established Small and Disadvantaged Business Utilization Program. Each DHHS Operating Division, including the NIH, has a small business operational program at the activity intended to aid, counsel and assist small business. NIEHS utilizes a Small Business Specialist responsible for day-to-day activities at the Institute. The Small Business Specialist is responsible for taking necessary action to ensure small business consideration when reviewing requests for contracts and Government prime contractors' subcontracting plans, which establish goals to do business with small, disadvantaged, woman-owned, HUBZone, veteran-owned, and service-disabled veteran-owned small business concerns. Additionally, the Small Business Specialist counsels small businesses and engages in various outreach activities at the Federal, state and local community level.

The Federal Acquisition Regulations (FAR) Part 19, Small Business Programs, implements the acquisition-related sections of the Small Business Act. FAR Part 19 addresses issues of eligibility for program participation, respective roles of executive agencies and the SBA in implementing the programs, set-asides, the subcontracting assistance programs, the 8(a) program, and use of woman-owned business.

Small Business Procurement Programs

Section 8(a) Program

Section 8(a) of the Small Business Act established a program that authorizes the Small Business Administration to enter into all types of contracts with other Federal agencies and award subcontracts for performing those contracts to small and disadvantaged businesses which are eligible for program participation. Acquisitions (contracts and purchases) are offered to the 8(a) Program as a result of recommendations by agency contracting officers, program officials, small business specialists, or as a result of requests from the Small Business Administration on behalf of firms in their portfolio.

Small Business Set-Asides

The small business set-aside is a mechanism by which acquisitions are reserved for the exclusive participation of small business concerns. Small business set-asides are initiated by program officials and contracting officers or recommended by Small Business Specialists when there is a reasonable expectation of receiving at least two offers from responsible small business concerns, which are capable of providing the products of small business concerns, and setting aside the contract will result in the Government making award at fair market price.

Small Business Subcontracting Program

Public Law 95-507 requires that every contractor awarded contracts exceeding the simplified acquisition threshold agree to subcontract with small, disadvantaged, woman-owned, HUBZone, veteran-owned, and service-disabled veteran-owned businesses to the maximum extent practicable. Each contract with " other than a small business " and which exceeds \$500,000, or \$1,000,000 for construction, must have an approved subcontracting plan for the particular contract prior to award. The goals established for small, disadvantaged, woman-owned, HUBZone, veteran-owned, and service-disabled veteran-owned businesses under a subcontracting plan must reflect a " good faith " effort to provide maximum practicable subcontract opportunities.

Small Business Innovation Research Program

The Small Business Innovation Development Act of 1982 was enacted to give small high technology firms a greater share of Federal research and development awards. The Act requires all Federal agencies with extramural budgets for research and development in excess of \$100 million to establish Small Business Innovation Research (SBIR) Programs. This program has been designed to:

Stimulate technological innovations by small businesses;

Use an increasing number of small businesses to meet the Department's R&D needs;

Increase private sector commercialization of innovations derived from Departmental R&D awards to small businesses; and

Foster and encourage the participation of minority and disadvantaged-owned businesses in the Department's R&D programs.

The NIH has a home page which lists all the SBIR solicitations, including application forms. The NIH home page web site is:

<http://www.nih.gov/grants/funding/sbir.htm>

NIEHS Contract Set-Asides

NIEHS awards many contracts on a repetitive basis. Most of the R&D contracts are incrementally funded contracts that span a multi-year period of performance. Station support contracts are typically one-year contracts, with option periods for future years. When a contract expires, or an option will not be exercised, actions begin to re-acquire the product or service. In most cases, those contracts that were previously set aside for 8(a) contractors or small businesses will remain set-aside for that same level of competition.

Examples of those contracts currently awarded and managed by NIEHS that are typically repetitively set-aside are as follows:

8(a) Set Asides

Information Technology Services

Animal Husbandry

Central Files for NTP Studies

Clerical Support

Facilities Operations

Health Physics Services

Janitorial Services

Selected R&D Projects

Small Business Set Asides

Animal Bedding

Construction Projects

Glassware Cleaning

Grounds Maintenance

Guard Services

Mail, Copying, and Messenger Operations

NMR Services

Operations and Maintenance Systems

Photography and Graphics

PM/Repairs, AMSCO Sterilizers

PM/Repairs, Cafeteria equipment

PM/Repairs, elevators

PM/Repairs, HVAC System

PM/Repairs, Incubators, Water Baths, etc.

PM/Repairs, Laboratory Water Systems

PM/Repairs, Refrigeration Equipment

Recycling Operations

What can you do?

