

Department of the Treasury Acquisition Procedures (DTAP)

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FOREWORD

The Department of the Treasury Acquisition Procedures (DTAP) is published by the Senior Procurement Executive (SPE) of the Department of the Treasury, in his concurrent capacity as Director, Office of the Procurement Executive (OPE), and under the authority vested in him by the Federal Acquisition Regulation (FAR), specifically FAR 1.301(a)(2). The contents of the DTAP are intended to provide binding internal, non-codified policy and procedure guidance to various Treasury procurement bureaus. The scope includes, but is not limited to, delegations of authority, assignments of responsibilities, work-flow procedures, internal reporting requirements, and all other procurement policies and procedures that facilitate the processing of Treasury acquisitions. The DTAP is a companion guide to the Department of the Treasury Acquisition Regulation (DTAR), the latest version of which is codified at 48 CFR Chapter 10. Language from the codified DTAR is reproduced within the DTAP for convenience and ease of use, and formatted to differentiate itself from DTAP text by using Times New Roman font with gray highlight.

The arrangement of this Edition corresponds to the FAR, with subchapters, parts, subparts, sections and subsections corresponding to their FAR counterparts. Furthermore, it shares the same numbering system and naming convention as the FAR and DTAR for ease of cross-referencing and use. DTAP applies to all acquisitions of supplies and services involving the obligation of appropriated or non-appropriated funds. Each Treasury bureau or office is required to use the DTAP to ensure adherence to Treasury-specific policy. For those bureaus subject to the FAR, the DTAP must be used in conjunction with the DTAR and FAR to ensure adherence to all Treasury policy and federal procurement regulations.

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Department of the Treasury Acquisition Procedures (DTAP)

Table of Contents

PART 1001—DEPARTMENT OF THE TREASURY ACQUISITION PROCEDURES SYSTEM.....	7
Subpart 1001.1—Purpose, Authority, Issuance.....	7
Subpart 1001.3—Agency acquisition regulations	8
Subpart 1001.4—Deviations from the FAR	9
Subpart 1001.6—Career Development, Contracting Authority, and Responsibilities	9
Subpart 1001.70—Other Determinations, Waivers, Exceptions, Approvals, Reviews, and Submittals.	13
PART 1002—DEFINITIONS.....	14
Subpart 1002.1—Definitions.....	14
Subpart 1002.70—Abbreviations.....	15
PART 1003—IMPROPER BUSINESS PRACTICES & PERSONAL CONFLICTS OF INTEREST.....	16
Subpart 1003.1—Safeguards	16
Subpart 1003.2—Contractor Gratuities to Government Personnel.....	16
Subpart 1003.3—Reports of Suspected Antitrust Violations.	17
Subpart 1003.4—Contingent Fees	17
Subpart 1003.6—Contracts with Government Employees or Organizations Owned or Controlled by Them	17
Subpart 1003.7—Voiding and Rescinding Contracts.....	17
Subpart 1003.8—Limitation on the Payment of Funds to Influence Federal Transactions.....	18
PART 1004—ADMINISTRATIVE MATTERS.....	19
Subpart 1004.1—Contract Execution	19
Subpart 1004.4—Safeguarding Classified Information within Industry	19
Subpart 1004.6—Contract Reporting	20
Subpart 1004.70—Numbering of Solicitations, Contracts, and Orders.....	33
Subpart 1004.71—Legal Review	34
Subpart 1004.72—Staff Review	35
Subpart 1004.73—Evaluation and Certification of Treasury Procurement System.....	36
Subpart 1004.74—Procurement Automation	37
Subpart 1004.75—Acquisition Improvement	38
PART 1005—PUBLICIZING CONTRACT ACTIONS.....	40
Subpart 1005.2—Synopsis of Proposed Contract Actions	40
Subpart 1005.3—Synopsis of Contract Awards	40
Subpart 1005.4—Release of Information	40
Subpart 1005.5—Paid Advertisements.....	40

PART 1006—COMPETITION	
REQUIREMENTS.....	41
Subpart 1006.2—Full and Open Competition After Exclusion of Sources	41
Subpart 1006.3—Other Than Full and Open Competition.....	41
Subpart 1006.5—Competition Advocates.....	41
PART 1007—ACQUISITION PLANNING.....	43
Subpart 1007.1—Acquisition Plans	43
Subpart 1007.5—Inherently Governmental Functions.....	45
Subpart 1007.70 – End of Fiscal Year Planning and Procurement Cutoff Dates	47
PART 1008—REQUIRED SOURCES OF SUPPLIES AND SERVICES.....	48
Subpart 1008.002—SOURCES.....	48
Subpart 1008.4—Federal Supply Schedules.....	48
Subpart 1008.8—Acquisition of Printing and Related Supplies	49
Subpart 1008.11—Purchase or Lease of Motor Vehicles.....	49
PART 1009—CONTRACTOR QUALIFICATIONS.....	51
Subpart 1009.2—Qualifications Requirements.....	51
Subpart 1009.4—Debarment, Suspension, and Ineligibility.....	51
Subpart 1009.5—Organizational and Consultant Conflicts of Interest.....	54
PART 1010—MARKET RESEARCH.....	55
PART 1011—DESCRIBING AGENCY NEEDS.....	56
Subpart 1011.2—Using and Maintaining Requirements Documents.....	56
Subpart 1011.5—Liquidated Damages.....	56
PART 1012—COMMERCIAL ITEMS.....	57
Subpart 1012.3—Solicitation Provisions and Contract Clauses for the Acquisition of Commercial Items	57
PART 1013—SIMPLIFIED ACQUISITION PROCEDURES.....	58
Subpart 1013.1—Procedures	58
Subpart 1013.3—Simplified Acquisition Methods.....	58
PART 1015—CONTRACTING BY NEGOTIATION.....	59
Subpart 1015.2—Solicitation and Receipt of Proposals and Information	59
Subpart 1015.3—Source Selection	59
Subpart 1015.4—Contract Pricing.....	59
Subpart 1015.6—Unsolicited Proposals	60
PART 1016—TYPES OF CONTRACTS.....	61
Subpart 1016.2—Fixed-Price Contracts	61
Subpart 1016.5—Indefinite-Delivery Contracts.....	61
Subpart 1016.6—Time-and-Materials, Labor-Hour, and Letter Contracts.....	61
PART 1017—SPECIAL CONTRACTING METHODS.....	62
Subpart 1017.2—Options	62
Subpart 1017.4—Leader Company Contracting.....	62
Subpart 1017.5—Interagency Acquisition	62
Subpart 1017.70—Treasury-Wide Acquisition Contracts	65
Subpart 1017.71—Strategic Sourcing	65

