

FY 2008 Annual Work Plan Summary of Procurement Work Scope

The Procurement work scope includes the full realm of purchasing activities needed to support the Laboratory's operational requirements as well as subcontracting support to all Lab projects such as the 12 GeV and the FEL. The Department's DOE approved Purchasing System includes the Maximo requisition system that enables Lab staff to electronically requisition goods and services with necessary POA approvals; it also includes a cadre of trained procurement professionals with procurement authority to execute purchase orders and subcontracts on behalf of the Laboratory within delegated limits; a Pcard (credit card) system that enables authorized Lab staff (approximately 115 Pcard holders and 60 Approving Officials) to make purchases based on delegated limits of authority, a Web Stock (E-commerce) system that enables Lab staff to make just-in-time low dollar purchases less than \$3,000 per actions. The Department typically processes over 4,200 actions annually through its procurement systems with an approximate average spend of \$32M over the last few years. Additionally, the Laboratory supports the Chief Technology Officer and others by processing Cooperative Research and Development Agreements (CRADA's), Work-for-Others, and Memorandum Purchase Orders.

Procurement actions placed by the Department's buying staff over the past five years have ranged from \$27M-\$41M annually with over 4,000 actions placed each year. Each buyer/subcontracting officer is responsible for "*cradle-to-grave*" processing of all assigned actions. This responsibility includes proper sourcing of the Lab's requirements and timely placement of the PO/subcontract to the selected vendor to meet customer needs. Additionally, each action must be administered to ensure products and services are delivered in accordance with contractual requirements; and therefore, vendor deficiencies must be addressed. Specified subcontracts (normally those exceeding \$100K) must be formally closed out by the buyer/subcontracting officer. This requires close coordination with the SOTR, Property Manager and CFO's office (particularly Accounts Payable).

Administration of the JLab P-card program is also very labor intensive. The Lab processes over 12,000 Pcard actions annually with annual total purchase s dollars in excess of \$6M. To ensure proper control of these funds, the Department conducts a 100% review of all Pcard actions, and coordinates with the financial institution for proper disposition of disputed amounts.

Management of the Lab's eCommerce system involves maintaining close working relationships with the 43 vendors involved with the Lab's eCommerce system. Vendor catalogs need to be continually updated and loaded into the Lab's customized eCommerce (Web stock) system. Additionally, the Procurement staff are proactively engaged with problem resolution that includes pricing, payments, delinquent deliveries and incorrect shipments.

Another key area of the Department's responsibility is to develop and promote a viable Small Business Program that facilitates and supports awards to small business firms. Under provisions of our DOE Contract, the Lab is required to establish an annual Small Business Subcontracting Plan and advance awards to various classes of small business firms. Pursuant with the DOE Contract terms, a failure to make a good faith effort to comply with the Small Business Subcontracting Plan could be construed as a willful or intentional failure by JSA to perform the Contract.

Our annual goal for awards to small business concerns typically range from 50%-60% of the Lab's available procurement dollars and is based on annual negotiations with DOE. The Department is also responsible to outreach to and establish goals for women-owned small business concerns, service-disabled veteran-owned small businesses, HUBZone small business firms, and disadvantaged small

business firms. Also our work requirements also include formulation and administration of a small business Mentor-Protégé Program approved by DOE. Our Small Business Program charge requires us to annually negotiate small business goals with DOE based upon procurement estimated available dollars. Conducting periodic reviews of the progress of the Small Business Plan with Jefferson Science Associates program/division management and suggest adjustments as necessary to achieve the subcontract plan goals. Be an active member of the Board of Directors for the Virginia Minority Supplier Development Council and attend all of council functions. Assist buyers in identifying potential small business sources for planned procurements.

The Department's responsibility under the DOE contract also requires preparation, input, and submission of timely reporting of small business subcontracting performance through DOE's eSRS system. As part of the outreach program, the Small Business Program manager is responsible to attend small business opportunity workshops, minority business enterprise seminars, trade fairs, etc.

Another area of critical Procurement support is the Department's efforts to work closely with the ESH&Q Division and Subcontracting Officer's Technical Representatives (SOTR's) to ensure appropriate ESH&Q coverage in applicable subcontracts and oversight for JLab Subcontractors. This includes coordinating ES&H requirements with the JLab Safety Officer, Deputy ESH&Q Manager, and SOTR's, particularly to ensure hazards are appropriately identified and mitigated.

Finally, Procurement works closely with the 12 GeV Project cost managers and will play a key role to place construction and major systems subcontracts to accomplish critical Project milestones during the Project's construction phase and to ensure the Laboratory obtains top value and quality from its suppliers.