

AGAR ADVISORY

UNITED STATES DEPARTMENT OF AGRICULTURE OFFICE OF PROCUREMENT AND PROPERTY MANAGEMENT

AGAR ADVISORY NO. 83, Revision 04.

Acquisition Strategy Review and Approval Procedures

INTRODUCTION: This Agriculture Acquisition Regulation (AGAR) Advisory supersedes AGAR Advisory 83, Revision 03 dated January 25, 2008, and updates information concerning part of the USDA Acquisition Strategy Review and Approval Procedures process. Specific changes include the following: 1) Introduction and Summary have been updated to information on the use of review boards within the departmental procurement operations; Item 11 (regarding compliance with Section 508 of the Rehabilitation Act of 1973) has been added to the [Acquisition Strategy](#) worksheet.

The purpose of this Agriculture Acquisition Regulation (AGAR) Advisory is to establish interim policy and procedures for Chief Acquisition Officer (CAO) review of acquisition activities and programs of the Department of Agriculture (USDA) and strengthen the use of review boards within the departmental procurement operations.

SUMMARY: Review of USDA's acquisition activities is essential for effective management and to ensure that business approaches effectively support the USDA mission and program objectives. Agencies currently utilize contract review boards for management of solicitation and contract awards. Specific reviews of proposals are handled by technical evaluation boards and are documented in the contract file.

As a precursor to Agency review mechanisms, USDA CAO has determined that a mandatory review of acquisition strategies for certain planned acquisitions based on dollar value, mission-impact, or as otherwise deemed appropriate by the CAO, will be submitted for review and approval in accordance with this AGAR Advisory. This new process was effective March 15, 2007. All new acquisition strategies submitted on or after January 1, 2008, shall include a response to the new green purchasing guidance specified within Question 10 of the revised [Acquisition Strategy](#) worksheet.

SPECIFIC ISSUES:

I) Background

(A) Pursuant to 41 USC 414(a) the Secretary of Agriculture has designated the position of

Assistant Secretary for Administration (ASA) as USDA's CAO.

- (B) One of the primary duties of the CAO is to ensure, through proper management of USDA's acquisition activities, that USDA mission objectives are achieved. To support the CAO in fulfilling this responsibility and executing the functions delineated in 41 USC 414(b) and (c), agencies will submit written documentation concerning planned acquisition activities and provide necessary notifications in accordance with the acquisition strategy requirements in this AGAR Advisory.
- (C) The review and approval of acquisition strategies for significant planned acquisitions will provide the CAO one mechanism for reviewing the acquisition activities of the contracting agencies. This process will accomplish the following results:
 - (1) Provide a Departmental level review of the business approaches utilized by the contracting agencies in meeting USDA mission requirements,
 - (2) Ensure that Federal and Departmental initiatives, including green purchasing requirements, are being addressed,
 - (3) Emphasizes the importance of agency acquisition planning and methods for reviewing solicitations, source selection criteria and award determinations,
 - (4) And provide a regular venue for agencies to raise issues that may be of concern to the Department.

II) CAO Review and Approval for Non-Commodity Acquisition Strategies

(A) Review and Approval Thresholds

Pursuant to AGAR 407.103 the Head of the Contracting Activity (HCA) is responsible for developing procedures to comply with the acquisition planning requirements of FAR 7.103. In conjunction with FAR planning requirements the CAO will review and approve the acquisition strategies for planned acquisitions meeting any of the following criteria:

- (1) Acquisitions with an estimated value (inclusive of all option periods, quantities and items) of \$5 million or greater, over the life of the contract.
 - (i) Acquisitions include contracts, letter contracts, blanket ordering agreements (BOAs), blanket purchase agreements (BPAs), delivery and task orders under Federal Supply Schedule Contracts, orders placed against indefinite delivery, indefinite quantity (IDIQ) contracts, all contracts awarded by other Federal agencies, exercise of unpriced options, and new work or scope modifications with an increase of \$5 million or greater.
 - (ii) For BOAs and BPAs the estimated value is the maximum value of all orders which may be placed under the agreement.
 - (iii) Upon CAO review and approval of an initial planned acquisition, all

associated options and orders over the life of the contract shall be covered up to the maximum estimated value of the original CAO approval.

- (2) Acquisitions for major information technology (IT) investments in accordance with the criteria in (i)(A) through (C) below:
- (i) Pursuant to the USDA Information Technology Capital Planning and Investment Control Guide, major IT investments are defined as investments which meet at least one of the following criteria:
- (A) Total lifecycle costs greater than \$50 million or lifecycle Development/Modernization/Enhancement (D/M/E) funding of \$20 million or more, (Review and approval procedures for all contract actions \$5 million and greater outlined in II(A)(1) apply)
- (B) Financial systems with costs greater than \$500,000 per year in FY 2006 or later.
- (C) Identified by the USDA CIO as critical during the E-Board and IT Acquisition Approval process. This may include systems that are
- Mandated by legislation or executive order, or
 - Require a common infrastructure investment, or
 - Are considered strategic or mandatory-use systems, or
 - Significantly differ from or impact the Department infrastructure, architecture, or standards guidelines, or
 - Receive significant multiple-agency funding.
- (ii) Planned acquisitions and contract actions for major IT investments are required to be included as part of the OMB Circular No. A-11, Part 7, Exhibit 300, for submission to OMB.
- (3) Acquisitions identified by the HCA or Designee (HCAD) or CAO as significant because of cross-agency impact, their critical roles in mission accomplishment or to insure compliance with Presidential initiatives.

