

HOMELAND SECURITY ACQUISITION MANUAL

**DEPARTMENT OF HOMELAND SECURITY
REVISIONS TO HSAM CHAPTER 3001- FEDERAL ACQUISITION
REGULATIONS SYSTEM AND CHAPTER 3007 – ACQUISITION PLANNING**

This HSAM Notice is being transmitted to all DHS Heads of Contracting Activities and Acquisition Leads. PLEASE DISSEMINATE TO WIDEST POSSIBLE AUDIENCE – ACQUISITION STAFF, FINANCIAL PERSONNEL, CUSTOMERS, PURCHASE CARDHOLDERS, ETC.

Introduction: This notice provides revisions to **Chapter 3001.3** to clarify Component reassignment and redelegations of HSAM authorities. This notice also makes changes to **Chapter 3007.1 and Appendix A of Chapter 3007 as follows:** increases the threshold for non-development Acquisition Plans (APs) from \$5 million to \$10 million; for acquisitions using an Interagency Agreement strategy, permits the DHS Program Manager (PM) to require that the Servicing Agency prepare the AP, and includes a reminder that the PM is responsible for preparation of an Analysis of Alternative; revises the minimum length of time for AP review by the Office of the Chief Procurement Officer (OCPO), Acquisition Oversight; removes prior general waiver content and inserts guidance regarding waivers to AP format, and amends the DHS Acquisition Planning (AP) Guide, Appendix A by replacing it with Version 4.0 as attached. DHS Acquisition Alert 07-17 is superseded by issuance of this HSAM Notice.

This notice is issued in accordance with HSAM 3001.301-70(c)(2). The changes will be integrated into the electronic HSAM version at www.dhs.gov and DHSOnline on or about October 1, 2007. The HSAM is revised to incorporate the following:

CHAPTER 3001- FEDERAL ACQUISITION REGULATIONS SYSTEM

(1) Subchapter 3001.301 is revised to read:

Subchapter 3001.1 Agency Acquisition Regulations

3001.301 Policy.

(a)(1) *Delegations of FAR and HSAR procurement authority.* The following is applicable with respect to delegations of FAR and HSAR procurement authority included in this manual:

(i) *Agency head delegations.* Certain FAR and HSAR functions are non-delegable and reserved by the Secretary. All reserved and delegated functions (either to the Office of the Secretary (OSDHS) or the Components) are indicated in the applicable chapters of this manual. Lower organizational levels for FAR and HSAR agency

head functions shall be authorized by the CPO (who will coordinate with other DHS officials as deemed appropriate).

(ii) *Head of the Contracting Activity (HCA) functions.* Certain FAR and HSAR functions which are non-delegable and reserved for the HCA or equivalent organizational level are indicated in the applicable chapter of this manual. For delegable functions, compliance with the level indicated in the applicable chapter of this manual or the HSAR is required unless otherwise authorized by the HCA. The HCA may retain both delegable and non-delegable functions assigned to the HCA. Approved HCA functional delegations which are different from those specified in this manual shall be in writing and stored in a centralized location within the Component. A copy of the delegation shall be submitted to the CPO within 30 days of issuance. The HCA retains authorities in this manual for delegations to the Chief of the Contracting Office (COCO) when COCOs have not been designated within the Component.

(iii) Authorities of this manual, **except for those defined** in (i) or (ii) above, may be assigned to a higher level within the **Component unless specified otherwise.** **HSAM** authorities **reassigned** or redelegated **by a Component** pursuant to this subparagraph shall be in writing and stored in a centralized location within the Component. A copy of the **reassignment**/redelegation shall be submitted to the CPO within 30 days of issuance.

CHAPTER 3007-ACQUISITION PLANNING

(2) Subchapter 3007.1 is revised to read:

Subchapter 3007.1 Acquisition Plans

This subchapter applies to all of DHS including the Transportation Security Administration.

3007.101 Definitions.

"Acquisition Plan", as used in this chapter, means a document used to fulfill the acquisition planning requirements of [\(FAR\) 48 CFR Parts 7.105 and 7.107](#). This includes all acquisitions, including contracts, and task orders or delivery orders under Indefinite Delivery/Indefinite Quantity contracts (for example Federal Supply Schedule contracts, Government Wide Agency Contracts (GWACs), etc.

"Acquisition" also includes intra-agency and inter-agency acquisitions.

"Advance Acquisition Plan (AAP)" means a plan of all anticipated procurements, including interagency agreements, blanket purchase agreements and task orders over \$100,000 for the forthcoming fiscal year. This does not include interagency agreements where a DHS Component is acting as the **Servicing Agency**. See HSAM 3007.172. The AAP will also be used to compile and publish the annual

"Forecast of Contract Opportunities" which is issued by the Office of Small and Disadvantaged Business Utilization (OSDBU).

"Plan" means an acquisition plan.

3007.102 Policy.

(b) No synopsis for a solicitation may be released, solicitations issued, or funds transferred within or outside the Department until the plan has been completed and approved. Program acquisition plans must include all program contractual actions including inter-agency agreements. The plan must demonstrate how each contractual action contributes to meeting the program's objectives. In addition, the plan must document annual funding for contractual action including inter-agency agreements. In the case of inter-agency (to other federal agencies) or intra-agency (between DHS **Components**) agreements, the following requirements apply:

(1) If a **DHS Component** anticipates sending funds to another federal agency, the program manager may require that the Servicing Agency prepare the acquisition plan. In such cases, the program manager will assist the Servicing Agency and provide any necessary information. The program manager will also prepare an Analysis of Alternatives as described in Management Directive 0710.1 describing why the Inter-Agency Agreement is the appropriate way to fulfill the mission need.

(2) If two or more **DHS Components** are jointly planning an acquisition/program and funds will be transferred via an intra-agency agreement, the receiving Component must prepare and complete the acquisition plan. If a Component transfers funds via an intra-agency agreement to another Component for purposes of awarding onto an existing contract, the originating Component is responsible for completing the acquisition plan. No acquisition plan is necessary if the intra-agency agreement is executed under Tri-Bureau Shared Services agreements.

3007.103 Agency-head responsibilities.

(d) DHS' implementation of (FAR) 48 CFR Part 7 acquisition planning requirements is as follows:

(1) The complexity of the acquisition plan will reflect the dollar value and complexity of the acquisition.

(2) Content Requirements.

(i) Acquisitions **for other than development which are valued** greater than **or equal to \$10** million require a written acquisition plan that complies with the planning requirements of (FAR) 48 CFR Part 7.1 including (FAR) 48 CFR Part 7.106, Additional Requirements for Major Systems. For acquisitions **valued less than \$10** million, entry of the information in the Advanced Acquisition Plan Database (<http://www.fido.gov/dhs/aap/>, see HSAM 3007.172) satisfies the written acquisition plan requirement. **Notwithstanding other provisions of this subsection, acquisitions**

for development valued greater than or equal to \$5 million require a written acquisition plan. The definition of "development" is contained at (FAR) 48 CFR Part 35.001.

(ii) When the acquisition involves contract bundling, the plan shall also include the acquisition research and analysis requirements of (FAR) 48 CFR Part 7.107.

(iii) Appendix A, DHS Acquisition Planning Guide, Version 4.0, provides additional requirements and guidance on preparing written Acquisition Plans.

(iv) When using the DHS EAGLE or FirstSource contracts, streamlined APs are authorized and the sample format is found at the Office of Procurement Operations ESO website:

<https://dhsonline.dhs.gov/portal/jhtml/community.jhtml?index=135&community=MGMT&id=2031380003> Also see HSAM 3007.107(e) for additional information regarding individual procurements for a program.

