

GUIDANCE FOR CONTRACTS OFFICES WHO ARE DESIGNATED BY THEIR OPERATING ADMINISTRATION TO PROCESS INTRA-AGENCY AGREEMENTS WITH THE JOHN A. VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER

BACKGROUND: The John A. Volpe National Transportation Systems Center (Volpe Center), located in Cambridge, Massachusetts, is part of the Department of Transportation's (DOT) Research and Innovative Technology Administration (RITA). The Volpe Center was established in 1970 to serve as an in-house resource for DOT Operating Administrations (OAs) for research, development and analysis. The Volpe Center's activities are financed through a working capital fund governed by 49 U.S.C. 328, which exempts it from the Economy Act.

NEW RULES: With new DOT procedures effective as of October 1, 2007 for entering into and funding all DOT intra-agency agreements (DOT/Section 9), a revised DOT Order 2300.8, *Financing Activities at the Department of Transportation/Research and Innovative Technology Administration's Volpe National Transportation Systems Center* was issued on September 27, 2007. This revised order provides procedures, consistent with the DOT policy and the Volpe Center's Working Capital Fund statute, for processing agreements between the DOT OAs, including OST Offices, and the Volpe Center. Furthermore, a deviation was issued to the Transportation Acquisition Manual (TAM) 1217.5 to reflect the new DOT policy as well as direct OAs to use DOT Order 2300.8 when processing an agreement with the Volpe Center since the Economy Act does not apply.

OPTIONAL APPROACH: While there is no requirement in either the new DOT procedures or the TAM deviation for contracting officer involvement in the processing of intra-agency agreements (IAAs) when the Economy Act does not apply, nothing prohibits it. Accordingly, some OAs may choose to delegate a representative from their Contracts Office to become involved in the review of Volpe Center IAAs in order to provide strategic business advice concerning the transaction and how it helps accomplish agency missions.

CONTRACTS OFFICE GUIDANCE: The most important thing to remember about the Volpe Center is that it has separate statutory authority that specifically authorizes agreements between the Volpe Center and other DOT OAs. **The Economy Act does not apply.** Furthermore, the deviation to TAM Subchapter 1217.5-70 directs OAs to use DOT Order 2300.8 when entering an agreement with the Volpe Center. This means there is no requirement for preparing determinations and findings, reimbursement of end of year funds are not required, and Contracting Officer approval does not apply.

Also, when conducting its business, the Volpe Center, a U.S. DOT Federal entity, complies with legal, acquisition, and policy guidance (e.g., the Federal Acquisition Regulation (FAR)) generally applicable to DOT organizations. Furthermore, the formal Volpe Center work acceptance process ensures that any work to be accomplished via an IAA conforms to the Volpe Center's Working Capital Fund statute. The IAA should not include language that implies a pass-through, or unilateral direction of Volpe Center staff and contractors by the OA customer. Volpe Center contracts are not multi-agency contracts (MAC). This means that Volpe Center contracts are not for use by other Government agencies or DOT OAs. An IAA with the Volpe Center is essentially a financing activity, not a contract action.

The two primary documents or procedures to be followed when entering into and funding agreements for support to be provided by the Volpe Center include:

1. [DOT Order 2300.8](#), issued September 27, 2007. This procedural document was first issued in 1981 and updated in September of 2007 to reflect the new procedures applicable to OAs when processing an intra-agency agreement with the Volpe Center.
2. [DOT Acquisition Policy letter APL-2007-02](#), August 17, 2007 established a specific Volpe Center Intra-Agency Agreements Unique Procurement Instrument Identifier (PIID). This PIID designation recognized the separate statutory authority that specifically authorizes agreements between the Volpe Center and other DOT OAs.

In addition, the Volpe Center has developed and deployed a web-based, easy-to-use, collaborative, and secure automated IAA management tool to support Volpe Center customers in implementing DOT's new financial management policy.

