

FACILITIES DIVISION Standard Operating Procedures

DATE: August 13, 2007 (REVISED June 16, 2008)
SUBJECT: Implementation of USDA and ARS Acquisition Strategy Review and Approval Requirements
NUMBER: FD-SOP 07-002
EFFECTIVE DATE: August 13, 2007

1. Purpose

The purpose of this document is to provide guidance and procedures on the implementation of Acquisition Strategy reviews of proposed FD-issued contracts and task orders for construction and architect-engineering (A-E) services that exceed \$1 million in accordance with USDA and ARS directives.

2. Acronyms

AGAR – Agriculture Acquisition Regulation
APD – Acquisition and Property Division
APOB – Acquisition Programs and Oversight Branch
ARS – Agricultural Research Service
CAO – Chief Acquisition Officer
CS – Contract Specialist
CO – Contracting Officer
EPM – Engineering Project Manager
FCB – Facilities Contracts Branch
FD – Facilities Division
HCA – Head of the Contracting Activity
HCAD – Head of the Contracting Activity Designee
HPRL – High Priority Requirements List
PAO – Procurement Assistance Officer
PPD/OPPM – Procurement & Policy Division/Office of Procurement and Property Management
USDA – U.S. Department of Agriculture

3. References

AGAR Advisory No. 83, Acquisition Strategy Review and Approval Procedures
ARS Bulletin No. 07-205, Internal Procedures for Coordinating Acquisition Plans in Response to AGAR Advisory 83
FAR 7.1, Acquisition Plans
AGAR 407.1, Acquisition Plans

4. Background

An objective of AGAR Advisory No. 83 is to ensure that the approaches taken to contract with the private sector by the various Agencies within USDA support the mission and program objectives of USDA, as well as Federal and Departmental initiatives. To that end, each agency is required to develop an Acquisition Strategy that details how the Agency intends to conduct individual acquisitions above certain dollar thresholds.

The requirement for an Acquisition Strategy applies to:

- All Contracts
- All Indefinite Quantity Contracts (IQC's) whose value exceed \$1 million, including all options
- Exercise of unpriced options
- New work or scope modifications with an increase of \$5 million or more
- Task orders/Delivery orders under Federal Supply Service (FSS) contracts
- Basic ordering agreements (BOA's)
- Blanket purchase agreements (BPA's)
- Major information technology (IT) acquisitions as identified in AGAR No. 83
- Any acquisition identified by the HCA/HCAD or CAO because of its impact, sensitivity, or to insure compliance with Presidential initiatives

5. Policy

An Acquisition Strategy must be approved prior to issuing a solicitation for construction projects and prior to posting a synopsis in FedBizOpps for A-E projects. The value of an acquisition will determine whether the Strategy is reviewed at the Department or Agency level.

Acquisition Strategies are to be coordinated by the Requiring Activity (or Project Manager) and initiated as soon as practical once the project is approved and funded by Congress (in the case of Buildings and Facilities earmark projects), when the Area Office communicates its needs to FD or the HPRL projects are approved (in the case of annual funds). For purposes of this FD-SOP, the Engineering Project Manager (EPM) is considered to be the Requiring Activity/Project Manager for FD-related acquisitions.

The format to be used for documenting Acquisition Strategies by FD and/or for projects requiring FCB approval can be found at Enclosure 1 to this document.

Acquisition Strategies for FD-related projects are to be coordinated by the EPM, who will take

the lead, with the Contract Specialist/Contracting Officer (CS/CO) and the pertinent Area Office. The EPM is to complete the applicable portions of Items 2-6 and 10. (Item 8 – IT Acquisitions – will normally not apply to FD.) The CO will complete the remaining Items 7, 9, and 11 and forward the document to the appropriate officials for approval. Because the Acquisition Strategy is a joint responsibility, the EPM should seek the concurrence of the CO on the information being supplied.