(3) Acquisition plans are not required for:

(i) Agreements between DHS Components in which all work is performed by DHS personnel;

(ii) Emergency acquisitions (i.e., when the need for the supplies/services is of such an unusual and compelling urgency that the Government would be seriously injured if the supplies/services were not immediately acquired). However, when the authority of FAR 6.302-2 is cited as the authority for a noncompetitive award of a contract above the simplified acquisition threshold in excess of 150 days to facilitate the response to or recovery from a natural disaster, act of terrorism, or other man-made disaster in accordance with HSAM 3006.302-2(c)(3), the Justification and Approval (J&A) shall describe measures underway or planned to ensure maximum competition as soon as practicable;

(iii) Actions subsequent to the initial submittal of a plan which have already been included as part of an approved plan (e.g., exercise of options);

(iv) Procurements conducted under the Small Business Innovative Research Program (SBIR); and

(v) Procurements for sealed bid construction projects.

(e) Individual procurements where written plans for a program have already been approved and address the specific contracting actions do not require a separate acquisition plan.

(h) Review of Acquisitions Plans.

(1) Reviews.

(i) For acquisitions greater than or equal to \$10 million for purposes other than development, the HCAs for the United States Secret Service (USSS) and the Federal Law Enforcement Training Center (FLETC) shall submit all acquisition plans to OCPO for review. All other Component HCAs shall submit acquisition plans with a total value greater than or equal to \$50 million to OCPO for review. Plans shall be submitted for OCPO, Acquisition Oversight review as early as possible in the acquisition cycle, but not less than 7 days before award.

(ii) All HCAs shall have the responsibility and final approval authority for their respective APs. The HCAs are responsible for reviewing all comments provided to them by OCPO and making any appropriate revisions to the APs as a result of OCPO comments. HCAs shall document the disposition of all OCPO comments in the AP section of the contract file and ensure retention of this file documentation for follow on DHS Acquisition Oversight reviews.

(iii) The Chief Procurement Officer may, at his/her discretion, waive the review requirements of paragraph (h).

(2) Before APs are submitted to OCPO for review, the HCA must review the plan and ensure OCPO is provided sufficient review processing time.

(3) The Chief Procurement Officer retains the right to review any acquisition plan.

(k) The Chief Procurement Officer may waive requirements of detail and formality in planning for acquisitions having compressed delivery or performance schedules because of the urgency of the need. Waiver requests shall be submitted by the HCA through the Director, Strategic Initiatives to the CPO for approval. Waiver requests shall contain sufficient detail to clearly explain the basis for the request, procedures to be waived, and any recommended alternative action.

3007.103-70 Other officials' responsibilities.

(a) *Acquisition planner/Technical official.* The development of plans, and updates to them, is the responsibility of the acquisition planner (e.g., program manager). The acquisition planner is usually the technical official, and is responsible for providing applicable input for the plan (e.g., quality, quantity, delivery requirements). The acquisition planner, among other functions, shall:

(1) Coordinate with all personnel responsible (e.g., contracting, fiscal, small business, legal, technical, security and logistics) for significant aspects (including but not limited to Earned Value Management (EVM), Personnel Security, Information Technology (IT), Security and Enterprise Architecture) of the plan;

(2) Provide input to the plan as necessary;

(3) Obtain applicable concurrences;

- (4) Forward the plan through the approval process; and
- (5) Review and update the plan annually.
- (c) *Contracting officer.* The contracting officer is responsible for providing applicable input for the plan (e.g., type of contract to be used, procurement milestones, set-aside considerations).
- (d) *Competition Advocate.* The cognizant competition advocate within the Component is responsible for reviewing acquisition plans before they are submitted to the approving official when other than full and open competitive procedures are expected to be used.
- (e) *HCA.* At the earliest market research and planning stage, the Head of the Contracting Activity (HCA) shall report the intended acquisition of any automated acquisition related systems to the DHS CPO for coordination, collaboration, and approval by the CPO.

(3) **Chapter 3007.170** is revised to read:

3001.170 Reserved.

(4) **DHS ACQUISITION PLANNING GUIDE, Appendix A** is revised by inserting a new version 4.0, dated October 2007. The Appendix A is attached to this HSAM change notice.

Additional information:

Direct any questions or comments to Kathy Strouss at (202) 447-5273 or e-mail at Kathy.Strouss@dhs.gov. Components should transmit APs for review to OCPO, Acquisition Oversight, Michael Gibbs (202) 447-5294 or email at Michael.Gibbs@dhs.gov.

Effective date: October 16, 2007

Signed by:



Elaine Duke
Chief Procurement Officer

DHS Acquisition Planning Guide

October 2007
VERSION 4.0

Office of the Chief Procurement Officer

Purpose

Careful planning is the first step to successful completion of the Department of Homeland Security's (DHS) mission. Acquisitions are an important method to meet mission requirements. The purpose of this document is to provide program managers (PMs) and other acquisition personnel a way to organize and plan each acquisition to meet their portion of the DHS mission. This Guide implements the Federal Acquisition Regulation (FAR) 7.102 and HSAM 3007.1. Acquisition Plans (AP) prepared using this Guide will document the acquisition planning and provide a road map to complete each acquisition.

Policy

All DHS acquisitions shall be planned. Unless an exception applies, all DHS acquisitions or combination of acquisitions supporting a program that meet the threshold requirements in HSAM 3007.103(d)(2)(i) require a formal written approved Acquisition Plan (AP) before initiating any contractual action. Acquisitions include, but are not limited to, contracts, orders against the GSA Federal Supply Schedule or other contract vehicle and basic ordering agreements, memorandum of understanding and memorandum of agreements that transfer funds that will ultimately be applied to a contractual action. The program manager may require that the Servicing Agency prepare APs for Inter/Intra-agency Agreements (IAs) with two exceptions. The two exceptions to having the Servicing Agency prepare the AP are when the Servicing Agency is also a DHS Component or when the IA is part of a larger Program AP.

Introduction

This document covers only how to plan acquisitions to meet program requirements; it does not provide guidance on program planning. This document is written in three parts. Part I is general information about acquisition planning. Part II provides detailed narrative information on the contents required in an AP and how to prepare an AP. The last section of the Guide is the Glossary, which defines the terms and acronyms used in this document.

Part I – Overview of the Acquisition Planning Process

1.1 What is an Acquisition Plan?

An Acquisition Plan (AP) documents a program's plan for meeting a portion of the Department of Homeland Security (DHS) mission through one or more acquisitions. It is a comprehensive plan that provides the background necessary to understand the program and how each acquisition will support the program. An AP also documents the plan for a stand-alone acquisition that is separate from any identified program. For these acquisitions, the AP describes DHS' need for the stand-alone acquisition.

Program or stand-alone APs address the technical, business, management and other significant considerations that will affect the acquisition strategy and execution of each contractual action. The AP is a means to discuss the acquisition process and documents the decisions made prior to processing each contractual action. The AP serves as a mechanism to review, approve and document acquisition decisions and create a road map for the implementation of the acquisition decisions. Once approved, an AP provides direction and approval for execution of each contractual action. The Transportation Security Agency (TSA) refers to stand-alone acquisitions as Operating Capability Investments.