PART 1018—EMERGENCY ACQUISITIONS.....	70
Subpart 1018.1—Available Acquisition Flexibilities	70
Subpart 1018.2—Emergency Acquisition Flexibilities.....	70
PART 1019—SMALL BUSINESS PROGRAMS.....	71
Subpart 1019.2—Policies	71
Subpart 1019.3—Determination of Small Business Status for a Small Business Programs	75
Subpart 1019.4—Cooperation with the Small Business Administration.....	76
Subpart 1019.5—Set-Asides for Small Business.....	76
Subpart 1019.6—Certificates of Competency and Determinations of Responsibility	79
Subpart 1019.7—The Small Business Subcontracting Program	79
Subpart 1019.8—Contracting with the Small Business Administration (The 8(a) Program).....	81
SUBPART 1019.70 Contracting Opportunities in Federal Advertising (Executive Order 13170)	82
PART 1022—APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS.....	84
Subpart 1022.1—Basic Labor Policies	84
Subpart 1022.3—Contract Work Hours and Safety Standards Act.....	84
Subpart 1022.4—Labor Standards for Contracts Involving Construction	85
Subpart 1022.6—Walsh-Healey Public Contracts Act	85
Subpart 1022.8—Equal Employment Opportunity	85
Subpart 1022.13—Special Disabled Veterans, Veterans of the Vietnam Era, and Other Eligible Veterans.....	86
Subpart 1022.14—Employment of Workers with Disabilities.....	86
PART 1023—ENVIRONMENT, ENERGY AND WATER EFFICIENCY, RENEWABLE ENERGY TECHNOLOGIES, OCCUPATIONAL SAFETY, AND DRUG-FREE WORKPLACE.....	87
Subpart 1023.4—Use of Recovered Materials	87
Subpart 1023.5—Drug Free Workplace	87
Subpart 1023.7—Contracting for Environmentally Preferable Products and Services	87
Subpart 1023.10—Federal Compliance with Right-to-Know Laws and Pollution Prevention Requirements	92
PART 1024—PROTECTION OF PRIVACY AND FREEDOM OF INFORMATION..	93
Subpart 1024.1—Protection of Individual Privacy.....	93
Subpart 1024.2—Freedom of Information Act.....	93
PART 1025—FOREIGN ACQUISITION.....	94
Subpart 1025.1—Buy American Act – Supplies	94
Subpart 1025.2—Buy American Act -- Construction Materials	94
Subpart 1025.7—Prohibited Sources	94
SUBPART 1025.10 – ADDITIONAL FOREIGN ACQUISITION REGULATIONS	94
PART 1027—PATENTS, DATA, AND COPYRIGHTS.....	97
Subpart 1027.2—Patents	97

Subpart 1027.3—Patent Rights Under Government Contracts	97
PART 1028—BONDS AND INSURANCE.....	98
Subpart 1028.1—Bonds and Other Financial Protections	98
Subpart 1028.2—Sureties and Other Security for Bonds	98
Subpart—1028.3 Insurance.....	98
PART 1029—TAXES.....	100
Subpart 1029.3—State and Local Taxes	100
PART 1030—COST ACCOUNTING STANDARDS ADMINISTRATION.....	101
Subpart 1030.2—CAS Program Requirements	101
PART 1031—CONTRACT COST PRINCIPALS AND PROCEDURES.....	102
Subpart 1031.1—Applicability.....	102
PART 1032—CONTRACT FINANCING.....	103
Subpart 1032.1—Non-Commercial Item Purchase Financing	103
Subpart 1032.2—Commercial Item Purchase Financing.....	103
Subpart 1032.4—Advance Payments for Non-Commercial Items.....	104
Subpart 1032.8—Assignment of Claims.....	104
Subpart 1032.9—Prompt Payment.....	104
Subpart 1032.11—Electronic Funds Transfer.....	104
PART 1033—PROTESTS, DISPUTES, AND APPEALS.....	105
Subpart 1033.1—Protests	105
Subpart 1033.2—Disputes and Appeals.....	105
PART 1034—MAJOR SYSTEM ACQUISITION.....	107
Subpart 1034.0—General.....	107
DTAR Subpart 34.2 – Earned Value Management System	110
PART 1035—RESEARCH AND DEVELOPMENT CONTRACTING.....	114
PART 1036—CONST. AND ARCHITECT-ENGINEERING CONTRACTS.....	115
Subpart 1036.2—Special Aspects of Contracting for Construction.....	115
Subpart 1036.6—Architect-Engineer Services	115
PART 1037—SERVICE CONTRACTING.....	116
Subpart 1037.1—Service Contracts – General.....	116
Subpart 1037.6—Performance-Based Acquisition	116
PART 1039—ACQUISITION OF INFORMATION TECHNOLOGY.....	117
Subpart 1039.1—General.....	117
PART 1041—ACQUISITION OF UTILITY SERVICES.....	119
Subpart 1041.1—General.....	119
PART 1042—CONTRACT ADMINISTRATION AND AUDIT SERVICES.....	120
Subpart 1042.1—Contract Audit Services	120
Subpart 1042.7—Indirect Cost Rates	120
Subpart 1042.15—Contractor Performance Information.	120
PART 1043—CONTRACT MODIFICATIONS.....	123
Subpart 1043.1—General.....	123
PART 1044—SUBCONTRACTING POLICIES AND PROCEDURES.....	124
Subpart 1044.3—Contractors' Purchasing Systems Reviews	124
PART 1046—QUALITY ASSURANCE.....	125
Subpart 1046.6—Material Inspection and Receiving Reports	125
Subpart 1046.7—Warranties	126

Subpart 1046.70—HIA Program.....	126
PART 1047—TRANSPORTATION.....	128
Subpart 1047.5—Ocean Transportation by U.S.-Flag Vessels.....	128
PART 1048—VALUE ENGINEERING.....	129
Subpart 1048.1—Policies and Procedures.....	129
PART 1049—TERMINATION OF CONTRACTS.....	131
Subpart 1049.1—General Principles	131
PART 1050—EXTRAORDINARY CONTRACTUAL ACTIONS.....	132
Subpart 1050.1—General.....	132
Subpart 1050.2—Delegation of, and Limitations on Exercise of Authority	132
Subpart 1050.3—Contract Adjustments	132
Subpart 1050.4—Residual Powers.....	132
DTAR PART 1052—SOLICITATION PROVISIONS AND CONTRACT CLAUSES...	133
DTAR Subpart 1052.2—Texts of Provisions and Clauses.....	133
PART 1053 – FORMS.....	141
Subpart 1053.2 – Prescription of Forms	141
Subpart 1053.3 – Illustrations of Forms.....	141

PART 1001—DEPARTMENT OF THE TREASURY ACQUISITION PROCEDURES SYSTEM

SUBPART 1001.1—PURPOSE, AUTHORITY, ISSUANCE

DTAR Subpart 1001.1—Purpose, Authority, Issuance

DTAR 1001.101 Purpose.

This subpart establishes Chapter 10, the Department of the Treasury Acquisition Regulation (DTAR), within Title 48 of the Federal Acquisition Regulation (FAR) System. The DTAR contains policies and procedures that supplement FAR coverage and directly affect the contractual relationship between the Department of the Treasury and its business partners (e.g., prospective offerors/bidders and contractors). When FAR coverage is adequate, there will be no corresponding DTAR coverage.