(B) Requirements, Procedures and Submission Format

- (1) Approval of the acquisition strategy by the CAO is required prior to issuance of the solicitation. The Senior Procurement Executive (SPE) can review and approve in situations of CAO absence, unavailability, or emergency. Agencies are encouraged to submit the required information for approval as early as possible in their schedule thereby limiting delay at the time of solicitation issuance.
- (2) The acquisition strategy shall be submitted by the HCA or HCAD to the SPE via the Chief, Procurement Policy Division, Office of Procurement and Property Management (PPD/OPPM). All agency acquisition strategy submissions shall be emailed to todd.repass@usda.gov, corrine.shipman@usda.gov,

melissa.goss@usda.gov, and glenn.haggstrom@usda.gov.

- (3) Attachment (1) is the [Acquisition Strategy](#) worksheet required.
- (4) Acquisition strategies shall be submitted, electronically to the Chief, OPPM/PPD, at least ten (10) working days prior to the bi-weekly CAO/SPE Acquisition Strategy Review Meetings (ASRMs.) The CAO/SPE reserves the right to schedule additional ASRMs to accommodate initiatives or emergencies.
- (5) ASRMs include the CAO, SPE, and Procurement Policy Division staff. Other meeting participants may include on an as needed basis as requested by OPPM/PPD: Office of General Counsel, Office of Small and Disadvantaged Business Utilization (OSDBU), Agency representatives, and other subject matter experts. The schedule for these meetings will be distributed by separate guidance to the HCAs/HCADs.
- (6) Disposition (approval, disapproval, conditional approval) of the acquisition strategy submission will be provided at the ASRMs. Notification of the disposition will be provided to the HCA/HCAD electronically within 2 business days of the ASRM disposition.

(C) Changes in Acquisition Strategy Subsequent to Approval - Notifications

Agency updates involving significant changes to a strategy which has been already approved by the CAO must be described in a written notification to the CAO within three business days after the significant change occurs. These updates include, but are not limited to, changes in the requirements, changes in strategy such as contract type, type of statement of work, small business approach to solicitation, or an increase of 10% or more in the total estimated value of the acquisition. Agency notifications shall be submitted in accordance with the email distribution outlined in section II(B)(2) above. Change notifications shall reference the Acquisition Strategy Identifier number, point of contact information, a detailed description of the significant change, and Agency HCAD approval.

(D) Revision to CAO Review and Approval Threshold

This AGAR Advisory establishes an initial threshold of \$5 million for CAO review and approval. The CAO reserves the right to revise this initial threshold to a different dollar amount if considered appropriate and necessary for effective management of the USDA acquisition activities. In situations of emergency or disaster, the CAO/SPE may temporarily waive the requirements of this advisory for identified acquisitions.

III) HCA/HCAD Review and Approval of Non-Commodity Acquisition Strategies

(A) HCAs/HCADs shall develop a comparable acquisition strategy review process that requires HCA/HCAD review and approval of planned acquisitions (see paragraph II(A) above as a template for establishing your Agency \$1 million to \$5 million process) with an estimated value (inclusive of all option periods, quantities and items) between \$1 million and

\$5 million, over the life of the contract.

(B) An Agency's acquisition strategy review process shall be submitted by email to the Chief, OPPM/PPD for review and concurrence. This process may include a request for consideration to delegate the review and approval authority of \$1 million to \$5 million to a level below the HCAD. Upon approval and implementation, copies of all applicable Agency reviews and approvals shall be submitted to the Chief, OPPM/PPD upon request.

IV) HCA/HCAD Review and Approval of Contractual Commodity Acquisition Strategies

(A) Farm Service Agency Kansas City Commodity Office (FSA KCCO), and Agricultural Marketing Service (AMS) in coordination with the Animal and Plant Health Inspection Service (APHIS), HCAs/HCADs shall develop a comparable acquisition strategy review process that requires HCA/HCAD review and approval of planned acquisitions (see paragraph II(A) above as a template for establishing your Agency \$1 million to \$5 million process) with an estimated value (inclusive of all option periods, quantities and items) of \$1 million or greater, over the life of the contract.

(B) An Agency's acquisition strategy review process shall be submitted by email to the Chief, OPPM/PPD for review and concurrence. This process may include a request for consideration to delegate the review and approval authority to a level below the HCAD. Upon approval and implementation, copies of all applicable Agency reviews and approvals shall be submitted to the Chief, OPPM/PPD upon request.