1.2 When is an Acquisition Plan required?

The Federal Acquisition Regulation (FAR) 7.102(a) and HSAM 3007.102 require planning for all acquisitions. Acquisition planning is the first step in any acquisition and should start as early in the program lifecycle as possible. For stand-alone acquisitions, it should start as soon as the need is known. Where the planned acquisition(s) meet or exceed the DHS thresholds in HSAM 3007.103(d)(2)(i), a formal written acquisition plan must be prepared. For acquisitions below the HSAM 3007.103(d)(2)(i) threshold, planning decisions should be documented where possible. Heads of the DHS Contracting Activities (HCAs) may provide thresholds and requirements for informal written acquisition plans and may consider data entered into the Advanced Acquisition Plan to meet the acquisition plan requirements for programs or stand-alone contract actions below the HSAM 3007.103(d)(2)(i) thresholds.

1.3 Who prepares an Acquisition Plan?

In accordance with HSAM 3007.103-70, the acquisition planner is responsible for developing and executing the acquisition program. In general, within DHS, the acquisition planner is the program manager (PM) for program acquisition plans or the originator of the purchase request (PR) for stand-alone acquisition plans. The PM prepares the program acquisition plan with the team who will be responsible for executing the plan. The acquisition team should include at a minimum the PM or sponsor, the contracting officer, the contracting officer's technical representative (COTR) and the budget officer.

For IAs, acquisition planning is required. However, the DHS/Component program manager may delegate preparation of written APs to the Servicing Agency program manager - unless the IA is part of a larger program requiring an AP or the Servicing Agency is also DHS Component. Whenever an IA is contemplated, the DHS program manager will prepare an Analysis of Alternatives as described in Management Directive 0710.1, "Reimbursable Agreements," Appendix B. The Analysis of Alternatives describes why an IA is the appropriate vehicle to fulfill the DHS requirement.

1.4 Can Contractors create, edit or review Acquisition Plans?

Contractor support personnel should not normally be employed in direct support of acquisition planning or in the development of APs. If contractor personnel must be used in preparing, editing or reviewing the AP, appropriate Organizational Conflict of Interest provisions must be included in the contract under which the contractor's services have been obtained and non-disclosure agreements must be executed to cover AP related information. In order to avoid the appearance of a conflict of interest, a Contractor who participates in acquisition planning may not participate in any other aspect of implementing the program at DHS. If there is any question concerning a potential, actual or the appearance of an organizational conflict of interest, the contracting officer must contact the Office of General Counsel or Component legal office before undertaking any acquisition planning involving a contractor's participation.

1.5 What is the scope of the Acquisition Plan?

Program APs cover an entire program and describe how that program will meet its portion of the DHS mission through one or more acquisitions. Program APs should include all acquisitions including administrative contracts, training and technical support contracts, independent validation and verification contracts, IAs and basic or applied research and development efforts for the program.

Stand-alone APs may be prepared for single acquisitions not covered by a program. These APs cover acquisitions that are not part of a formal program but need to be performed to support the DHS mission.

1.6 When do Program Acquisition Plans get revised?

The PM or sponsor and the contracting officer review the AP at least annually and at each Key Decision Point (KDP) milestone. The AP is revised annually to reflect a major program change, or other significant change to the approved AP. An AP change is significant if the item procured changes, how it is being procured (including method and contract type) changes, or funding changes. AP revisions are subject to the same review and signature process as the original document. Revisions may be done with change pages or by complete revision of the AP. The AP will receive a revision number (see paragraph 1.9). The following table may be used to track AP revisions.

Document Version	Date Completed	Reason for Revision
Original	xx/xx/200X	Not applicable
Revision 1	xx/xx/200X	Updated the logistics section of the AP
Revision 2	xx/xx/200X	Made corrections to the acquisition considerations section of the AP

1.7 Can the Acquisition Plan be waived or tailored?

The contents of an AP vary depending on the nature, scope, complexity, circumstances, program level, and phase of the acquisition program lifecycle. APs consider all of the topics listed in Part II of this Guide, but the contents of each topic will vary and may be tailored. APs should reference the applicable program documents and summarize them where appropriate. The AP summarizes program approvals and does not substitute for KDP, Joint Requirements Board, Investment Review Board or other programmatic decisions.

FAR 7.103 provides significant flexibility in establishing criteria for Acquisition Plans. The complexity and cost of the acquisition dictates the criteria, thresholds, and level of detail that should be incorporated into written APs. In rare cases (e.g., For procurements having a compressed delivery or performance schedule based on the urgency of need,) the Chief Procurement Officer (CPO) may waive the requirement for an AP. See HSAM 3007.103(k). Waivers are required to be in writing and describe the facts and the basis for the request. A waiver will not be considered when the urgency stems solely from a lack of planning. Requests for waivers are submitted to the OCPO for approval in the same manner as the AP reviews and are only available prior to the first action in the acquisition process (e.g., announcement of the requirement, Justification for Other than Full and Open Competition, etc.).

Waivers do not constitute authority for any deviation, special condition or clause which might be needed for an acquisition. Neither an approved AP nor a waiver of an AP may substitute for any determination and findings, Justification for Other than Full and Open Competition, or deviation from FAR or HSAR requirements.

1.8 Are there page limitations for the AP?

The AP should be concise. In general, an AP should not exceed 50 pages. To condense the size of the AP, program wide information should be presented first and then information for each acquisition should be presented separately. Use charts and tables where more than one acquisition is covered in the AP to separate information associated with each. Cite programmatic documents such as the Mission Need Statement, OMB 300 Exhibits, Acquisition Program Baseline, test plans, support plans, evaluation plans by reference whenever possible, and summarize the documents.

1.9 Is there a required numbering system for the AP?

Yes, each Component creates policies and procedures for assigning the nine-digit identifier of the AP for each formal written AP. The first four digits on DHS APs will be “HSXX” referring to the Department of Homeland Security (HS) and issuing Acquisition Component (XX). The next two digits shall be the fiscal year in which the AP was or will be approved. The last three digits shall be assigned sequentially as stated in Component procedures.

Revision to the AP shall be identified with the identification number of the original AP followed by the revision number and date the revision was approved.

1.10 Who signs, reviews and approves the AP?

In accordance with FAR 7.103, the Agency Head for the Department of Homeland Security has delegated approval of all acquisition plans to the Heads of the Contracting Activities (HCAs) designated for the DHS Components. All APs that exceed the HSAM 3007.103(d) (2)(i) threshold shall be signed at a minimum by the PM or sponsor, small business specialist, contracting officer and HCA. By signing the AP, the PM certifies that the information in the AP is current, accurate and complete. The Small Business Specialist reviews and signs the AP concurring with the market research and resulting acquisition strategy unless all acquisitions covered in the AP are set-aside for small business. (If the Component has an alternate procedure that ensures Small Business Specialist review of the AP, document a reference to it in the AP.) The contracting officer’s signature certifies that the acquisition methodology is sound and that the contracting officer independently concurs that the AP reflects the best business strategy for the acquisition(s). The HCA signature signifies that the HCA concurs with the AP contents and has met all of the HCA responsibilities in FAR 7.103 and HSAM 3007.103. The Competition Advocate must also concur with the AP if any of the planned acquisitions will be met using other than full and open competition under FAR 15.

All APs that meet or exceed the HSAM 3007.103(h)(1)(i) threshold shall be reviewed by OCPO prior to HCA approval, but OCPO does not approve or sign the AP.

1.11 Is there any help in preparing an AP?

While this Guide is designed to be the primary tool to help in preparing DHS APs, additional assistance is provided by the OCPO Desk Officer for each Component. Seek Office of General Counsel or Component legal office assistance with planning complex or large dollar value acquisitions.

