

FEDERALLY-COMPLIANT PURCHASING SYSTEM
CONSULTING SERVICES
FOR SMALL TO MID-SIZED CONTRACTORS

COHN  REZNICK

ACCOUNTING • TAX • ADVISORY

WHEN WILL A CONTRACTOR NEED A FEDERALLY-COMPLIANT PURCHASING SYSTEM?

SCENARIO 1: Prime contractor wins a Government contract that contains *DFARS Clause No. 252.244-7001, Contractor Purchasing System Administration (or equivalent from another agency)*. Prime contractor, even with no requirement to have an “approved” purchasing system (i.e., no pending audit), must maintain an “approvable” purchasing system as a requirement of their Government contract.

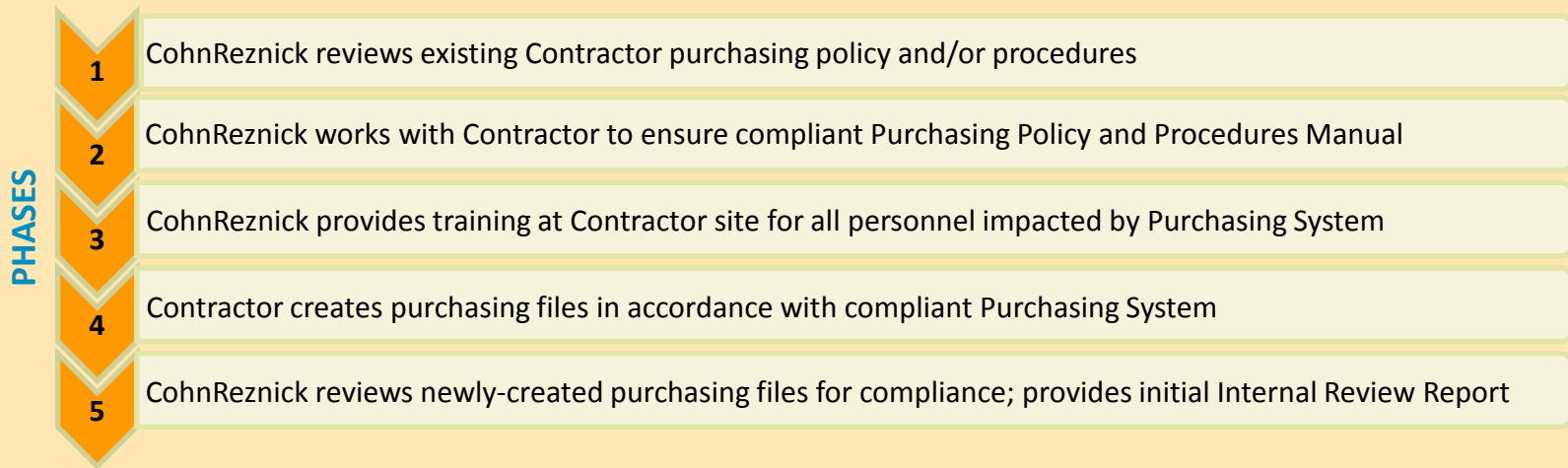
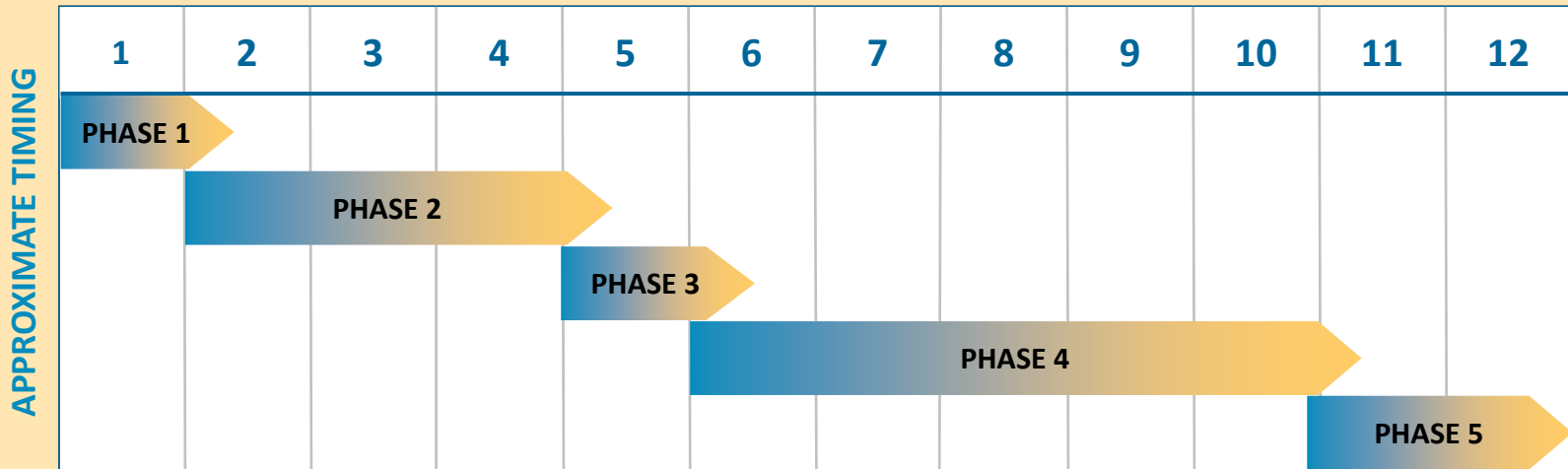
SCENARIO 2: Prime contractor sales to the Government are expected to exceed \$25M in the next 12 months (per FAR 44.302, CPSR Requirements) and prime contractor is notified by its Contracting Officer that the Government auditor (DCMA or other) will be reviewing their purchasing system for compliance with Federal regulations (*i.e., CPSR*).