V) Implementation Requirements and Schedule

(A) By March 12, 2007, the HCAs/HCADs submitted to the Chief, OPPM/PPD, for review and concurrence, their agency/mission area Agency Strategy Review and Approval procedures that include, at minimum, procedures to comply with the HCA/HCAD acquisition strategy review and approval requirements established in paragraphs III or IV above.

(B) The CAO and HCA/HCAD review and approval requirements and procedures established by this AGAR Advisory were effective March 15, 2007. All new acquisition strategies submitted on or after January 1, 2008, shall include the new green purchasing guidance specified within Question 10 of the revised [Acquisition Strategy](#) worksheet.

(C) All planned acquisitions with an estimated value of \$5 million or greater that have a documented issuance of the solicitation or publication of the FedBizOpps solicitation notice prior to March 15, 2007 are exempt from this advisory.

This advisory is available on the USDA procurement homepage at <http://www.usda.gov/procurement/policy/advisories.html>.

EXPIRATION DATE: December 31, 2008.

[END]

Chief Acquisition Officer

Date

ACQUISITION STRATEGY

1. Agency Acquisition Strategy Identifier: _____
Agency Identifier - FY - Agency
(e.g., REE-06-0001, as determined by Agency)

2. Contracting Agency Information

Agency Name and Address: _____

Agency Point of Contact: Name: _____
Email Address: _____
Telephone Number: _____

Contracting Office Name and Address: _____

Contracting Officer: Name: _____
Email Address: _____
Telephone Number: _____

3. Please include a description of planned acquisition, including scope of work (attach), major deliverables/services, name of Agency Program/Project supported by the Acquisition.

4. List the Estimated Dollar Amount (inclusive of all options).

5. Provide the Period of Performance/Delivery Schedule. Include an estimated award date.

6. What funding method is planned? (proposed funding, include type and year of funds)

7. What is the Contracting Method?

- a. Solicitation type (e.g., sealed bid (IFB), negotiated (RFP), request for proposals under a multiple award contract or Federal Supply Schedule, interagency agreements).
- b. Small Business Program Considerations (e.g., 8(a) competitive, 8(a) non-competitive, small business set-aside, HubZone set-aside, Service Disabled Veteran owned small business, women-owned small business). Provide a rationale and address market survey(s) conducted, if the planned acquisition will be unrestricted.
- c. Has Office of Small and Disadvantaged Business Utilization (OSDBU) approval form AD-1205, "USDA Small Business Program - Procurement Request Review" been completed, if required? If yes, attach a copy of the signed form.
- d. Extent of competition (e.g., full and open competition, competition after exclusion of sources, other than full and open competition pursuant to FAR 6.3, competition under Federal Supply Schedule, sole source set-aside, brand name specified under FSS, GWAC, multiple award or other indefinite delivery type contracts.

For brand name specific order, attach a copy of the justification as required by FAR 11.105.

For other than full and competition pursuant to FAR Part 6.3, attach a copy of the approved justification for other than full and open competition.

- e. For service contracts or task orders - please state whether or not the contract or statement of work will be performance based. If not performance based, please provide a rationale.
- f. Source selection procedures.
- g. Contract Type (see FAR part 16) including pricing structure
- h. Identify option periods, quantities or items
- i. Identify the authorized contract users. For indefinite delivery type contracts, identify

authorized ordering offices.

8. For IT investments include, if applicable, a copy of OMB Circular A-11, Exhibit 300, Part I, Section A, Overview (All Capital Assets), Section B, Summary of Spending (All Capital Assets) and Section C, Acquisition/Contract Strategy (All Capital Assets).

9. If the acquisition is a continuing requirement, what is the current contract/order number(s), contractor(s) name and address and expiration date(s)?

10. In accordance with Executive Order 13423 and USDA Green Purchasing Affirmative Procurement Program (GPAPP), USDA will provide a preference in all USDA contracts, when practicable, for designated recycled content, ENERGY STAR®, FEMP designated energy efficient, low standby power, biobased, EPP, EPEAT, water efficient, and non-ozone depleting products and alternative fuel vehicles and alternative fuels.
 - a. Does the scope of the acquisition include any of these green products? Please respond yes or no. If yes, include all applicable FAR and AGAR clauses and provisions being used.

 - b. If the strategy includes a service contract, have you required the use of biobased products during performance? If no, please justify why biobased products were not required

11. If applicable, does the acquisition strategy provide instructions regarding implementation of Section 508 of the Rehabilitation Act of 1973 in the solicitation and resulting contract?

12. What other acquisition issues of note should be provided?

SUBMITTED FOR REVIEW AND APPROVAL:

Program Manager / Project Manager

Date

Contracting Officer

Date

HCA or HCAD

Date

RECOMMENDATION TO THE CAO:

Approve _____

Disapprove _____

Approve Subject to listed conditions _____
Conditions:

Chief, Procurement Policy Division, OPPM

Date

Senior Procurement Executive

Date

DECISION OF THE CAO:

Approved _____

Disapproved _____

Approved Subject to the listed conditions _____
Conditions:

Chief Acquisition Officer

Date