1.12 When are design-to-cost and lifecycle cost techniques used?

Design-to-cost is a method of acquiring supplies and services where cost is treated as an independent variable. In this instance, the Offerors are provided with the budgeted amount and required to propose solutions to provide as much of the requirement as

possible within the budget. This acquisition technique is considered whenever the budgeted amount (shown in paragraph C.1 of the AP) is less than the independent cost estimate. If design-to-cost is considered but rejected when the budgeted amount is less than the independent government estimate, then the AP must explain why design-to-cost was rejected and how the funding shortfall will be accommodated.

Lifecycle cost is the total program cost to meet **the** program mission or need. It includes the estimated cost for all contract actions from basic research through disposition **of property and closeout**. It **also** includes training in maintenance and operation as well as ancillary supplies and services that are needed to meet the full mission need, but does not include internal government costs. Lifecycle costs must be addressed in paragraph C.1 whenever a system (supply or software) is procured to meet a mission need.

Part II – Preparation and Contents of an Acquisition Plan

Each numbered sub-section in Part II shall be addressed in every AP, but the contents of each subsection may be tailored to the program or noted as “not applicable” with a brief explanation where required.

AP Contents

APs are written for programs, or in the absence of a program, individual acquisitions that exceed the threshold at HSAM 3007.103(d)(2)(i). To make **program APs** as brief as possible, the contents of the AP should first present those characteristics that apply to the entire program. This should be followed by a separate discussion of **individual acquisitions** under the **program** where there are **multiple acquisitions** or unique characteristics separate from the general information.

Program Wide Information

In this **Guide**, “program wide” refers to the program information common to all the acquisitions covered in the plan. The **development of additional documents**, such as logistics support plans, test and evaluation plans, safety plans, environmental protection plans and risk management plans is encouraged for large and complex programs. Cite and summarize information from these separate plans in the AP, but do not duplicate the information.

For Each Acquisition

A program may require one or more acquisitions to meet its mission. In this **Guide** “*for each acquisition*” means the specific and unique information associated with each acquisition **under a single program**. Each acquisition may include one or more contractual actions to obtain the entire supply or service required. Each acquisition and each known contractual action that supports the acquisition should be documented in the AP.

Section A. Identification of Acquisition Plan

Provide the Program or Acquisition Title or Name and the acquisition plan number.

Assign a nine digit identifier followed by the date of the AP for each formal written AP. The first four digits on DHS APs will be “HSXX” referring to the Department of Homeland Security (HS) and issuing Acquisition Component (XX).

The next two digits shall be the fiscal year in which the AP was or will be approved. The last three digits shall be assigned sequentially, as stated in Component procedures. The AP date is the date the AP is approved by the HCA.

*For research and development APs, use the title "Acquisition Strategy for Major System Research and Development Efforts". In all other cases, the documentation of the plan for each contractual action will be called an Acquisition Plan.

Mark each page of the AP "SOURCE SELECTION INFORMATION - SEE FAR 3.104." See HSAM 3.104-4 for more information about protecting and marking source selection information.

*For non-FAR-based DHS Components, the title Acquisition Strategy for Major System Research and Development is not required.

Section A. Acquisition Background and Objectives

What is the purpose of this program or stand-alone acquisition? What is the mission and what will each acquisition accomplish? Does this acquisition involve operations, technologies, or activities in more than one DHS Component (e.g. Secure Border Initiative)? If yes, note the Components involved and describe the operations and technologies.

Identify if the document is a new AP or an AP update. If it is an update, provide the reason for the update and summarize the new information. (Revisions to the AP may be tracked using a table such as the one immediately below.)

Document Version	Date Completed	Reason for Revision
Original	xx/xx/2007	Not applicable
Revision 1	xx/xx/2007	Updated the logistics section of the AP
Revision 2	xx/xx/2007	Made corrections to the acquisition considerations section of the AP

A1. Statement of Need

A1a. Program History

Program Wide

Introduce the AP with a brief statement of need summarizing the approved Mission Need Statement (MNS) or other requirements documents.

Identify the MNS or other document that authorized program initiation and approval for the current program lifecycle phase or Key Decision Point (KDP) milestone. If the MNS is not available or applicable, cite any applicable program authorization or explain why it is not applicable. Do not attach a copy of the entire MNS.

Summarize the relevant technical history of the program or stand-alone requirement, preferably in 250 words or less. Include a brief statement indicating how long the program has been in development or production and how long it is expected to continue in the current program lifecycle phase. This history should include the current program lifecycle phase, accomplishments in the previous program phases as well as the program's relationship to other programs.

Describe the type of research information associated with or developed under the program. Describe the type of technology developed under the program or used by the program to meet program goals. Include all technology (IT and non-IT) associated research, development and production processes and applications as well the support systems (e.g., test and simulation equipment).

If applicable, identify the Exhibit 300 for the program and indicate that it has been reviewed. Ensure that the AP and Exhibit 300 reflect accurate, consistent and complete program information. If an Exhibit 300 is not required, provide an explanation as to why it is not applicable.

If the AP includes an IT program covered under OMB Circular A-130, "Management of Federal Information Resources," discuss how the program has met the A-130 requirements.

A1b. Contract History

Program Wide

Include or attach a brief summary chart or table of major contract actions completed for the program to date. Include all types of acquisitions and include grants, memoranda of agreement, memoranda of understanding and Other Transactions. The information must include at least the applicable document or action identifier, the name of the firm or source who performed the service or provided the supply, the type of contractual vehicle used, a description of the supply or service provided, the quantity of supplies provided

the duration and level of service provided and the historical or estimated value of each acquisition identified.

The following chart may be used:

Identifier	Contractor or Source	Contractual Vehicle Type	Supply or Service	Quantity or Period of Performance	Historical or estimated value

A2. Applicable Conditions

Program Wide

State all significant conditions or constraints affecting the acquisition such as the interrelationship between the acquisitions covered under the AP, the relationship between the acquisitions under the AP and the historical acquisitions cited in paragraph A1b. Also discuss constraints such as single sources of supply for key components or new technology required to meet the program needs. If there are external constraints on the cost (e.g., limited budget or funded from fees), schedule (e.g., congressionally mandated implementation dates) or capability or performance (e.g., new technology or interoperability) discuss them from a programmatic perspective.

Section B. Technical Issues

B1. Capability or Performance

Program Wide

Summarize the key capability or performance characteristics from the MNS or requirements document. Show how those characteristics will be achieved through the acquisitions covered in the AP.

For Each Acquisition

What are the results required from each acquisition covered under the AP? What does each supply need to be able to do? What capability will each service provide to DHS? What unique knowledge, skills, experience does the Contractor need to be able to provide the supply or service.

Does this acquisition involve operations, technologies, or activities in more than one DHS Component (e.g., Secure Border Initiative)? If yes, note the Components involved and describe the operations and technologies.

B2. Delivery or Performance-Period Requirements

Program Wide

Describe the overall timeframe for the program and the anticipated dates for each program lifecycle phase. Describe any mandated deadlines or any integration issues that affect performance schedules. A Gantt chart may be used for the critical program events.

For Each Acquisition

State the period of performance for each acquisition and discuss why that period of performance was chosen. If any time frame is longer than 5 years, summarize the market research that supports the extended period of performance.

B3. Product or Service Description

For Each Acquisition

Discuss what will be procured and how it will be described in the solicitation and award documents. If the supply or service will not be described in performance-based terms, provide the rationale and market research that supports your alternative method.

State whether the supply or service is a commercial item. Summarize the market research that supports the commercial item status. If not a commercial item, describe what will be done to convert to a commercial item in the future.

B4. Test and Evaluation

Program Wide

How will the program be tested and evaluated? How will the usefulness and performance of the program be verified? Summarize the program wide test and evaluation plan and provide details for each type of test and evaluation below.