Understanding and identifying your customers and marketing your firm and your products or services are important factors when doing business in today's fast paced, competitive marketplace. But, those are not the only important factors. The key to successfully marketing your firm and your products is also reflected in your firm's prices, your ability to meet delivery and the quality of the goods or services you offer.

In marketing your firm to the NIEHS the following suggestions are provided:

- **Understand the NIEHS needs.** There are several ways that you can accomplish this. A web site is available that lists acquisition information, including a list of all current contracts, the small business forecast, and other data. Also, contact one of the individuals listed in this handbook for specific requirements.
- **Contact the Small Business Specialist.** The NIEHS Small Business Specialist can assist you in identifying the opportunities at NIEHS. Additionally, the Small Business Specialist can put you in contact with program officials or acquisition officials that may know about specific plans to acquire your product or service.
- **Send us a description of your product or service.** Send a capability statement or a

product description to the Small Business Specialist, or in the case of small purchases, to the Supervisory Purchasing Agent. Those individuals will review your information and forward it to appropriate Institute personnel.

- **Learn about prior acquisitions.** The Freedom of Information Act provides vendors with the opportunity to receive detailed contract information for current or prior contracts (as well as other Government documents), at a reasonable fee. Contact the Freedom of Information Coordinator to obtain copies of specific documents.

HOW WE PURCHASE...

NIEHS must first attempt to purchase all supplies and services from available mandatory Federal supply sources, such as NIH stock, General Services Administration (GSA) Federal Supply Schedules (FSS), Federal Prison Industries, Industries for the Blind, Handicapped Workshops, VA contracts, etc.

The GSA Federal Supply Schedule is the General Services Administration's listing of goods and/or services that are available under existing contract mechanisms at a predetermined price for a predetermined period of time. For information relative to qualifying for a GSA Federal Supply Schedule contract award, visit GSA's website at <http://gsa.gov>, scroll down then click on *GSA Schedules—Getting on them*.

A vendor does not have to be on a GSA Federal Supply Schedule to receive an award from NIEHS, but Schedule vendors are given preference.

If supplies are not available from one of the mandatory sources, NIEHS may purchase from the open market.

Women-owned businesses, minority businesses, and local N.C. businesses are sought for NIEHS acquisitions.

Open market purchases costing \$2,500 or less are classified as micro purchases, and can be purchased without competition, from any businesses, large or small.

Simplified acquisitions between \$2,500 and \$100,000 are set aside for small businesses and are competitively awarded.

If sufficient small business sources are not available to assure competition for required items or services, the requirement may be opened to large businesses to compete.

Personnel from NIEHS are available to assist you personally with the Federal acquisition process or specific NIEHS acquisitions as needed. Inquiries may be directed to the contact listed on the Request for Quotation or the Solicitation document.

NIEHS Station Support Contracts and Simplified Acquisition:

Acquisitions Management Branch

Chief Contracting Officer
Antoinette Bridges
(919) 541-5415
bridges1@niehs.nih.gov

Supervisory Purchasing Agent
Vacant
(919) 541-XXXX

NIEHS Small Business Specialist
Vacant
(919) 541-0377

NIEHS Research and Development (R&D) Contracts:

Research Contracts Branch

Chief Contracting Officer
Allan C. Benton
(919) 541-4670
benton@niehs.nih.gov

Small Business Innovative Research
(SBIR) Program Contracting Officer
Phillip Jones
(919) 541-0426
jonesp@niehs.nih.gov

Correspondence for acquisition personnel should be submitted to the following addresses:

National Institute of Environmental Health Sciences
Acquisitions Management Branch, OM
P.O. Box 12874
Research Triangle Park, NC 27709

FAX: (919) 541-5117

National Institute of Environmental Health Sciences
Research Contracts Branch, DERT
P.O. Box 12874
Research Triangle Park, NC 27709

FAX: (919) 541-2712

Website for NIEHS acquisitions:

<http://www.niehs.nih.gov/omcpmb/internal/home.htm>

NIEHS Freedom of Information Office

NIEHS Freedom Of Information Coordinator
Joyce Bumann
P.O. Box 12233
Research Triangle Park, NC 27709
Phone: (919) 541-3411
FAX: (919) 541-4385

NIH Small Business Office

Chief, Diana Mukitarian
6100 Executive Boulevard - Room 6D05
Bethesda, Maryland 20892-7540
Phone: (301) 496-9639

U.S. Small Business Administration

Larry Mallory
(919) 541-7895
Procurement Center Representative (PCR)