1001.102 Statement of guiding principles for the Federal Acquisition System.

(d) The Federal Acquisition Regulation (FAR), Department of the Treasury Acquisition Regulation (DTAR), and these supplemental Department of Treasury Acquisition Procedures (DTAP) are to be construed liberally to achieve optimum benefit and maximum value for all Treasury acquisitions, and subsequent actions pursuant thereto should be consistent with statutory and regulatory requirements, policy, and sound business judgment.

DTAR 1001.104 Applicability.

The DTAR applies to all acquisitions of supplies and services, which obligate appropriated funds. For acquisitions made from non-appropriated funds, the Senior Procurement Executive will determine the rules and procedures that will apply. The DTAR does not apply to the acquisitions of the U.S. Mint.

DTAR 1001.105 Issuance.

DTAR 1001.105-1 Publication and code arrangement.

The DTAR and its subsequent changes will be published in the Federal Register and codified in the Code of Federal Regulations (CFR). The DTAR will be issued as 48 CFR Chapter 10.

DTAR 1001.105-2 Arrangement of regulations.

(a) References and citations. The DTAR is divided into the same parts, subparts, sections, subsections, and paragraphs as the FAR except that 10 or 100 will precede the DTAR citation so that there are four numbers to the left of the first decimal. Reference to DTAR material must be made in a manner similar to that prescribed by FAR 1.105-2(c).

DTAR 1001.105-3 Copies.

Copies of the DTAR in Federal Register or CFR form may be purchased from the Superintendent of Documents, Government Printing Office (GPO), Washington, DC 20402.

DTAR 1001.106 OMB Approval under the Paperwork Reduction Act.

OMB has assigned the following control numbers that must appear on the upper right corner of the face page of each solicitation, contract, modification, and order: OMB Control No. 1505-0081 (Offeror submissions), OMB Control No. 1505-0080 (Contractor submissions), OMB Control No. 1505-0107 (Protests). OMB regulations and OMB's approval and assignment of control numbers are conditioned upon Treasury bureaus not requiring more than three copies (including the original) of any document of information. OMB has granted a waiver to permit the Department to require up to eight copies of proposal packages, including proprietary data, for solicitations, provided that contractors who submit only an original and two copies will not be placed at a disadvantage.

SUBPART 1001.3—AGENCY ACQUISITION REGULATIONS

DTAR 1001.301 Policy.

(a)(1) The DTAR (48 CFR Chapter 10) is issued for Treasury implementation in accordance with the authority cited in FAR 1.301(b). The DTAR supplements the Federal Acquisition Regulation by establishing uniform policies for all acquisition activities throughout the Department of the Treasury, except for the United States Mint.

1001.301 Policy.

(a)(2) The DTAP establishes internal Treasury acquisition policies and procedures for all acquisition activities in the Department. The language from the codified DTAR is reproduced where applicable for ease of use and cross-referencing within the DTAP. If there is any conflict between the codified DTAR and the language reproduced in the DTAP, the codified DTAR governs.

1001.304 Agency control and compliance procedures.

(a) Both the DTAR and the DTAP are under the direct oversight and control of the Department of the Treasury's Office of the Procurement Executive (OPE), which is responsible for evaluation, review, and issuance of all Department-wide acquisition regulations and guidance.

(b) The Senior Procurement Executive (SPE) will review for approval proposed revisions to both the DTAR and DTAP. Each Bureau Chief Procurement Officer (BCPO) may propose changes to the DTAR or DTAP. Bureaus proposing to issue agency regulatory changes, or to use a deviation in a solicitation or contract, must forward proposed changes to the Senior Procurement Executive (SPE) for review and appropriate action. Each BCPO may publish locally enforceable procedures unique to the bureau to supplement the DTAR or DTAP as necessary for the sound functioning of its acquisition function.

(c) The SPE is responsible for recommending regulations or clauses for incorporation into the FAR. Cases not peculiar to Treasury, particularly those involving uniform and policies and procedures with potential for implementation on a federal government-wide basis, should be forwarded to the SPE for review and appropriate action.

DTAR 1001.304 Agency control and compliance procedures.

(a) The DTAR is under the direct oversight and control of Treasury's Office of the Procurement Executive (OPE), which is responsible for the evaluation, review, and issuance of all Department-wide acquisition regulations and guidance.

SUBPART 1001.4—DEVIATIONS FROM THE FAR

1001.403 Individual deviations.

Treasury Directive 12-11, "Procurement Authority," delegates authority to approve deviations from the FAR to the SPE. Requests for deviation, with all justifications, must be submitted to the SPE in accordance with DTAP 1001.7000 (a), *supra*.

DTAR 1001.403 Individual deviations.

The SPE is authorized to approve individual contract FAR and DTAR deviations.

1001.404 Class deviations.

(a) Requests for a class deviation, with all justifications and number of contracts affected, must likewise be submitted to the SPE in accordance with DTAP 1001.7000(a). COs must include a copy of the approved class deviation in each contract file. The SPE will transmit a copy of each approved deviation to the FAR Secretariat.

DTAR 1001.404 Class deviations.

(a) The SPE is authorized to approve class FAR and DTAR deviations.

**SUBPART 1001.6—CAREER DEVELOPMENT, CONTRACTING
AUTHORITY, AND RESPONSIBILITIES**

1001.601 General.

Treasury Order 101-30, "Designation of 'Head of Agency' for Procurement Matters," delegates authority from the Secretary to the Assistant Secretary for Management and Chief Financial Officer (ASM/CFO) as Head of the Agency. Treasury Directive 12-11, "Procurement Authority," in turn, re-delegates certain authorities from the

ASM/CFO to the SPE, and further re-delegates certain authorities from the SPE to the Bureau Heads.

1001.602 Contracting Officers.

1001.602-3 Ratification of unauthorized commitments.

(a) Definitions.

"Unauthorized Commitment" includes the issuance of verbal authorizations, "letters of intent" and arrangements for "free" vendor services, or use of equipment, with the promise or the appearance of commitment that a contract, modification, or order will be awarded.

(b) The chief of an acquisition field office, without re-delegation, is authorized to ratify unauthorized commitments at or below 10 percent of the simplified acquisition threshold. Unauthorized commitments up to the simplified acquisition threshold must be ratified by the BCPO. Unauthorized commitments exceeding the simplified acquisition threshold must be ratified by the SPE.

(c)(7) A case file must be prepared for all ratifications above the micro-purchase threshold, and as otherwise deemed necessary. The case file must document that the circumstances set forth in FAR 1.602-3(c)(1) through (c)(6) are present and must include: all relevant documents and facts concerning the commitment; the proposed modification/award with supporting documentation; the name of the individual making the unauthorized commitment, whether that individual has previously made any other unauthorized commitments, and proposed disciplinary action and/or other corrective action taken to preclude recurrence; and a justification for the ratification. Legal review must be obtained for all ratifications exceeding 10 percent of the simplified acquisition threshold. Bureaus will maintain information on the number and type of both approved and unapproved ratifications.