B4a. Developmental Testing

Program Wide

Summarize how the program will document how it is progressing toward meeting the MNS or other requirements document. Cite any applicable acquisition program baseline and discuss any known or potential variances.

For Each Acquisition

If the acquisition is for developmental testing or includes developmental testing as part of the acquisition, summarize the nature and extent of the testing and how the results of the testing will be evaluated and used.

B4b. Operational Assessment

The Operational Assessment summarizes the PM's plan to independently assess the program or individual acquisition(s). Note that the Operational Assessment cannot be conducted by the Contractor who is providing the supply or service. It must be an independent assessment conducted by the PM with any support needed from independent subject matter experts.

Program Wide

Summarize how the PM will document an independent assessment of program performance. How will the assessment prove the program's value to DHS? Summarize market analysis or other efforts that have been or will be undertaken to ensure that the program is the best way to meet DHS needs.

For Each Acquisition

Summarize the assessment method, the analysis that will be required and discuss how the results of the assessment will be reported and used on a stand-alone basis or in the context of the program.

B4c. Operational Testing

Note that some support services do not readily lend themselves to operational testing. In those cases, the operational assessment method must be structured to ensure that service delivery is commensurate with acquisition cost.

Program Wide

Summarize how the program will test the supplies and services covered by the AP to ensure that they function when provided to the end-user. Discuss when the testing will occur, by whom and how the results will be analyzed and evaluated.

For Each Acquisition

If the acquisition is to provide Operational Testing, discuss how it will be performed independent from the supply or service provider. Discuss how information will be collected by users of the supply or service and how maintenance problems or failure to perform "as needed" will be analyzed, evaluated and reported.

B4d. Acceptance Testing

For Each Acquisition

Summarize how (through testing or otherwise) each line item will be accepted by the government before payment for the supplies or services.

B5. Logistics Considerations

Discuss logistics issues that must be addressed in the contract (such as building access for services contracts, etc.)

Program Wide

For complex programs, cite and summarize the logistics plan that includes training, use, maintenance, repair, upgrade and or replacement of supplies or services within the program. Discuss the expected life of the supply or service and how the logistics plan will promote competition throughout the lifecycle of the supply or service for the items.

For IT acquisitions, discuss the use of open standards.

For Each Acquisition

Discuss the assumptions made about the supplies or services being acquired. Discuss the **logistics** supplies and services that will be included in the acquisition including training, maintenance, repair, upgrade, replacement, etc. Discuss how competition will be maintained if logistics items are not purchased or described in the initial acquisition document.

B6. Environmental Considerations

For Each Acquisition

In accordance with the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901, *et seq.*), Executive Order 13101 of September 14, 1998, Greening the Government through Waste Prevention, Recycling, and Federal Acquisition, Executive Order 13123 of June 3, 1999, Greening the Government through Efficient Energy Management, and Executive Order 13221 of July 31, 2001, Energy-Efficient Standby Power Devices, describe how each acquisition includes—

- (i) Products containing recovered materials;
- (ii) Environmentally preferable products and services;
- (iii) Energy-efficient products and services;
- (iv) Products and services that utilize renewable energy technologies; and
- (v) Products containing energy-efficient standby power devices.

Describe how the contract will consider use of recovered materials, energy- and water-efficient products and services, products containing energy-efficient standby power devices, environmentally preferable purchasing criteria developed by the EPA, and environmental objectives. (See **FAR** Subparts [23.2](#) and [23.4](#) and [23.703\(b\)](#)) when—

- (i) Developing, reviewing, or revising federal and military specifications, product descriptions (including commercial item descriptions), and standards;
- (ii) Describing government requirements for supplies and services; and
- (iii) Developing source-selection factors.

B7. Metric System Requirements

For Each Acquisition

In accordance with The Metric Conversion Act of 1975, as amended by the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C.205a, *et. seq.*), indicate that the metric system of measurement will be used as the system of measurement in the acquisitions covered under the AP or describe why such use is impracticable or is likely to cause significant inefficiencies or loss of markets to United States firms.

Section C. Business and Management Issues

C1. Cost, Budgeting and Funding

C1a. Cost

Program Wide

Provide the estimated cost of the program broken down by fiscal year. Provide the estimated cost for each program lifecycle phase and the estimate for each acquisition within each lifecycle phase. Discuss the method used to derive the estimated cost including the supporting rationale and assumptions. If the program’s lifecycle costs were not estimated, explain why.

For Each Acquisition

Provide the estimated value of the acquisition and a detailed independent **government** estimate of the acquisition cost. Discuss the value of the acquisition in relationship to the lifecycle cost of the program. Discuss whether cost constraints require the acquisition to use design-to-cost objectives. Discuss whether a should-cost analysis has been done or will be done for the supply or service being procured.

C1b. Budgeting and Funding

For Each Acquisition

	Prior Year Obligated Amount	FY 1	FY 2	FY 3	FY 4	FY 5	Total Funding
Funding Source 1							
Amount Required							
Amount Budgeted							
(Under or Overage)							
Funding Source 2							
Amount Required							
Amount Budgeted							
(Under or Overage)							
Total Funding							
Amount Required							
Amount Budgeted							
(Under or Overage)							

In the table, list **the source(s)** of funds for each acquisition, **the amount required as stated in the** independent cost estimate **and the amount budgeted.** In the Under or Overage row, provide the difference between the amount required and the amount budgeted for the effort. If there is an overage or underage, explain why and how the program will correct the situation.

C2. Trade Offs and Risks

C2a. Trade-offs

Program Wide

Discuss program cost, schedule and performance trade-offs. If the amount required is less than the funding budgeted in C1b., discuss how schedule and performance will be traded-off against cost to obtain program objectives within budget. Note: Do not discuss proposal trade-offs between cost and technical factors here. This paragraph describes the programmatic trade-offs outside of source selection.

C2b. Risks

For Each Acquisition

Risk Event	Risk Category	Risk Probability	Impact	Risk Management	Responsible
<i>(Identify the risk)</i>	<i>(Cost, Schedule, Performance, Political or Organizational)</i>	<i>(High, Medium or Low)</i>	<i>(What would happen and how severe would it be if the risk event occurred)</i>	<i>(Describe the mitigation strategy)</i>	<i>(Name and title of the person who is responsible for managing the risk)</i>

Identify the risks to each acquisition and complete the table above for each identified risk. Risks may include cost schedule, performance, political and organizational. If there is a risk management plan, cite the plan number and date and include a brief summary instead of completing the chart.

C3. Acquisition Considerations

C3a. Acquisition Streamlining

For Each Acquisition

Acquisition streamlining includes efforts that result in a more efficient and effective use of resources during the acquisition process. List each item that may be used in each acquisition to streamline the acquisition process. Examples of streamlining include:

- (i) Draft solicitations including draft Statements of Objectives (SOOs), Statements of Work (SOWs), or Performance Work Statements (PWSs) released for industry comment.
- (ii) Limiting the size of proposals to less than 50 pages for Request for Proposals (RFP) and 20 pages for Request for Quotes (RFQs).
- (iii) Limiting the number of evaluators to 5 or less.
- (iv) Using PWS.
- (v) Acquiring Commercial Off the Shelf (COTS) products.
- (vi) Using pre-solicitation and pre-proposal conferences.
- (vii) Using oral presentations.
- (viii) Using advisory process to advise potential Offerors before the solicitation is released. (*See FAR 15.202.*)

C3b. Competition

For Each Acquisition

State the type of acquisition process that will be used and describe how it will maximize competition through the life of the resulting contractual instrument. If the action is a sole source or limited competition, including GSA schedule competition, describe how and when full and open competition **in accordance with FAR Part 15** will be introduced into the program for acquisitions over \$10 million.

