




DEPARTMENT OF THE TREASURY
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Acquisition Bulletin (AB)
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MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS

FROM: Thomas A. Sharpe, Jr. 
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**SUBJECT: OMB Performance-Based Acquisition Requirements
(Performance Goals, Guidance, and Training)**

Purpose: The purpose of the AB is to establish Treasury-wide Performance-Based Acquisition (PBA) target achievement goals for FY 2007 – FY 2011 and provide additional guidance and training requirements in support of that goal.

Effective Date: This AB is effective immediately.

Expiration Date: This AB will expire when cancelled or superseded.

Background: This AB supersedes AB 04-03. The Office of Management and Budget's (OMB) Office of Federal Procurement Policy (OFPP) measured agencies' use of PBAs during FY 2006 using data from the Federal Procurement Data System – Next Generation (FPDS-NG) and found that most agencies met or exceeded the suggested federal PBA goal of 40 percent by awarding over 45 percent of their eligible PBA service dollars. In contrast, Treasury's performance in FY 2006 measured 20 percent of eligible PBA dollars and for FY 2007 through May 2007, 21 percent.

OFPP is encouraging agencies to increase their use of PBA and apply PBA methods to 45 percent of their eligible service actions over \$25,000 for fiscal year (FY) 2007, to include contracts, task orders, modifications, and options, as measured in dollars.

Since Treasury is not meeting OMB's government-wide goal, we are committing to successive targets by year through FY 2011; adding achievement of these goals to the performance evaluation plan and rating forms of acquisition staff during FY 08; reinforcing the need to plan strategies for implementing PBAs by providing sources for guidance and good practice that can be used in documenting acquisition plans; and requiring the accomplishment of mandatory training by December 31, 2007.

Required Actions:

1. OPE is hereby incorporating the following goals into a revised version of the Treasury's Performance-Based Acquisition Management Plan for FY 2007 – FY 2011:

| <u>Fiscal Year</u> | <u>Goal</u> |
|---------------------------------|-------------|
| 4 th Quarter FY 2007 | 23% |
| 2008 | 28% |
| 2009 | 35% |
| 2010 | 40% |
| 2011 | 45% |

2. Bureau Chief Procurement Officers (BCPOs) must include the achievement of the PBA goals as a rating element in acquisition staff's performance evaluation plan and rating form for FY 08.
3. Acquisition staff must adequately address the requirements of FAR 7.105(b)(4)(i) in all Acquisition Plans to include a rationale for not using a PBA or for using a PBA on other than a firm-fixed-price basis. Additional guidance and good practice for PBA planning can be found in Attachment 1.
4. BCPOs must ensure that all procurement staff completes a training class on performance-based service acquisitions. Procurement staff may take the on-line course, *CLC 013 Performance-Based Service Acquisition*, or classroom based PBA training. Detailed instructions for registering for the online course can be found in Attachment 2. The training shall be completed no later than December 31, 2007 for all employees on board as of the effective date of this AB. For employees coming on board after the effective date of this AB, a PBA class shall be included in their Individual Development Plans. All staff members who have already completed a PBA course shall assure that it is recorded in ACMIS (<https://admin.acmis.gov/>). OPE may grant individual waivers for hardship based on agreements in Individual Development Plans in place prior to the effective date of this AB.

Questions about this AB may be directed to Karen Davis at Karen.Davis@do.treas.gov or (202) 622-2092.

Attachments:

Attachment 1: OMB Memorandum dated May 22, 2007, Subject: Using Performance-Based Acquisition to Meet Program Needs – Performance Goals, Guidance, and Training.

Attachment 2: How to register for Continuous Learning Modules on www.dau.mil.