1001.603 Selection, appointment, and termination of appointment.

1001.603-1 General.

In accordance with TD 12-11, "Procurement Authority," Bureau Heads, or their designees, are authorized to select and appoint contracting officers, and to terminate such appointments.

The Treasury Acquisition Career Management Program is applicable to personnel who are in Civil Service classification series 1102 and 1105, and to all personnel issued a Certificate of Appointment (SF 1402). The Program is described in detail in the [Treasury Acquisition Career Management Handbook](#).

1001.603-2 Selection.

(a) Experience requirements are listed in the [Treasury Acquisition Career Management Handbook](#). The Handbook can be found at:

<http://intranet.treas.gov/procurement/Career-Mgmt-Handbook.pdf>.

Experience must be at the level of procurement transactions for which the individual is being delegated contracting authority. Exceptions to the qualification standards may be granted on an individual basis by the SPE, as provided in the Handbook.

(e) Required training is listed in the Treasury Acquisition Career Management Handbook.

1001.603-3 Appointment.

(a) Certificates must be numbered using a prefix of "T" followed by a hyphen, the bureau's solicitation prefix (See DTAP Subpart 1004.7000.), a hyphen and number serially assigned beginning with 1 or 001 (e.g., T-A-001). Any limitations on authority must be clearly stated on the SF 1402. Monetary limitations must be stated as dollar ceilings.

(b) Appointments (e.g., blanket purchase agreements, imprest funds, SF 44, purchase card) may be made by letter or regulation, and may be done on a class basis.

1001.670 Selection, appointment, and termination of appointment of Contracting Officer's Representatives (CORs).

DTAR 1001.670 Contract clause.

Contracting Officers must insert a clause substantially similar to the clause in section 1052.201-70, Contracting Officer's Representative (COR) Appointment and Authority, in all solicitations and contracts. Exceptions to the requirement for inclusion of the COR clause and the appointment of a COR may be made at the discretion of the BCPO.

1001.670-1 General.

Program offices must nominate individuals to act as CORs for contracting officer-delegated administration and monitoring of contracts. Selection must be based on the technical, professional, and administrative qualifications of the individual. CORs must meet Bureau-established training and certification requirements. All CORs must be formally appointed in writing by the contracting officer to each contract for which he or she has been delegated COR duties. COR duties must be tailored to the requirements of each contract and specifically identified in the written appointment.

1001.670-2 Training of CORs.

(a) The November 26, 2007 Office of Federal Procurement Policy (OFPP) memorandum [Federal Acquisition Certification for Contracting Officer Representatives \(FAC-COR\)](#) established training requirements for CORs.

(b) [Chapter 6 of the Treasury Acquisition Career Management Handbook](#) contains Treasury-wide COR training requirements and general procedures for application and achievement of certification, as well as the requirement that Bureaus establish and manage Bureau-level FAC-COR programs.

(c) CORs must have a minimum of 40 hours of training meeting FAC-COR training requirements as prescribed by their Bureaus, and must maintain their skills currency through continuous learning. CORs are required to earn 40 continuous learning points (CLPs) of skills currency training every two years.

1001.670-3 Nomination of CORs.

A COR must be nominated in writing by the requesting office. The nomination must be submitted to the contracting officer prior to contract award. A COR is the contracting officer's technical expert and representative in the administration and monitoring of a contract task order. COR nominees must have the technical expertise and experience to perform delegated contract administration duties, including evaluating contract performance and deliverables. CORs must be certified in accordance with Bureau FAC-COR policy and procedures.

1001.670-4 Appointment of CORs.

(a) The contracting officer is responsible for appointing CORs in accordance with Bureau procedures. Prior to appointment, the contracting officer must review the COR's documentation of experience and training, including FAC-COR certification. Only those individuals with adequate technical and management experience relevant to the contract work to be monitored are to be appointed.

(b) The contracting officer appoints a COR by issuing a signed letter of appointment tailored to meet the needs of each contract. Before the COR signs the acknowledgement of the appointment letter, the contracting officer and COR must jointly review all required duties. The contracting officer must send a copy of the appointment letter to the contractor. The contracting officer is responsible for retaining a copy of the signed appointment letter in the contract file. If there is a change in personnel performing the COR function, the contracting officer must issue a new appointment letter, and modify the clause at DTAR section 1052.201-70 to name the newly assigned COR.

1001.670-5 Termination of appointment of CORs.

The contracting officer terminates the COR's appointment either by contract modification if there is a change during contract performance, or by written determination prior to contract closeout that all COR actions are complete.

**SUBPART 1001.70—OTHER DETERMINATIONS, WAIVERS,
EXCEPTIONS, APPROVALS, REVIEWS, AND SUBMITTALS.**

1001.7000 Coordination and approval.

(a) Documents requiring SPE approval.

Requests must be prepared in writing by the CO and submitted through the BCPO to the SPE for approval.

(b) Documents requiring ASM/CFO approval.

Requests must be prepared in writing by the CO and submitted through the BCPO to the SPE for review and transmittal to the ASM/CFO for approval.

PART 1002—DEFINITIONS

SUBPART 1002.1—DEFINITIONS

1002.101 Definitions.

“*Head of Contracting Activity*” is defined and authority delegated in Treasury Directive 12-11.

“*High Impact Acquisition*” means any contract or order that is:

1. a value greater than \$10 million (estimated);
2. contracts that support OMB 300 major investments;
3. Competitive Sourcing actions under OMB Circular A-76; or
4. controversial or otherwise sensitive such that they warrant the attention of the SPE, for example, complex or high profile multiple-bureau purchases, relevant protests or claims, or acquisitions in which interest or inquiries have been expressed by either the White House or Congress, Inspectors General (OIG, TIGTA, or SIGTARP), or Government Accountability Office (GAO); or
5. obligation of American Recovery and Reinvestment Act of 2009 (also referred to as the Recovery Act or ARRA) funds.

DTAR 1002.101 Definitions.

Bureau means any one of the following Treasury organizations:

- (1) Alcohol and Tobacco Tax and Trade Bureau (TTB);
- (2) Bureau of Engraving & Printing (BEP);
- (3) Bureau of Public Debt (BPD);
- (4) Departmental Offices (DO);
- (5) Financial Crimes Enforcement Network (FinCEN);
- (6) Financial Management Service (FMS);
- (7) Inspector General (OIG);
- (8) Internal Revenue Service (IRS);
- (9) Office of the Comptroller of the Currency (OCC);
- (10) Office of Thrift Supervision (OTS);
- (11) Special Inspector General for the Troubled Asset Relief Program (SIGTARP);
- (12) Treasury Inspector General for Tax Administration (TIGTA); or
- (13) U.S. Mint.