C3c. Sources

For Each Acquisition

Summarize the market research performed and cite the **market research** report. Summarize your market research to find the appropriate sources. If “small business set-aside” was not selected as the acquisition **strategy**, describe why small businesses were not considered appropriate sources for this work. If this is a sole source acquisition, summarize the basis for the sole source **and include market research that supports the decision.**

C4. Source Selection Considerations

For Each Acquisition

Describe the process used for each acquisition citing the applicable FAR **Part** (e.g., FAR 15 full and open competition, FAR 19 small business set-aside competition, FAR 8.4 GSA task order competition). Discuss why the acquisition process was chosen and briefly discuss the alternative acquisition processes considered. Describe the term of the contract action and provide at least the following information:

- i. Discuss whether each acquisition will be **performance-based**. For acquisitions for services, provide rationale for not structuring the action as performance-based in accordance with FAR 7.105.

- ii. This is is not a multi-year contract in accordance with FAR 17.1.
- iii. This contract vehicle will contain will not contain options in accordance with FAR 17.2.
- iv. This contract vehicle will be will not be incrementally funded in accordance with FAR 32.7. (See HSAM 3032.702(e) concerning limitations on incremental funding.)
- v. This will be will not be a multiple award Indefinite Quantity or Indefinite Delivery contract in accordance with FAR 16. If this is a single award IDIQ contract, provide the justification for the single award.
- vi. The resulting contracting vehicle will contain the following line items using the associated contract types:

Base or Option Item	Line Item Number	Description	Contract Type

C5. Contract Administration, Management Information Requirements and Technical Data

C5a. The COTR is .

C5b. The COTR will manage the technical aspects of the contract by (Explain how the COTR will maintain oversight of the technical aspects of the contract.)

C5c. The contractual vehicle will include will not include Earned Value Management (EVM) as a contract administration tool. In accordance with OMB Circular A-11, FAR and HSAM, Earned Value Management (EVM) systems shall be applied to any contract above specified thresholds where the risk, whether associated with Cost, Schedule or the integration of the effort or product could impact the cost or schedule risk of another effort warrants the cost of implementation, including application on firm fixed price contracts in certain cases. If EVM is not required, discuss what methods will be used to measure cost, schedule and performance during the contract term.

C5c(i). If EVM will be used, discuss how it will be evaluated in the source selection process; how each Offeror’s EVM system will be verified and whether verification will be before or after award; and how EV data will be used to administer the contract. List

the government’s EV team members and discuss how the **government** will analyze and use the earned value data to assess and monitor contract performance. Specifically discuss how financial and non-financial incentives and disincentives will be linked to the **government’s** analysis of the EV data.

C5c(ii). The solicitation will include will not include a pre-award Integrated Baseline Review (IBR). If a pre-award IBR will be included, discuss how the IBR will be used within the source selection, how the information will be evaluated and discuss how the schedule will accommodate the pre-award IRB. State whether funds have been committed to pay each Offeror to prepare for and participate in the pre-award IBR. A copy of the Source Selection **Plan** must accompany the Acquisition Plan for review and approval of this source selection process.

C5c(iii). If one or more post award IBRs will be included in the contract, provide a summary of the detailed plan for the IBR. The summary must include **as a minimum:**

- The timing of the initial and subsequent IBRs;
- Location of the IBRs;
- **A listing of the** government representatives participating in the IBR; and
- The type of specific information that will be reviewed by the **government** during the IBR. If **contractor** support will be used to assist the **government** in evaluating the information, discuss the nature of the **government** support and the method of obtaining the contractual services (note that support services acquisition should be addressed in its entirety as a separate item within the acquisition plan).

C5d. Each line item will be accepted after successful completion of . Invoices will be reviewed by the COTR to ensure that the contractor has met all of the acceptance criteria prior to approval and payment of each invoice.

C5e. The contract vehicle will include the following data rights clauses:

C5g. Summarize any printing/copying requirements and how they will comply with the standards specified in section 505 of Executive Order 13101 of September 14, 1998, Greening the Government through Waste Prevention, Recycling, and Federal Acquisition (see [11.303](#));

C5h. Address whether the Electronic and Information Technology Accessibility Standards (see 36 CFR **Part** 1194) are applicable (see [11.002\(e\)](#)). If so, explain how these standards are included in requirement planning, as appropriate (see [subpart 39.2](#)).

C6. Transition Planning

For Each Acquisition

Identify whether the contract vehicle will will not contain a line item for “transition in” and or a line item for “transition out”. **Define work to be performed**

during the transition. Discuss the period of performance for each line item and the tasks that will be included. Explain pricing and timing of the transition.

C7. Government-Furnished Information and Property

For Each Acquisition

C7a. Government-Furnished Property (GFP): If government property is to be provided to contractors, demonstrate clearly, in accordance with FAR 45.102(b), that:

- (i) Providing the property is in the government’s best interest
- (ii) The overall benefit to the acquisition significantly outweighs the increased cost of administration, including ultimate property disposal;
- (iii) Providing the property does not substantially increase the government’s assumption of risk;
- (iv) Government requirements cannot otherwise be met.

Provide all information necessary for the solicitation and award of the contract. If this is a competitive acquisition, see FAR 45.201(a). If the GFP will be used on more than one contract, provide the additional information required by FAR 45.201(d) The following Government-Furnished Property (GFP) clause(s) (see FAR 45.107) will be included in the contract: .

The Offerors will will not have a due diligence event to view/evaluate the GFP before award. The estimated dollar value of all GFP to be provided is \$_____.

C7b. List the property that will be provided with both the date it will be provided and returned.

Description of Government Property (Include detail required at FAR 45.201(a))	Date/ Event when provided	Date/Event when returned

C7c. Government-Furnished Information: Provide the following information: The following Government-Furnished Information (GFI) will be provided to the successful offeror for use under the contract: . The Offerors will will not have a due diligence event to view/evaluate the GFI before award. The estimated dollar value of all GFI to be provided is \$_____.

C7d. List the information that will be provided with both the date it will be provided and date to be returned (if required.) If the information will not be returned, indicate "not returned" in that block.

Description of Government-Furnished Information	Date/ Event when provided	Date/Event when returned

C8. Contractor versus Government Performance. Address whether any of the acquisitions covered under the AP are covered by OMB Circular No. A-76 or state that this paragraph is not applicable.

C9. Inherently Governmental Functions. Discuss whether the contracting officer, consistent with the assessments of the Component and/or Department's Competitive Sourcing Official (see HSAM Chapter 3002.101, Definitions, Competitive Sourcing Official) has determined whether any of the work is inherently governmental and how the Contractor will be prevented from performing inherently governmental functions.

Section D. Other Considerations

D1. Priorities, Allocations and Allotments

For Each Acquisition

Generally this paragraph is not applicable. However, if the program is authorized under the Defense Productions Act of 1950 as amended (See FAR 11.6) and will be using a preferential or priority rating, identify the applicable information.

D2. Make or Buy/Lease or Buy

For Each Acquisition

D2a. State whether a Make or Buy Plan is is not required in accordance with FAR 15.407-2. If not required, cite the applicable exception.

D2b. State whether a Lease or Buy decision is is not applicable to this acquisition. If the decision is applicable, provide the factors and analysis considered as required under FAR 7.4.

