**Office of Construction and Facilities Management Office of Real Property**

**Academic Affiliate Lease - Process Overview**

The intent of this document is to provide an overview of the steps required for a lease procurement that has the potential for being awarded non-competitively to an academic affiliate. It is not inclusive of all policies and regulations that govern real property leasing that VA leasing professionals must adhere to.

1. Veterans Health Administration’s (VHA) VA Medical Center (VAMC) leadership identifies a space need that cannot be met by an existing facility. As a result, basic lease requirements are developed, and the preliminary procurement process is initiated.
2. VAMC leadership or their designee enters a lease request in VA’s Strategic Capital Investment Planning (SCIP) Automated Tool (SAT). This can be submitted through the normal SCIP cycle or as an Out-of-Cycle per current guidance. After SCIP approval, VAMC leadership submits a lease requirements package to their respective Lease Contracting Officer (LCO).
3. The assigned LCO conducts preliminary market research to determine the appropriate acquisition strategy (full and open competition versus sole source). In doing so, the following considerations and/or steps are undertaken:
4. Market research is performed to determine space availability, rental rates, and building services and/or concessions within the delineated area.
5. If VAMC leadership identifies an approved academic affiliate[[1]](#footnote-1) as a potential source for the lease, the LCO will confirm approved status and then contact the affiliate to determine if existing or planned space will be available to satisfy the VAMC’s needs, as well as to inquire about estimated lease rates.
6. If the approved academic affiliate can meet VA’s lease requirements within current market rates and space meets or will meet all current VA/GSA accessibility, seismic, fire protection/life safety, and physical security requirements,

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* 1. the LCO will coordinate with the VAMC leadership to provide the necessary documentation[[2]](#footnote-2) to support a sole source with the affiliate/non-competitive procurement strategy.
  2. the VAMC leadership will work through the Veterans Integrated Service Network (VISN) Capital Asset Manager (CAM) to obtain VHA’s Office of Capital Asset Management and Support (OCAMS) approval. This approval is required for any academic affiliate lease contract prior to obtaining General Services Administration’s (GSA) delegation.

1. If the approved academic affiliate does not have sufficient space meeting all VA/GSA accessibility, seismic, fire protection/life safety,

and physical security requirements, or cannot provide space at current market rates, the procurement strategy will be full and open competition.

1. The LCO will develop a formal acquisition plan based on the determined acquisition strategy. Acquisition plans for sole source lease acquisition must include a Justification for Other than Full and Open Competition or Lack of Competition – Memo to File explaining the lack of competition. The completed acquisition plan and supporting documentation will be submitted to GSA through GREX for the purpose of obtaining delegation of authority to perform the lease acquisition.
2. Upon GSA delegation, the LCO will provide a Request for Lease Proposal (RLP) package to the academic affiliate for review and submission of a proposal, including rent and tenant improvement costs.
3. Upon receipt of the academic affiliate’s proposal for the use of their space, the LCO verifies the proposal meets all space and standard lease contract requirements outlined in Section 3.b.i. and confirms cost reasonableness.
4. If the academic affiliate’s proposal:
   1. Does meet the above, the LCO prepares necessary documentation, obtains required approvals, and executes the lease contract.

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* 1. Does not meet the above, the LCO can negotiate to try to obtain the academic affiliate’s compliance with these requirements.

1. In such case, the LCO should consult with legal counsel prior to lease award when negotiating lease terms with an academic affiliate. For instance, if the affiliate is a state entity, then the affiliate may need to limit its liability based on state law.
   1. If the academic affiliate’s final negotiations cannot meet VA’s minimum requirements or operating lease scoring criteria, the LCO should pursue a lease through full and open competition in accordance with VA’s Rule of Two.
2. On a quarterly basis, CFM ORP[[3]](#footnote-3) leadership will provide reports to VA’s Office of the Secretary and VHA’s Under Secretary for Health on the number of awarded academic affiliate lease contracts. The report will include the demographic information, approved academic affiliate, functions within lease, and size.

1. The affiliate must be listed on Veterans Health Administration’s (VHA) Office of Academic Affiliate’s listing of approved academic affiliates at: [Department of Veterans Affairs Office of Academic Affiliations - GME/AH Disbursement Active Affiliation Agreements by Facility](https://vhaaimweb1.vha.med.va.gov:8443/ReportServer/Pages/ReportViewer.aspx?/OAA%20General%20Reports/GMEActiveAffiliationAgreements&rs:Command=Render). [↑](#footnote-ref-1)
2. A Justification for Other than Full and Open Competition for leases greater than the Simplified Lease Acquisition Threshold (SLAT) or a Lack of Competition – Memo to File for SLAT leases and below. [↑](#footnote-ref-2)
3. 38 USC 312A provides VA’s Director Construction and Facilities Management management of the short-term and long-term leasing of real property by the Department. CFM Executive Director further delegated the leasing authority to ORP’s Associate Executive Director. Thereby, no additional SecVA delegations or approvals are needed to execute the new authority included in 38 USC 8103(h.) [↑](#footnote-ref-3)