Bureau Chief Procurement Officer (BCPO) means the senior acquisition person at each headquarters office or bureau. Within the Internal Revenue Service, this may be the Director, Procurement or the Deputy Director, Procurement.

Contracting Activity means an organization within a bureau or the Departmental Offices, having delegated acquisition authority.

Head of Contracting Activity (HCA) means the Senior Procurement Executive for Departmental Offices, the Deputy Commissioner for Operations Support for the Internal Revenue Service, and the heads of each bureau, as listed in section 1.b.(1) of Department of the Treasury Directive 12-11.

Head of the Agency means the Assistant Secretary for Management and Chief Financial Officer as designated by Treasury Order 101-30.

Legal Counsel means the Treasury or bureau office providing legal services to the contracting activity.

Senior Procurement Executive (SPE) for the Department of the Treasury is the Director, Office of the Procurement Executive.

SUBPART 1002.70—ABBREVIATIONS

HCA Head of Contracting Activity

HIA High Impact Acquisition

DTAR 1002.70 Abbreviations.

BCPO Bureau Chief Procurement Officer

COR Contracting Officer's Representative

HCA Head of the Contracting Activity

OPE Office of the Procurement Executive

OSDBU Office of Small and Disadvantaged Business Utilization

SPE Senior Procurement Executive

**PART 1003—IMPROPER BUSINESS PRACTICES & PERSONAL
CONFLICTS OF INTEREST**

SUBPART 1003.1—SAFEGUARDS

1003.101 Standards of conduct.

1003.101-3 Agency regulations.

(a) Government-wide and Department of the Treasury regulations governing the conduct and responsibilities of employees are contained in 5 CFR Parts 2635 and 3101.

1003.104 Procurement integrity.

1003.104-7 Violations or possible violations.

(a)(1) Forward the required information, after legal review, to a level above the CO for concurrence.

(a)(2) Forward the required information to the BCPO after legal review.

(b) A copy of the information provided to the HCA must be provided also to the SPE per DTAP 1001.7000(a).

(b)(3) Refer the information to the OIG or TIGTA.

(f) Submit notification to ASM/CFO per DTAP 1001.7000(b).

**SUBPART 1003.2—CONTRACTOR GRATUITIES TO
GOVERNMENT PERSONNEL**

1003.203 Reporting suspected violations of the gratuities clause.

(a) Report suspected violations to the cognizant CO. The report must be in writing and state circumstances surrounding the incident, including date(s), location(s), and name(s) of parties involved.

(b) The CO must submit the report to the BCPO, who will consult with legal counsel, and determine if the case warrants submission to the OIG, or other investigatory organization, and the SPE for further action.

1003.204 Treatment of violations.

(b) The contractor must be provided with a formal notice which summarizes events involving the suspected violation and affords the contractor the procedural protections listed under FAR 3.204(b). The notice shall contain a 30-day time limit for reply and be sent by certified mail, return receipt requested.

(c) The SPE must make these determinations.

SUBPART 1003.3—REPORTS OF SUSPECTED ANTITRUST VIOLATIONS.

1003.301 General.

(b) Evidence of any suspected antitrust violations must be referred to legal counsel, and to the OIG, SIGTARP, or TIGTA.

SUBPART 1003.4—CONTINGENT FEES

1003.405 Misrepresentations or violations of the Covenant Against Contingent Fees.

(a) Reports must be in writing.

(b) The BCPO shall consult with legal counsel and the OIG, SIGTARP, or TIGTA to determine a course of action.

(b)(4) Any proposed referral to the Department of Justice shall first be submitted to the SPE per DTAP 1001.7000(a).

SUBPART 1003.6—CONTRACTS WITH GOVERNMENT EMPLOYEES OR ORGANIZATIONS OWNED OR CONTROLLED BY THEM

1003.602 Exceptions.

Submit requests for exceptions in accordance with DTAP Subpart 1001.7000(a), after review by legal counsel.

SUBPART 1003.7—VOIDING AND RESCINDING CONTRACTS

1003.705 Procedures.

(a) The BCPO must make the required report to the SPE. The SPE must notify the Department of Justice.

(b) The decision must be rendered by the SPE.

**SUBPART 1003.8—LIMITATION ON THE PAYMENT OF FUNDS
TO INFLUENCE FEDERAL TRANSACTIONS**

1003.804 Policy.

(b) Bureaus must maintain Anti-Lobbying reports, and submit them to OPE, as requested.

1003.806 Processing suspected violations.

All suspected violations must be handled in accordance with DTAP 1003.104-7.

PART 1004—ADMINISTRATIVE MATTERS

SUBPART 1004.1—CONTRACT EXECUTION

1004.101 Contracting Officer's signature.

No employee may sign a contract on behalf or in lieu of a CO. Legally binding contracts may be signed only by the warranted CO whose name appears thereon.

1004.103 Contract clause.

The clause at FAR 52.204-1 must be inserted in each solicitation and contract where approval is required above the CO level.

SUBPART 1004.4—SAFEGUARDING CLASSIFIED INFORMATION WITHIN INDUSTRY

1004.402 General.

(a) Personnel security requirements are derived from Executive Order 10450; OMB Circular A-130, Management of Federal Information Resources; [TD P 15-71](#), Department of the Treasury Security Manual, Chapter II.2 and Chapter IV.3; and Titles 5 and 44 of the U.S. Code.

(b) The Treasury is a participant in the National Industrial Security Program. The Director, Office of Security, is delegated authority and responsibility for this function in accordance with [TD P 15-71, "Department of the Treasury Security Manual,"](#) available to COs via the TreasNet Intranet Security Webpage: <http://intranet.treas.gov/securitymanual/td15-71/> . The manual is not proprietary and may be sent to contractors upon their request.

1004.403 Responsibilities of Contracting Officers.

(a) Pre-solicitation phase.

(2) The instructions provided in Chapter IV of [TD P 15-71](#) apply.

(b) Solicitation phase.

(1) The instructions provided in Chapter IV of [TD P 15-71](#) apply.

(c) Award phase.

(1) COs must ensure that DD Form 254, including solicitation or contract number and required classified guidance, is forwarded to the Office of Security prior to release of classified information to the contractor.

1004.470 Investigative requirements for contractors.

1004.470-1 General.

Contract employees not requiring access to classified information must meet the investigative requirements of Chapter II, Section 2 of [TD P 15-71, "Department of Treasury Security Manual"](#).

1004.470-2 Responsibilities of Contracting Officers.

(a) Pre-solicitation phase.

(1) For contractors not requiring access to classified information, the instructions provided in Chapter II, Section 2 of [TD P 15-71](#) apply.

(b) Solicitation phase.

(1) For contractors not requiring access to classified information, the instructions provided in Chapter II, Section 2 of [TD P 15-71](#) apply.

SUBPART 1004.6—CONTRACT REPORTING

1004.603 Policy.

(d) and (e) Bureaus using non-appropriated or revolving funds must report contract actions in FPDS-NG. OPE has provided the notification required in FAR 4.606(b)(2).