D3. Environmental Consideration and Energy Conservation

List the environmental and energy conservation clauses that will be included in the resulting contractual instrument. Discuss any environmentally-related requirements to be included in the solicitation or resulting contractual action.

D4. Security Considerations

D4a. Does the acquisition involve access to classified information? Will sensitive, operational, or critical infrastructure information be disclosed in this acquisition? If so, describe the type of operational or infrastructure information and/or identify the type of

sensitive (non-classified) information, e.g. SSI, PCII, For Official Use Only (FOUO), SBU, etc requiring protection.

D4b. Describe whether all some none of the Contractor's employees will be required to pass a background investigation , possess a secret level clearance or possess a top-secret level clearance .

D4c. List the clauses that will be included in the resulting contractual instrument addressing personnel, data or physical security.

D4d. Will non-U.S. supplier be permitted to compete for this acquisition? If not, under what authority are they excluded? (See FAR Part 25.) Is all work required to be performed within the United States or its territories? If a non-U.S. supplier performs the contract, how will the program protect sensitive information and facilities from non-U.S. supplier access?

D4e. Will the contract require each person participating in the contract to be a U.S. citizen? If not, are there any portions of the contract that require U.S. citizenship to perform the services or provide the supplies?

D5. Other Issues

For Each Acquisition

D5a. Standardization. For each acquisition of a system, discuss what will be done to ensure that the system will be procured to industry standards or whether the system is compatible with industry standards.

D5b. Strategic Sourcing. If not discussed in paragraph A1, discuss whether a DHS Commodity Council exists for the item or services to be acquired and if the Council was consulted regarding this acquisition. Discuss whether the supply or service is strategically sourced in DHS. If a decision is made not to use an existing DHS strategic sourcing vehicle, discuss why.

D5c. Open Systems. If the acquisition involves software, discuss steps being taken to avoid proprietary standards and to acquire systems with open standards.

D5d. Occupational Safety and Health Considerations. Describe the strategy to ensure that occupational safety or health is being managed under the resulting contractual action. If there are no occupational safety, or health considerations, discuss why this paragraph is not applicable.

D5e. System Safety Program. If the acquisition is for a system, summarize the system's safety plan. If this is not a systems acquisition, this paragraph is not applicable.

D5f. Fair Labor Standards. State whether the Service Contract Act (SCA) is is not applicable to this acquisition. If applicable, state that all required clauses and provisions will be included in the solicitation and resulting contractual instrument. (Note: **Ensure** that the independent government estimate in Section C **of this Guide incorporates** the applicable SCA increases.)

D5g. Disposal. State whether the acquisition will will not result in any hazardous material being created or used. If applicable, describe how any hazardous material will be required to be disposed.

Section E. Participants in AP Development

List the individuals who participated in preparing the AP. Provide the name, title, organization, telephone number and email for each individual. Each AP must include participation from at least the program manager, contracting officer, budget officer, Small business liaison officer, commodity council representative and security representative.

Name	Title	Organization	Telephone Number	Email
	Program Manager			
	Contracting Officer			
	Budget Officer			
	Small Business Liaison			
	Competition Advocate			
	Commodity Council			
	Security Representative			

Section F. Milestones for the Acquisition Process

For Each Acquisition

List each significant event from acquisition initiation through the end of the contract action (pre and post award). For each event, identify the completion **time frame or date** and the individual responsible for completion of the action. **When a date is not known, use the time frame, such as AP Approval plus 30 days.**

Event	Date Completed or Due	Person Responsible
Program Initiated		Program Manager
IPT Formed		Program Manager
Market Research Completed		
Program Approvals Obtained		

AP Approved		
PR with Funding Provided to the Contracting Officer		
Solicitation Package Complete		
Solicitation Package Reviewed by OGC		
Solicitation Released		
Proposals/Quotes Received		
Evaluators Trained		
Evaluation Complete		
Source Selected		
Post Selection Documentation Complete		
Notification of Unsuccessful		
Award		
Notification of Award		

Acquisition means the acquiring by contract with appropriated funds of supplies or services (including construction) by and for the use of the federal government through purchase or lease, whether the supplies or services are already in existence or must be created, developed, demonstrated, and evaluated. Acquisition begins at the point when agency needs are established and includes the description of requirements to satisfy agency needs, solicitation and selection of sources, award of contracts, contract financing, contract performance, contract administration, and those technical and management functions directly related to the process of fulfilling agency needs by contract. (FAR 2.101) Acquisition includes the conceptualization, initiation, design, development, test, contracting, production, deployment, support, modification, and disposal of systems, supplies, or services (including construction) to satisfy agency needs.

Acquisition cost means the total amount of appropriated funds paid to obtain the results or capability for a program under one or more acquisitions.

Acquisition planning means the process by which the efforts of all personnel responsible for an acquisition are coordinated and integrated through a comprehensive plan for fulfilling the agency need in a timely manner and at a reasonable cost. It includes developing the overall strategy for managing the acquisition. (FAR 2.101)

Acquisition Program (See Program.)

Acquisition Program Baseline (APB) means a program document required for all programs that are reviewed and or approved by DHS headquarters. The APB establishes the program’s performance requirements, schedule requirements and estimate of total acquisition cost of the entire program (rather than each acquisition).

Acquisition Strategy means a document that includes: the proposed contract type, terms and conditions, and acquisition planning schedules; the feasibility of the requirement,

including performance requirements, statements of work, and data requirements; the suitability of the proposal instructions and evaluation criteria, including the approach for assessing past performance information; and related program documents. (FAR 15.201). For Major Systems, the Acquisition Strategy is the program manager's overall plan for satisfying the mission need in the most effective, economical, and timely manner. The strategy shall be in writing and prepared in accordance with the requirements of FAR 7.1, FAR 34.004, HSAR 3007 and HSAM 3007.

Acquisition streamlining means any effort that results in more efficient and effective use of resources to design and develop, or produce quality systems. This includes ensuring that only necessary and cost-effective requirements are included, at the most appropriate time in the acquisition cycle, in solicitations and resulting contracts for the design, development, and production of new systems, or for modifications to existing systems that involve redesign of systems or subsystems. (FAR 7.101)

Advanced Acquisition Plan (AAP) means a plan of all anticipated procurements, including **IAs**, blanket purchase agreements and task orders over \$100,000 for the forthcoming fiscal year. This does not include **IAs** where DHS is acting as the servicing activity. (See HSAM 3007.102 and HSAM 3007.172)

Bundling or bundled contract means consolidating two or more requirements for supplies or services, previously provided or performed under separate smaller contracts, orders, into a solicitation for a single contract or order that is likely to be unsuitable for award to a small business concern due to—

The diversity, size, or specialized nature of the elements of the performance specified;

The aggregate dollar value of the anticipated award;

The geographical dispersion of the contract performance sites; or

Any combination of the factors described in paragraphs (1)(i), (ii), and (iii) of this definition. (FAR 2.101)

Chief Procurement Officer (CPO) means DHS' Senior Procurement Executive, responsible for the maintenance and oversight of a **department-wide** acquisition program.

Commercial Item means

(1) Any item, other than real property, that is of a type customarily used by the general public or by non-governmental entities for purposes other than governmental purposes, and--

(i) Has been sold, leased, or licensed to the general public; or,

(ii) Has been offered for sale, lease, or license to the general public;

(2) Any item that evolved from an item described in paragraph (1) of this definition through advances in technology or performance and that is not yet available in the commercial marketplace, but will be available in the commercial marketplace in time to satisfy the delivery requirements under a government solicitation;

(3) Any item that would satisfy a criterion expressed in paragraphs (1) or (2) of this definition, but for --

(i) Modifications of a type customarily available in the commercial marketplace; or

(ii) Minor modifications of a type not customarily available in the commercial marketplace made to meet **federal government** requirements.

