

US DEPARTMENT OF AGRICULTURE'S
STEWARDSHIP ACTION PLAN FOR SIGNIFICANT
ACQUISITIONS RELATED TO HURRICANE KATRINA

I. Purpose. To ensure prudent stewardship of taxpayer funds for current and future acquisitions supporting Hurricane Katrina rescue, recovery, and reconstruction operations.

II. Applicability. The plan applies to all USDA agency offices, including acquisition, finance, and program offices, involved in the acquisition function for acquisitions that have a clear and direct relationship to the support of Hurricane Katrina.

III. Definition. The following transaction types with a clear and direct relationship to Hurricane Katrina may be considered "significant acquisitions" for the purposes of this stewardship plan:

- Any service or construction purchase over \$2,500 made by a non-warranted employee;
- Any purchase including an item of equipment over \$5,000 made by a non-warranted employee;
- Micro-purchases over \$15,000;
- Any sole source acquisition over \$50,000;
- Simplified Acquisitions between \$100,000 and \$250,000;
- Any acquisition over \$500,000.

IV. Emergency Procurement Authorities. Agriculture Acquisition Regulation (AGAR) Advisories Number 78 and 79 provided the following contingency contracting authorities and guidance in support of recovery efforts associated with Hurricane Katrina:

- Class Justification and Approval for Other Than Full and Open Competition in support of Hurricane Katrina disaster declarations;
- Increase of the Micro-purchase threshold to \$15,000 for non-warranted, named individuals;
- Increase of the Simplified Acquisition threshold to \$250,000;
- Waiver of the prohibition on using convenience checks for purchases and payments;
- Emergency blanket waiver to the USDA information technology acquisition approval process; and
- Suspension of the Davis Bacon Act for specific counties devastated by Hurricane Katrina.

V. Oversight. Spending on contingency operations, such as Katrina, requires additional internal controls for each action defined as a significant acquisition (see III above). Oversight activities shall apply to contractual actions executed immediately following Hurricane Katrina and all significant acquisitions executed thereafter.

A. Actions Immediately Following Hurricane Katrina. Each Head of Contracting Activity Designee (HCAD) will immediately establish a working group to identify and review acquisitions (significant or otherwise at the agency's discretion) awarded immediately following Hurricane Katrina and prior to the effective date of this policy. The working group will review these actions to determine if modifications, terminations, or follow-on transactions are in the best interest of the government. The working group shall consist of the HCAD and additional designated agency experts. The agency is strongly encouraged to involve Procurement Policy Division, Office of the General Counsel, and Office of the Inspector General. The agency shall establish deadlines (not to exceed October 31, 2005) for reviewing these transactions.

B. Future Actions. HCAD's shall establish a process and plan for mitigating acquisition risk for Katrina-related activities undertaken after the effective date of this guidance. HCAD's shall implement a review structure for their agency that reflects an increased level of oversight and attention for "significant acquisitions," as defined above. Mitigation efforts shall include, at a minimum, the following outcomes:

- Minimization of variances in cost, schedule, or performance for significant acquisition;
- Increased program management approvals based on the risk and value for each significant acquisition;
- Additional program management responsibilities upon contract completion; and
- Additional financial management controls.

C. Reporting. USDA agencies shall use Attachment A to document Katrina-related activities, with emphasis on "significant acquisitions." Agencies should ensure that purchases are authorized and valid, proper procedures are followed, and that the service or supply is fully accepted and received.

Agency HCAD's shall submit this report to todd.repass@usda.gov, Procurement Policy Division, five calendar days after the end of each month. If no Katrina related procurements have been awarded, a negative response is required.

The first Agency submission is due no later than November 7, 2005, and the HCAD shall attach a copy of the Agency plan to the first submission of this report. A transmittal letter shall accompany the report that provides a HCAD certification that the Stewardship plan has been followed in reviewing the acquisition process for the actions listed within the report.

VI. Managing Interagency Contracting. When conducting acquisitions for other federal agencies, the cognizant contracting officer and funds certifying official shall apply oversight to ensure the buying agency has sufficient funds, has approved the statement of work, and otherwise concurs with the acquisition and program management plan established for the acquisition.

VII. Responsibilities. USDA acquisition officials in Katrina-related activities are listed below:

- Chief Acquisition Officer – Assistant Secretary for Administration, the Agency officer approved pursuant to 41 U.S.C. 414;
- Senior Procurement Executive (SPE) – The Agency official appointed pursuant to Executive Order No. 12931 and the OFPP Act, 41 U.S.C. 414. Through a delegation to the Assistant Secretary for Administration, the Secretary has designated the Director, Office of Procurement and Property Management to the serve as the SPE.
- Head of Contracting Activity (HCA) identifies the official who has overall responsibility for managing the contracting activity in a specific Agency (i.e., Chief, Forest Service; Administrator, Agricultural Research Service; etc.);
- Head of the Contracting Activity Designee (HCAD) - The named individual designated by the Agency to exercise all authorities delegated to the HCA. HCAD is responsible for implementing all oversight actions identified in Section V above; and
- Procurement Policy Division – Organization within Office of Procurement and Property Management that serves as the collection and review point for all Agency certified plans on a monthly basis.

VIII. Additional Guidance. As additional guidance is provided by organizations that affect the acquisition process, advisories will be distributed to all applicable personnel through web site updates and email distribution.

IX. Contingency Contracting Personnel. USDA has mobilized contracting personnel to fulfill urgent mission requirements related to disaster relief, specifically the Hurricane Katrina effort and is balancing this effort with existing procurement workload constraints. Specific buying teams have been deployed on site to support procurement of hurricane recovery products and services. This has reduced the number of contracting personnel available to complete fiscal year end activities. Calls have been forwarded to the Agencies requesting the identification of potential detailees to supplement the buying team personnel.

VII. Effective Date. This contingency contracting action plan is effective September 30, 2005.

REPORT OF “SIGNIFICANT ACQUISITION” ACTIONS FOR THE PERIOD OF _____ TO _____ FOR THE KATRINA EFFORT

Agency	Dollar Amt of Action	Source of Funding	Contract vehicle no. (e.g., contract, purchase order, delivery order, task order no.)	Requirement Description	Period of Performance/ Has contract been fully performed?	Significant Acquisition Authority*	Approving Official (e.g., CO, HCAD)

*What type of “Significant Acquisition” was awarded. See definition in Paragraph III of Plan.