1004.604 Responsibilities.

(a)(1) BCPOs are responsible for ensuring timely entry and maintenance of overall quality of data in the FPDS-NG. BCPOs are responsible for ensuring all actions are captured in FPDS-NG, per FAR 6.604(b)(2) and (3). Furthermore, BCPOs must notify OPE of any discrepancies between data in FPDS-NG and other information available.

(2) BCPOs must designate a system administrator and notify OPE in writing of the designation. Bureau system administrators, in conjunction with each Bureau's designated Acquisition Systems User Group representative, are responsible, at minimum, for the following: training of bureau personnel in preparation of upcoming system updates/changes, registering new users, and ensuring the validity of the information that is entered into FPDS-NG.

(b) BCPOs must ensure input of reportable contract action data in accordance with the latest instructions provided for FPDS-NG.

(c) FPDS-NG Data Integrity.

(1) To support the annual certification of FPDS data, Bureau Chief Procurement Officers (BCPOs) shall:

(i) Conduct an annual Verification & Validation (V & V) exercise in accordance with the OPE V&V Guide, published at www.treasnet.gov. Each bureau V&V Report is due to OPE each year on the last business day on or before December 15.

(ii) Develop a plan for ensuring that all staff with data entry and review functions have a data accuracy evaluation factor in their performance appraisal and receive appropriate management feedback for their role in promoting and maintaining procurement data integrity. The Contracting Officer is ultimately responsible for the accuracy of data supplied to FPDS.

(iii) Implement agreed corrective action plans as identified in the V&V Report and provide status updates to OPE on a quarterly basis. The status update is due on the last business day of each quarter.

(2) The Office of Procurement Executive (OPE) shall:

(i) Define the scope of each Bureau V&V review no later October 30 of each year.

(ii) Review Bureau V&V Reports and approve the recommendations and proposed corrective action plans.

(iii) Track accuracy trends by bureau and by data field.

(iv) Provide by January 5 each year certification of data accuracy and completeness to GSA.

1004.605 Procedures.

(a) Bureaus must report contract actions with a unique identifier that begins with "T". This rule pertains to all actions submitted by each Bureau, whether or not the action is particular to that Bureau or completed as a service to another Agency. BPA Calls and Delivery Orders placed against Referenced IDVs that pertain only to that particular Agency and not Government-wide do not require the unique identifier.

SUBPART 1004.76-DESIGNATION OF PROCUREMENT SUPPORT SERVICES

1004.7600 GENERAL.

This Subpart formally designates the HCA (contracting office) responsible for providing procurement support to each Treasury bureau.

1004.7601 DESIGNATIONS OF RESPONSIBLE HCAS

The HCA designated in the table below for each Treasury bureau will be responsible for providing all procurement-related services for that bureau. Any request for procurement support to be provided by other than the designated contracting office must be approved by the BCPO of the HCA organization.

TREASURY BUREAU	DESIGNATED HCA (CONTRACTING OFFICE)
BPD	BPD
BEP	BEP
CDFI	BPD
FinCEN	FinCEN
FMS	FMS
IRS	IRS
OCC	OCC
OIG	OIG
TIGTA	TIGTA
TIB	TIB
Treasury (Departmental) Offices	IRS
USMINT	USMINT

SUBPART 1004.8—GOVERNMENT CONTRACT FILES

1004.803 Contents of Contract Files

(d) In the interest of uniformity and consistency, files shall be structured and maintained in accordance with the standardized Contract File Content Checklist, a sample or template version of which is reproduced in its entirety below. The

Checklist may be tailored for bureau-specific requirements but shall maintain its basic structure and intent.

**SECTION I
PRESOLICITATION DOCUMENTS**

TAB	DESCRIPTION	IN FILE*
	Purchase Request/Certification of Funding/Independent Government Cost Estimate, SOW, etc. [FAR 4.803 and FAR 32.702]	
	Acquisition Plan [FAR 7.105 and DTAR 1007.1]	
	Other Than Full & Open Competition Authority JOFOC and Related Correspondence [FAR 6.3 and DTAR 1006.3]	
	Market Research [FAR 10.001, FAR 10.002 and FAR 12.202]	
	Determination & Findings - Authorization for Use	
	a. Time & Materials Contract [FAR 16.601 (c)]	
	b. Labor Hour Contract [FAR 16.602]	
	c. Multiple Award Determination [FAR 16.504(c)(1) & (c)(2)]	
	Other Approvals/Determinations:	
	a. Non-Personal Services Determination [FAR 37.103]	
	b. Justification for Use of Options [FAR 17.205 and DTAR 1017.2] Determination not to Evaluate Options [FAR 17.206(b)]	
	c. Value Engineering Clause Exclusion [FAR 48.201 (a) or Exemption (f)] [FAR 48.102(a) FAR 48.201 (f) and DTAR 1048.102(a)]	
	d. Deviations from FAR/DTAR/Statutes [FAR 1.4 and DTAR 1001.4]	
	e. Determination on Availability of Personnel [FAR 37.204, FAR 205 and DTAR 1037.204]	
	f. Multi-Year Contracting [FAR 17.105-1]	
	g. Approval for Firm-Fixed Price Level of Effort contract > \$100,000 [FAR 16.207-3(d)]	
	h. Other Administrative Approvals	
	CBD Synopsis/Waiver/Exception [FAR 5.2 and DTAR 1005.2]	
	Commercial Item Waiver - Tailoring of Terms/Conditions/Clauses Inconsistent with Customary Commercial Practice [FAR 12.302(c) and DTAR 1012.301]	
	Small Business Review [FAR 19.5 and DTAR 1019.501]	
	SBA Correspondence (Search and Offering Letters) [FAR 19.8, DTAR 1019.8 and PIM 98-06]	
	Service Contract Act Wage Determination, SF 98 & 98A and Comparable Government Wage Rates (FAR 22.1007) or Davis Bacon General Wage Determination [FAR 22.404 and DTAR 1022.404]	
	Source Selection Plan/TEP/BMEP Plan [FAR 12.602, FAR 15.3 and DTAR 1015.3]	

* Make notations against each tab with either a check mark (✓) or N/A (not applicable); also cite cross-reference to other file(s).

