




DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

**Acquisition Bulletin (AB)
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MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS

FROM: Thomas A. Sharpe, Jr. 
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Office of the Procurement Executive

**SUBJECT: Performance-Based Acquisition Requirements
(FY 09 Performance Goals, Annual Bureau Plan, PBA Advocate
Duties and Website)**

Purpose: The purpose of this AB is to establish procedures for submission of annual plans; to add PBA duties; and to promote Treasury's website as a resource in support of Treasury's previously established FY 09 Performance-Based Acquisition (PBA) target achievement goal of 35%.

Effective Date: This AB is effective immediately.

Expiration Date: This AB will expire when cancelled or superseded.

Background: This AB supersedes AB 07-05. The Office of Management and Budget's (OMB's) governmentwide PBA goal for FY 08 was 50%. Treasury is committed to reaching OMB's goal through successive targets. The FY 09 goal as submitted to OMB is to apply PBA methods to 35% of eligible service dollars (ref. Treasurywide goals from the Department of the Treasury Performance Based Acquisition Management Plan (FY 07 - 23%; FY 08 - 28%; FY 09 - 35%; FY 10 - 40%; FY 11 - 45%).

Required Actions:

- 1. Bureaus must submit an annual PBA plan and Quarterly Progress Reports to the Office of the Procurement Executive (OPE).** All bureaus must prepare and submit to OPE a FY 09 PBA plan by November 4, 2008 and progress reports towards reaching the goal based on the plan or changes to the plan by the 15th day of January, April and July. The formats for plan and progress report submissions are attached.
- 2. FY 09 Performance Plans.** 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 09.

3. **Acquisition Plans.** 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. The plan must be reviewed by the bureau PBA Advocate based on threshold(s) or planned PBA acquisitions established by the bureau.
4. **Defined requirements.** During FY 09, acquisition staff must advise program offices that requirements must be defined or at least conveyed in a statement of objectives for the contractor to provide the performance work statement and the performance requirements summary table. Statements of work must be reviewed by PBA Advocates based on threshold(s) or planned PBA acquisitions established by the bureau.

OPE's website is hosting the most current Treasury PBA information at <http://intranet.treas.gov/procurement/pba/default.asp>. This page was designed to provide bureaus with the most recent and relevant information on applying PBA methods. It is also meant to post PBA solicitations to share with other bureaus or to post PBA questions and issues for inter-bureau exchange of information. Bureaus are encouraged to view, use and comment on the website information.

OPE is also available to assist with applying PBA methods to any acquisition.

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

Attachments: Format for FY 09 Performance Based Acquisition Management Plan
Format for Progress Report

FY 09 PERFORMANCE BASED ACQUISITION MANAGEMENT PLAN

This PBA plan is due to the Office of the Procurement Executive by October 15, 2008

1. Did the bureau meet its FY 08 goal of 28%?
2. If not, what were the barriers and plan to overcome barriers?
3. In the table below, provide a list of acquisitions with estimated dollar values to be awarded during FY 09. The estimated dollar value of these acquisitions must be sufficient to meet the goal of 35% of your bureau's FY 09 eligible services dollars spent by 9/30/09. Bureaus should use bureau FPDS-NG PBA data as of 9/30/08 to find 35% of their total FY 08 eligible dollars spent as a basis for estimating FY 09 dollar obligations.

EXAMPLE:

Requirement/ Acquisition Name	Est. FY 09 dollar Obligations	Planned Award Date By Quarter	Actual FY 09 dollars obligated	Actual award date
The ABC Project	\$1 million	2Q09	\$750,000	1/14/09
The DEF Project	<u>\$1 million</u>	3Q09	<u>\$847,320</u>	5/19/09
Goal	\$2 million		\$1,597,320	

In this example the actual dollars obligated amount to \$402,680 less than the projected total. This is why the plan's estimated dollars should be an amount higher than the goal total to avoid any shortfall. However, when the actual dollars obligated begin to amount to less than the estimated projections, without planned recovery on a future acquisition, the plan must be revised to add acquisitions and estimated dollar values in the quarter following the shortfall.

**PROGRESS REPORT
ON
FY09 PERFORMANCE BASED ACQUISITION MANAGEMENT PLAN**

Progress reports on reaching the goal based on the plan or changes to the plan are due to OPE by the 15th day of January 2009, April 2009 and July 2009.

1. Is the plan still tracking to meet the Bureau's FY 09 goal of 35%?
2. How does actual performance for the quarter ending (December, March or June) compare to projected estimates in element 3 of the plan? (Fill-in element 3 of the plan with actuals for submission with this report.)
3. Does the plan need to be revised in order to meet the goal? If so, provide additional acquisitions and estimated dollar values in element 3 of the Plan.