

AGAR ADVISORY

ADVISORY NO. 103

Service Contract Reporting

1. SUMMARY

Agencies are now required to report on the role contracted services play in achieving agency objectives. Because the information is not currently collected in FPDS, the acquisition workforce will start collecting this information for new contracts awarded on or after March 1, 2012. Acquisition workforce members shall review the OFPP Policy Letter 11-01, Performance of Inherently Governmental and Critical Functions, and when a contract is initially awarded, shall indicate in the "description of requirement" field in FPDS if the services provided under the contract are predominantly for functions closely associated to inherently governmental ones, critical functions, or other functions.

2. REFERENCES

Office of Federal Procurement Policy Letter 11-01, *Performance of Inherently Governmental and Critical Functions* dated September 12, 2011, and *Technical Correction to Policy Letter* dated February 12, 2012, both accessible at http://www.whitehouse.gov/omb/procurement_index_work_performance/.

3. ACTIONS

Acquisition workforce members and others that input contract actions into the Federal Procurement Data System – Next Generation (FPDS-NG) shall indicate in the "description of requirement" field in FPDS-NG if the services provided under the contract are predominantly for functions closely associated to inherently governmental ones, critical functions, or other functions, as follows:

Enter (as the first words in the "Description of Requirement"):	If the services provided under the contract are:
Closely Associated	Functions closely associated to inherently governmental ones.
Critical Functions	Functions that are necessary to the agency being able to effectively perform and maintain control of its mission and operations.
Other Functions	When neither of the above applies.

Identifying functions at the time of award should assist agencies (in the case of closely associated functions) in prioritizing which contracts may require increased management attention and oversight to ensure that mission creep does not result in contractors performing inherently governmental functions and (in the case of critical functions) ensure that the agency does not lose control of its mission and operations.

AGAR Advisories are posted on the USDA World Wide Web site at the following URL: <http://www.dm.usda.gov/procurement/policy/advisories.html>. If you have questions or comments regarding this advisory, please contact Al Muñoz by telephone at (202) 720-1273 or email at al.munoz@dm.usda.gov or send an email message to procurement.policy@dm.usda.gov.

EXPIRATION DATE: Effective upon issue date until canceled. **[END]**