SECTION II SOLICITATION DOCUMENTS		
TAB	DESCRIPTION	IN FILE*
	Solicitation Document [FAR 4.803(a)(8), FAR 12.603, FAR 14.201 and FAR 15.203 and FAR 15.205]	
	Solicitation Amendments and Supporting Documents [FAR 4.803(a)(8), FAR 14.208, FAR 15.206 and FAR 43.301]	
	Legal Review and Response [DTAR 1004.71]	
	Bureau Procurement Reviews and Response	
	Other Bureau Reviews and Responses (e.g., Technical/COR)	
	Departmental Review	
	Documentation to Support the Use of Oral Solicitations [FAR 15.203(f)]	
	Distribution of Solicitation Document and Requests for Mailing List with Business Size [FAR 14.205 and FAR 15.205]	
	Review - List of Parties Excluded from Federal Procurement and Nonprocurement Programs [FAR 9.404(c)(5) and DTAR 1009.404(c)(5)]	
	Pre-Bid/Proposal Conference Information (list of attendees, transcript/minutes) [FAR 14.207 and FAR 15.201]	
	"No Bid" Correspondence [FAR 14.205-2]	
	Explanation for Not Using Sealed Bidding - Check Applicable Block Y Inadequate time Y Award on other than price Y Need to hold discussions Y Competition not expected	

* Make notations against each tab with either a check mark (✓) or N/A (not applicable); also cite cross-reference to other file(s).

**SECTION III (a)
PRE-AWARD DOCUMENTS**

TAB	DESCRIPTION	IN FILE*
	Unsuccessful Proposals/Bids Information (cross reference - if filed elsewhere) [FAR 4.803(a)(1)][FAR14.403]	
	a. Unsuccessful Offers	
	b. Correspondence with Unsuccessful Offerors (in chronological order)	
	c. Preaward Notices, (e.g., exclusion from competitive range, preaward notice for small business programs and postaward notices) [FAR 15.503(a)(1) and (2)(b)]	
	Successful Proposals/Bids & all Correspondence with Successful Offeror prior to Execution of Contractual Document (in chronological order) [FAR 15.504 and FAR 14.408-1]	
	Record of late Proposals/Bids/ Determinations/Notices [FAR 15.304-1, FAR 14.304-4 and FAR 15.208]	
	Cost or Pricing Data & Certification of Current Cost or Pricing Data, Required Justification for Waiver [FAR 15.403-1, FAR15.403-4 and FAR 15.406-2] [FAR 4.803(a)(17)]	
	Audit Reports or Reason for Waiver [FAR 15.404-2, FAR 42.7, FAR 4.803 (a)(20) and DTAR 1015.404-2]	
	Competitive Range Determination [FAR 15.306(c), FAR 4.803(a)(21)]	
	Record of Oral Presentations [FAR 15.102]	
	Memorandum of Prenegotiation Objectives including TDF 76-01.2 "Record Profit/Fee Prenegotiation Objective" and Cost Analysis/Price Analysis [FAR 15.406-1, DTAR 1015.406-1, FAR 15.404-1 and FAR 4.803(a)(19)]	
	Price Negotiation Memorandum [FAR 12.209, FAR 15.406-3 and FAR 4.803(a)(21)]	
	a. Past performance Evaluation Documentation [FAR 15.304(c)(2), FAR 15.304(c)(3)(ii) and FAR 42.1502(a)]	
	b. Technical/Cost Evaluation Documentation [FAR 12.602 and FAR 15.305]	
	c. Source Selection Decision Document [FAR 12.206, FAR 14.408-7 and FAR 15.308]	
	Pre-Award Debriefing(s) [FAR 15.505]	
	Subcontracting Plan & Review Documentation FAR 19.702, FAR 19.704 and DTAR 1019.705-4]	
	Pre-Award Survey Report or Reference to Previous Reports Relied Upon [FAR 9.106]	

* Make notations against each tab with either a check mark (✓) or N/A (not applicable); also cite cross-reference to other file(s).

**SECTION III (b)
PRE-AWARD DOCUMENTS**

TAB	DESCRIPTION	IN FILE*
	SBA Certificate of Competency (COC) [FAR 19.6 and DTAR 1019.602]	
	Equal Employment Opportunity Clearance (\$10 Million or More) [FAR 22.8]	
	Approvals/Determinations	
	a. Contracting Officer's Determination of Contractor's Responsibility [FAR 14.408-2 and FAR 9.105-2]	
	b. No Subcontracting Possibilities [FAR 19.705(c) and DTAR 1019.705-2(c)]	
	c. Contractor Background Investigation Documents/Approval	
	Pre-Award Protest Correspondence or MMK Independent Review [FAR 33.102 and DTAR 1033.1]	
	Bureau Review of Proposed Contract and Responses (includes Technical Review)	
	Legal Review of Proposed Contract and Response [DTAR 1004.71]	
	Departmental Review	
	COR Appointment/Notification/Evidence of Training [DTAR 1001.670 and COR Handbook TD P 76-01 .D, dated 09/97]	
	Review - List of Parties Excluded from Federal Procurement and Nonprocurement Programs [FAR 9.405(d)(1)]	

* Make notations against each tab with either a check mark (✓) or N/A (not applicable); also cite cross-reference to other file(s).

**SECTION IV
POST-AWARD DOCUMENTS**

TAB	DESCRIPTION	IN FILE*
	Synopsis of Contract Award [FAR 5.3, FAR 4.803(a)(27) and DTAR 1005.3]	
	Post-Award Notice to Unsuccessful Offerors [FAR 14.409, FAR 15.503(b) and FAR 4.803(a)(28)]	
	Post-Award Debriefing(s) [FAR 15.506 and FAR 4.803(a)(28)]	
	Bid Guarantee, Performance, Payment or Other Bond Documents and Notices to Sureties [FAR 28.1 &.2, DTAR 1028.1 &.2 and FAR 4.803(a)(30)]	
	Waiver of Bid Guarantee [FAR 28.101-1(c) and DTAR 1028.101-1(c)]	
	Copy of ICAR, SF 279 [FAR 4.6 and DTAR 1004.6]	
	Approval for Payment of Overtime Premiums [FAR 22.103-4 and DTAR 1022.103-4]	
	Commercial Item Waiver - Tailoring of Clauses Inconsistent with Customary Commercial Practice [FAR 12.203(c) and DTAR 1012.302]	
	Post-Award Protest Correspondence or MMK Independent Review [FAR 33.1 and DTAR 1033.1]	
	Public/Legislative Notice/Announcement of Contract Award [FAR 5.303]	
	Contract Distribution Record [FAR 4.201]	

* Make notations against each tab with either a check mark (✓) or N/A (not applicable); also cite cross-reference to other file(s).