Minor modifications means modifications that do not significantly alter the nongovernmental function or essential physical characteristics of an item or component, or change the purpose of a process. Factors to be considered in determining whether a modification is minor include the value and size of the modification and the comparative value and size of the final product. Dollar values and percentages may be used as guideposts, but are not conclusive evidence that a modification is minor;

(4) Any combination of items meeting the requirements of paragraphs (1), (2), (3), or (5) of this definition that are of a type customarily combined and sold in combination to the general public;

(5) Installation services, maintenance services, repair services, training services, and other services if--

(i) Such services are procured for support of an item referred to in paragraph (1), (2), (3), or (4) of this definition, regardless of whether such services are provided by the same source or at the same time as the item; and

(ii) The source of such services provides similar services contemporaneously to the general public under terms and conditions similar to those offered to the **federal government**;

(6) Services of a type offered and sold competitively in substantial quantities in the commercial marketplace based on established catalog or market prices for specific tasks performed or specific outcomes to be achieved and under standard commercial terms and conditions. This does not include services that are sold based on hourly rates without an established catalog or market price for a specific service performed or a specific outcome to be achieved. For purposes of these services—

(i) “*Catalog price*” means a price included in a catalog, price list, schedule, or other form that is regularly maintained by the manufacturer or vendor, is either published or otherwise available for inspection by customers, and states prices at which sales are currently, or were last, made to a significant number of buyers constituting the general public; and

(ii) “*Market prices*” means current prices that are established in the course of ordinary trade between buyers and sellers free to bargain and that can be substantiated through competition or from sources independent of the Offerors.

(7) Any item, combination of items, or service referred to in paragraphs (1) through (6) of this definition, notwithstanding the fact that the item, combination of items, or service is transferred between or among separate divisions, subsidiaries, or affiliates of a **Contractor**; or

(8) A nondevelopmental item, if the procuring agency determines the item was developed exclusively at private expense and sold in substantial quantities, on a competitive basis, to multiple State and local governments. (FAR 2.101)

Commodity Manager means the individual responsible for the acquisition of a specific commodity that is bought on a department-wide basis generally using a unified department-wide acquisition strategy.

Component means directorates and entities comprising the DHS, including those defined in DHS MD Number 0010.2.

Contractual action means any contract, purchase order, project order, delivery or task order, IA, memorandum of agreement, memorandum of understanding, or any other bilateral agreement to obtain anything of value (supply or service) in exchange for appropriated funds.

Design-to-cost means a concept that establishes cost elements as management goals to achieve the best balance between lifecycle cost, acceptable performance, and schedule. Under this concept, cost is a design constraint during the design and development phases and a management discipline throughout the acquisition and operation of the system or equipment. (FAR 2.101)

Head of the Contracting Activity (HCA) means the individual who is responsible for managing the entire acquisition function within a Component.

Lifecycle cost means the total cost to the government of acquiring, operating, supporting, and (if applicable) disposing of the items being acquired. (FAR 7.101)

Major system means that combination of elements that will function together to produce the capabilities required to fulfill a mission need. The elements may include hardware, equipment, software, or any combination thereof, but exclude construction or other improvements to real property. A system is a major system if the total acquisition cost for the system is estimated to exceed \$100 million, the value of Level I or II acquisitions as described in MD 1400, Investment Review Process, or if the Deputy Secretary has designated it a major system. (FAR 2.101 and HSAR 3002.101)

Multi-year contract means a contract for the purchase of supplies or services for more than one, but not more than five, program years. A multi-year contract may provide that performance under the contract during the second and subsequent years of the contract is contingent upon the appropriation of funds, and (if it does so provide) may provide for a cancellation payment to be made to the Contractor if appropriations are not made. A multi-year contract, defined in the statutes cited at FAR 17.101, buys more than one year's requirement (of a product or service) without establishing and having to exercise an option for each program year after the first. (FAR 17.103)

Multiple year contract means a contract that purchases more than one year’s requirement (of a product or service) using options for each program year’s requirement after the first year. (FAR 17.103)

Order means an order placed under a Federal Supply Schedule contract; or a task order contract or delivery-order contract awarded by another agency, (e.g., government-wide acquisition contract or multi-agency contract). (FAR 7.101)

Performance-Based Acquisition means structuring all aspects of an acquisition around the purpose of the work to be performed with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes rather than structuring an acquisition around the manner by which the work will be performed with broad and imprecise statements. (FAR 2.101)

Program means a directed, funded mission that provides a new, improved, or continuing system or service in response to an approved need. Acquisition programs are divided into levels established to facilitate decentralized decision-making, execution, and compliance with statutory requirements.

Program Manager (PM) means the responsible person who, with significant discretionary authority, is uniquely empowered to make final scope of work, capital investment, and performance acceptability decisions, and who is responsible for accomplishing program objectives or production requirements through the acquisition of in-house, contract or reimbursable support resources, as appropriate. The PM is responsible for management and oversight of the Integrated Product Team. In general, the program manager is the manager of an acquisition program, but may be a manager of a procurement that does not rise to the level of an acquisition program (e.g., janitorial services, HR services, bulk commodity purchases).

Project means a planned undertaking with a definite beginning, distinct mission, and clear termination. A project may or may not be part of a larger acquisition program.

Project Manager means an individual assigned responsibility for accomplishment of a specific, defined task in support of an acquisition program.

Value of the acquisition means the maximum monetary amount that the government could obligate against a contractual action including all options, incentives, award fees and cancellation fees.

Acronym List

AP	Acquisition Plan
APO	Acquisition, Policy and Oversight Division
BPA	Blanket Purchase Agreement
CASO	Chief Asset Supply Officer
CCR	Contractor Central Registration

CFO	Chief Financial Officer
CIO	Chief Information Officer
COTR	Contracting Officer's Technical Representative
CPAF	Cost Plus Award Fee
CPFF	Cost Plus Fixed Fee
CPO	Chief Procurement Officer
DHS	Department of Homeland Security
EAB	Enterprise Architecture Board
EIA	Electronic Industrial Standards
EVM	Earned Value Management
FAR	Federal Acquisition Regulation
FFP	Firm Fixed Price
FSS	Federal Supply Schedule
FTE	Full Time Equivalent Person
GAO	Government Accountability Office
GFI	Government-Furnished Information
GFP	Government-Furnished Property
GSA	General Services Administration
GWAC	Government Wide Acquisition Contract
HCA	Head of the Contracting Activity
HSAM	Department of Homeland Security Acquisition Manual
HSAR	Department of Homeland Security Acquisition Regulations
IA	Inter/Intra-Agency Agreement
IBR	Integrated Baseline Review
IDIQ	Indefinite Delivery Indefinite Quantity Contract
IGCE	Independent Government Cost Estimate
IRB	Investment Review Board
J&A	Justification for Other Than Full and Open Competition
KDP	Key Decision Point (Program Milestone)
MAC	Multiple Award Contract
MNS	Mission Need Statement
MRC	Management Review Council
OCPO	Office of the Chief Procurement Officer
OSDBU	Office of Small and Disadvantaged Business Utilization
PALT	Procurement Acquisition Lead Time
PBA	Performance-based Acquisition
PM	Program Manager
PWS	Performance Work Statement
SBA	Small Business Administration
SCA	Service Contract Act
SOO	Statement of Objectives

SOW	Statement of Work
T&M	Time and Materials Contract Type
TO	Task Order