6. Exemptions

The following are exempt from the requirement for an Acquisition Strategy:

- Projects or contracts that were synopsisized or awarded prior to March 15, 2007
- Task/Delivery orders under IQC's where the IQC was awarded or synopsisized/posted in FedBizOpps prior to March 15, 2007
- Task/Delivery orders under IQC's where the Acquisition Strategy for the basic IQC was approved

7. Procedures

Acquisition Strategies will be transmitted to all parties via e-mail. Approvals will, likewise, be communicated to the requesting office via e-mail.

- a. Acquisitions under \$1 million: No formal written Strategy needs to be submitted.
- b. Acquisitions between \$1 million and \$5 million: An Acquisition Strategy must be developed and submitted to the Chief, FCB, for review and approval through the FD-OSDBU Coordinator.

For all required Acquisition Strategies on projects that originate in FD, as well as those applicable to construction and A-E projects where the Area PAO is the CO, the documentation must be reviewed and approved by the FD-OSDBU Coordinator prior to submission to the Chief, FCB, for approval. FCB will assign the identification number and maintain a copy for its files. For example, "FD-07-001" indicates the Strategy is the first one for Fiscal Year 2007 processed by FD.

- c. Acquisitions over \$5 million: Acquisition Strategies must be developed and submitted to the CAO for approval. (The CAO for USDA is the Assistant Secretary for Administration.)

For Acquisition Strategies for projects that exceed \$5 million, the documentation will be sent first to the FD-OSDBU Coordinator for review and approval prior to submission to the Chief, FCB, for review and approval who will forward it to the APOB, APD. APOB will assign the identification number and send it on to the Director, APD, for review and approval. (NOTE: the signature sheet must be faxed to APOB at 301-504-1739.) Once the Director, APD, approves the document, it will be sent to USDA's CAO through PPD/OPPM for approval.

- d. Approvals: Approvals will be transmitted electronically to the CO who will forward the approval to the EPM. Approval of the Acquisition Strategy of the initial planned acquisition by

the Chief, FCB, for projects from \$1 million to \$5 million and by the CAO for projects over \$5 million, will cover contracts with priced options and task orders/delivery orders for the life of the contract up to the maximum value of the original approval. A copy of the approval should be maintained in the basic contract file. The award memo should include a statement that an Acquisition Strategy was approved and when or, that the contract or task order was exempt from this requirement because it, or the IQC, was synopsisized/posted or awarded prior to March 15, 2007.

e. Timeframes: Reviews of Strategies by FCB staff will normally take no more than 5 working days. Reviews of Acquisition Strategies for projects over \$5 million will take additional time. APD requires 5 working days for their review before sending it to PPD/OPPM and the CAO. The CAO holds review meetings on a bi-weekly basis and requires documentation at least 10 working days in advance of their meeting and there is a 3 working day window to communicate their decision to the HCAD. All total, the minimum time for Acquisition Strategies over \$5 million is approximately 37 working days (including an additional 10 working days dependent on scheduling calendar for the Department/CAO Review Meetings) or about 49 calendar days. Consequently, the EPM and CS/CO must plan the acquisition milestones accordingly.

f. Changes to Previously Approved Acquisition Strategies: Significant changes to an approved Acquisition Strategy must be submitted through the FD-OSDBU Coordinator to the Chief, FCB, for approval if the change(s) is less than \$5 million. For changes over \$5 million, the revision must be submitted through the FD-OSDBU Coordinator to the Chief, FCB, and Director, APD, to the CAO in the same manner as an initial Strategy. Examples of significant changes prior to issuing a solicitation would include a change in the requirements; change in strategy, such as contract type or set-aside; or increase of 10 percent or more in the estimated value of the acquisition. Notification of such changes must be submitted to the appropriate approving official within 3 business days after the change occurs. Examples of significant changes after a contract award would include exercise of unpriced options; proposed contract modifications that would increase the contract between \$1million and \$5 million (to be approved by the Chief, FCB); and proposed contract modifications that would increase the contract by more than \$5 million (to be approved by the CAO following the procedures for an initial Strategy).