WHAT TO LOOK FOR: The Contracting Officer/Contract Specialist's role when looking at Volpe Center IAAs should be to ensure that the business decision to acquire support from the Volpe Center is sound; that the procedures of DOT Order 2300.8 have been followed; and that the Statement of Work (SOW) and terms and conditions required per DOT Order 2300.8 are included in the agreement. Attached is a Checklist for suggested use to facilitate the processing of an IAA with the Volpe Center.

Review Checklist for Contracting Support of the Intra-Agency Agreement Process with the Volpe Center

Governing Regulations/Policy For OAs Entering Into Funding Agreements With The Volpe Center For Support

- DOT Class Deviation from TAM 1217.5-70 dated 12/28/06, effective 10/1/07.
- DOT Acquisition Policy Letter (APL) 2007-02 dated 8/17/07, effective 8/17/07.
- DOT Order 2300.8 titled Financing Activities at the Department of Transportation/Research and Innovative Technology Administration's Volpe National Transportation Systems Center, dated 9/27/07, effective 10/1/07.
- DOT Financial Management Policies Manual, Section 9: Financial Management Policies Governing Funded Intergovernmental and Intra-agency Agreements, dated 10/24/06, effective 10/1/07.

Pertinent Requirements Specified In The Governing Regulations/Policy Directives

1. The Economy Act does not apply to intra-agency agreements with the Volpe Center. A Determination and Finding executed by a contracting officer is not applicable.
2. The DOT Form 2300.1a is required to initiate and execute intra-agency agreements. A procurement request should not be used.
3. DOT Order 2300.8 provides specific policy and procedures for processing intra-agency agreements with the Volpe Center. A detailed cost estimate is not required. A funding estimate is required based on the Statement of Work (SOW) and mutual agreement of the parties.
4. Contracting Officer review or approval of intra-agency agreements is not required. The Customer Annual Business Plan (CABP) is the vehicle where collaboration of the Acquisition function may be obtained.
5. Contract actions processed at the Volpe Center are subject to the FAR, TAR and TAM. The Volpe Center Contracts Office will ensure that cost estimates and SOWs are obtained prior to processing any contract actions needed to support the IAA. A determination of price reasonableness by a Volpe Center Contracting Officer is required prior to the award of contract actions processed by the Volpe Center.

Synopsis of potential areas for collaboration with Acquisition Functions based on the governing regulations:

DOT F 2300.1a (Buyer)

- Block 4A: Obligation number compliant with DOT APL 2007-02 which states, in part, the "V" identifier should be used on DOT F 2300.1a to execute an intra-agency agreement with the Volpe Center.
- Block 13: The period of performance cannot exceed 5 years.
- Block 14: The legal authority is 49 U.S.C. 328 (The Volpe Center Working Capital Fund).
- Block 17: A Statement of Work is included (see below) which is consistent with the DOT Order 2300.8 Terms and Conditions that are incorporated by reference via the Order into all Volpe Center IAAs. Note: The DOT Order Terms and Conditions do not need to be stated in each SOW or IAA.

Statement of Work (SOW)

- SOW is internally consistent and adequate to establish a genuine need for the requirement during the fiscal year for which the funds are to be obligated.
- SOW is consistent with the terms and conditions referenced in DOT Order 2300.8. The IAA should not include language that implies a pass-through, unilateral direction of Volpe Center staff and contractors by the customer.
- The work's execution would not violate Federal procurement regulations.
- Deliverables and reporting requirements, if known when processing the IAA, are included. Otherwise once established in subsequent planning documents, they will be communicated to the requesting OA.

Funding Amount

- All funding restrictions or special provisions applicable to the appropriation are identified.
- Funding estimate based on the SOW and mutual agreement of the parties is included.

Other

- Customer Annual Business Plan (CABP) addressed in the IAA.
- When requested, provided general advice to the program office.
- Reviewed by : _____
Contracting Officer/Contract Specialist