**WHAT SHOULD THE FEDERAL CONTRACTOR DO NEXT?
IMPLEMENT A FEDERALLY-COMPLIANT PURCHASING SYSTEM!**

WHAT THE FEDERAL CONTRACTOR WILL NEED

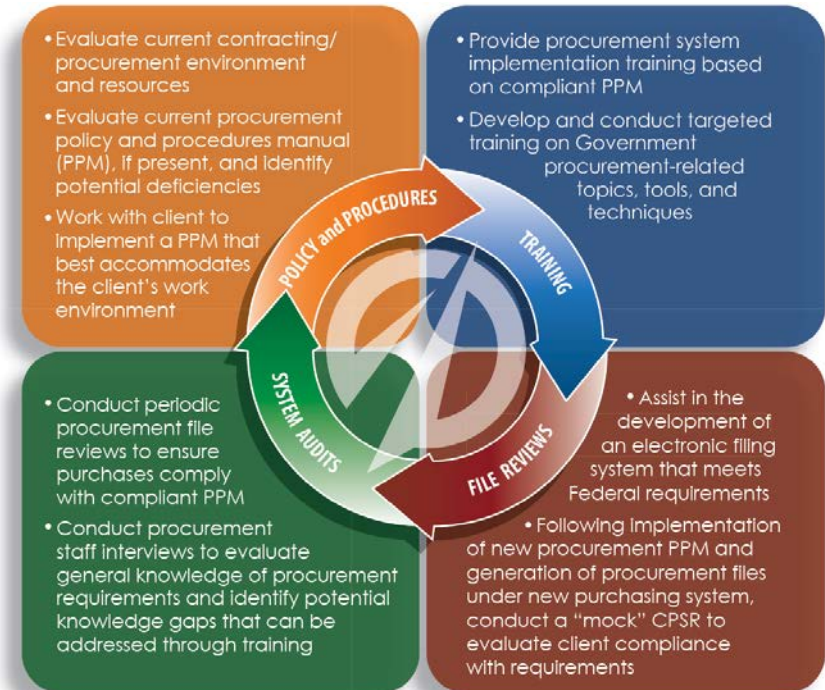
1. Upper management support! **CRITICAL!** The purchasing system belongs to the Company, **NOT** to Contracts/Procurement.
2. At least 2 personnel dedicated to the implementation of the system (although many more will be involved in the actual implementation). And at least 1 of the personnel must be upper management and be responsible for (**OWN**) the purchasing system.
3. Compliant purchasing policy and procedures, also HUGE! And must be tailored to the way the contractor actually does business (**CR has a template that has been used successfully in small business DCMA CPSRs!!!**).
4. Purchasing System **TRAINING**. This will involve **EVERYONE** that touches the purchasing system, including, but not limited to: Business Development, Program Management, Finance and Accounting, Accounts Payable, Legal, Contracts/Procurement, and Technical Support.
5. Purchasing Files (**electronic please**). This is **CRITICAL**. Your files must demonstrate that your company understands your compliant purchasing policy and procedures and follows them!
6. And last, but never least, your company needs to conduct **INTERNAL REVIEWS** of your purchasing system, both your purchasing files AND your entire system.

COHNREZNICK CAN HELP SMALL TO MID-SIZED CONTRACTORS IMPLEMENT A FEDERALLY-COMPLIANT PURCHASING SYSTEM IN LESS THAN 12 MONTHS



QUALIFICATIONS/SUCCESSSES

- Government purchasing subject matter experts with over 30 years of Federal contracting experience
- Successfully implemented over 10 purchasing systems in the past 15 years
- Currently working on 4 active purchasing system implementations
- DCMA review and approval of purchasing manual and procedures within the last 2 years
- Currently under contract with the Government to conduct DFARS business system audits
- Purchasing system implementation to ACO approval in less than 12 months!



QUESTIONS AND ANSWERS

TO SPEAK WITH A COHNREZNICK CPSR SUBJECT MATTER EXPERT:

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