8. Contact

For further information, contact the Facilities Contracts Branch on 301-504-1171.

/s/ PATRICK G. BARRY

PATRICK G. BARRY

Director

Facilities Division

Enclosure

ACQUISITION STRATEGY FORMAT

1. Acquisition Strategy Identifier: _____
(Agency – FY – Agency Identifier/Number)

2. Contracting Agency Information:

Agency Name & Address: USDA, REE, ARS, FD
Facilities Contracts Branch
5601 Sunnyside Ave., Mail Stop 5124
Beltsville, MS 20705

Agency Point of Contact:

Name: _____

E-Mail Address: _____

Phone Number: _____

Contracting Office Name & Address: USDA, REE, ARS, FD
Facilities Contracts Branch
5601 Sunnyside Ave., Mail Stop 5124
Beltsville, MS 20705

Contracting Officer's Name: _____

E-Mail Address: _____

Phone Number: _____

3. Description of Planned Acquisition: (Include (a) Scope of Work, (b) Major Deliverables/Services, (c) Name of Research Lab and Location)

4. Estimated Dollar Amount (Inclusive of all Options):

5. Period of Performance/Delivery Schedule:

6. Funding Method: (e.g., Type of Funds [Buildings & Facilities, Program/Base Funds] and Year of Funds/No Year)

7. Contracting Method:

a. Solicitation Type: (e.g., IFB or RFP)

b. Small Business Considerations: (e.g., Unrestricted, 8(a) Sole Source, 8(a) Competitive, Small Business Set-Aside, HUBZone Set-Aside, Service-Disabled Veteran Owned Small Business, Woman-Owned Small Business, etc.)

Include rationale for set-aside or unrestricted and market survey information.

- c. OSDBU Approval of the Small Business Consideration: (Attach completed AD-1205 with all required signatures for the dollar value of the requirement.)
 - d. Extent of Competition: (e.g., Full and Open, Competition after Exclusion of Sources, Other than Full and Open, etc. Enclose copy of approved justification for other than full and open competition.)
 - e. Performance Based Statement of Work: (Yes or no if a service contract or task order; if service contract and will not be performance based, provide rationale)
 - f. Source Selection Procedures: (IFB-Lowest Responsible & Responsive Offer, Best Value, Lowest Cost/Highest Technical Score, etc.)
 - g. Contract Type, including pricing structure: (e.g., FFP, CPFF, CPAF, T&M, etc.)
 - h. Option Periods, quantities or items:
 - i. Name(s) of Authorized Users for Indefinite Delivery Contracts:
8. Information Technology (IT) Investment: (Description and include OMB Circular A-11 Requirements)
9. Follow-on Procurement: (Name and address of current contractor, contract number, Expiration date)
10. USDA Green Purchasing Affirmative Procurement Program (GPAPP): (Describe how this program is incorporated in this requirement (bio-based and bio-preferred products, as well as Energy Star, FEMP, EPEAT, recycled content, etc.)?)
- 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 bio-based products during performance? If no, please justify why bio-based products were not required.
11. Other Acquisition Issues of Note:

SUBMITTED FOR REVIEW:

(NAME)
Engineering Project Manager

Date

(NAME)
Contracting Officer

Date

APPROVED:

REGINA M. HERCHAK
FD-OSDBU Coordinator

Date

BRENDA A. WOOD
Chief, Facilities Contracts Branch

Date

LARRY R. CULLUMBER
Head of the Contracting Activity Designee
(For projects over \$5 million only)

Date

(For Projects over \$5 million – include all previous signature lines)

RECOMMENDATION TO THE CAO

_____ Approve

_____ Disapprove

_____ Approve Subject to the conditions listed below:

Conditions:

Chief, Procurement Policy Division, OPPM

Date

Senior Procurement Executive

Date

DECISION OF THE CAO:

_____ Approve

_____ Disapprove

_____ Approve - Subject to the conditions listed below:

Conditions:

Chief Acquisition Officer

Date