**SECTION V (a)
CONTRACT ADMINISTRATION DOCUMENTS**

TAB	DESCRIPTION	IN FILE*
	Original Signed Contract or Award Documents [FAR 4.803(a)(26) & (b)(1)]	
	Original Contract Modifications (include current listing of modifications to date, cross reference - if filed elsewhere) [FAR 4.803(b)(1)]	
	Documents Supporting Contract Modifications (e.g., cost and pricing documentation)(cross reference - if filed elsewhere) [FAR 4.803(b)(1)]	
	Modification Distribution Record [FAR 4.201]	
	Postaward Conference Orientation [FAR 42.5]	
	Memorandum and Supporting Documents Transferring Contract File or Memorandum explaining why Procurement Office will Administer Contract File [FAR 42.2]	
	Approvals/Disapprovals of Requests for Waivers/Deviations from Contract Requirements [FAR 42.302]	
	Documentation of Cost or Price Analysis for Modifications (e.g. cost or pricing data, certificates, information other than cost or pricing data) [FAR 42.302]	
	Accepted/Rejected Engineering Change Proposal Documentation [FAR 48.103 and DTAR 1048.103]	
	Delivery/Task Orders & Related Documentation (cross reference - if filed elsewhere) [FAR 42.302]	
	Stop Work Orders/Notice to Proceed [FAR 42.13]	
	Security Requirements - Forms/Correspondence on Contractor Background Investigations [FAR 42.302(a)(20)]	
	Contractor Performance Information [FAR 42.1502(a)]	
	Disputes/Claims Documentation [FAR 33.2 and DTAR 1033.2]	
	Royalty, Invention, and Copyright Reports [FAR 27 and DTAR 1027]	

* Make notations against each tab with either a check mark (✓) or N/A (not applicable); also cite cross-reference to other file(s).

SECTION V (b)
CONTRACT ADMINISTRATION DOCUMENTS

TAB	DESCRIPTION	IN FILE*
	Current Chronological Listing of Awarding and Successor Contracting Officers with Inclusive Dates of Responsibility [FAR 42.202(a)]	
	Inspection/Receiving Reports [DTAR 1046.672]	
	Invoices/Vouchers/Approval for Payment [FAR 42.302 and FAR 4.803(b)(12)]	
	Insurance Policies or Certificates of Insurance [FAR 28.3 and DTAR 1028.3]	
	Documentation Supporting Advance or Progress Payments [FAR 32.2, FAR 32.4, FAR 32.5, DTAR 1032.2 and DTAR 1032.4]	
	Production Progress Reports [FAR 42.11]	
	Quality Assurance Records [FAR 46.4 and FAR 4.803(b)(15)]	
	Property Administration Records [FAR 45.105 and FAR 4.803(b)(16)]	
	SBA Correspondence [FAR 19.812(a) and (d), DTAR 1019.812 and DTAR 1019.812-70]	
	Subcontracting Reports SF 294/295 [FAR 19.704(a)(10)(ii) & (iii) and DTAR 1019.705-3(c)(d)]	

* Make notations against each tab with either a check mark (✓) or N/A (not applicable); also cite cross-reference to other file(s).

**SECTION VI
CONTRACT/DELIVERY ORDER/TASK ORDER CLOSEOUT**

TAB	DESCRIPTION	IN FILE*
	Physical Completion Statement from Project Office/COR [FAR 4.804-5(a)]	
	Disposition of Sensitive Material Completed [FAR 4.804-5(a)(1)]	
	Final Contractor Performance Report Received [FAR 42.1502(a)]	
	Final Patent and/or Royalty Reports Received [FAR 4.804-5(a)(2)&(3)]	
	All Outstanding Value Engineering Change Proposals Closed [FAR 4.804-5(a)(4)]	
	Property Clearance Documentation [FAR 4.804-5(a)(6)]	
	All Interim or Disallowed Costs Settled and Release of Claim [FAR 4.804-5(a)(7)]	
	Price Revisions Completed [FAR 4.804-5(a)(8)]	
	Subcontracts Settled [FAR 4.804-5(a)(9)]	
	Prior Year Indirect Cost Rates Settled [FAR 4.804-5(a)(10)]	
	Termination Docket Completed [FAR 4.804-5(a)(11)]	
	Contract Audit Completed [FAR 4.804-5(a)(12)]	
	Contractor's Closing Statement [FAR 4.804-5(a)(13)]	
	Contractor's Final Invoice [FAR 4.804-5(a)(14)]	
	Contract Funds Review Completion/Deobligation of any Excess Funds Documentation [FAR 4.804-5(a)(15)]	
	Contract Completion Statement [FAR 4-804-5(b)]	

* Make notations against each tab with either a check mark (✓) or N/A (not applicable); also cite cross-reference to other file(s).

1004.805 Storage, handling, and disposal of contract files.

(a) Contract and order files must be disposed of in accordance with [TD 80-05, "Records and Information Management Program,"](#) as supplemented by other internal bureau directives such as the Departmental Offices Records Management Handbook located at website: <http://home.do.treas.gov/map/isd/records/>. In no case will files be destroyed before the retention times specified in FAR 4.805.

1004.805-1 Storage, handling, and disposal of purchase card records.

Purchase Card records at or below the simplified acquisition threshold (for other than construction orders) must be retained for three years after final payment. Purchase Card records for construction orders must be retained for six years and three months after final payment.

**SUBPART 1004.70—NUMBERING OF SOLICITATIONS,
CONTRACTS, AND ORDERS**

1004.7000 Prefixes.

To establish a uniform numbering system, the following prefixes are assigned.

<u>Bureau</u>	<u>Solicitation</u>	<u>Contract</u>	<u>Delivery Order/ Purchase Order</u>
Departmental Offices	A-	TOS-	TDO-
Alcohol and Tobacco Tax and Trade Bureau	TTB-	TTB-	TTB-
Comptroller of the Currency	CC-	TCC-	TCC-
Bureau of Engraving and Printing	BEP-	TEP-	TEP-
Financial Crimes Enforcement	FIN-	FIN-	FIN-
Financial Management Service	FMS-	TFMS-	TFMS-
Internal Revenue Service	TIR-	TIR-	TIR-
Office of Thrift Supervision	OTS-	TOTS-	TS-
United States Mint	USM-	TM-	TM-

1004.7001 Numbering.

Following the prefix, insert the last two digits of the fiscal year in which the solicitation is issued or contract awarded, preceded and followed by hyphens and followed by sequential numbering system. The numbering system should restart each year (e.g., solicitation USM-03-1 / USM-04-1). Bureaus having field contracting offices or completing assisted buys should assign alphabetic or numeric designations after the bureau prefix (e.g., contract TIRNO-03-00123 or TPD-FIN-03-00123). A separate series of numbers must be used for solicitations and contracts. As needed, Bureaus may add special characters designations following the fiscal year for internal use (e.g., TIRNO-03-K-00123).

SUBPART 1004.71—LEGAL REVIEW**1004.7100 Review Thresholds.**

(a) For any contract action, including interagency agreements or modifications, that will result in an obligation with an estimated value in excess of \$10 million, legal review is required for the following documents, including any supporting information requested by OGC:

- (1) Acquisition Plans
- (2) Justifications for Other Than Full and Open Competition
- (3) Solicitation packages
- (4) Competitive range determinations
- (5) Negotiation memoranda
- (6) Source selection decision memoranda
- (7) Major modifications or amendments.

(b) Legal review is required for modifications that increase the estimated value of a contract or order by more than 20%, except when the total value remains below \$20,000.

(c) Legal assistance should be obtained whenever the CO considers the action unusual or difficult.

1004.7101 Timeframes for review.

A copy of each acquisition document that requires legal review pursuant to DTAP 1004.7100 must be forwarded to legal counsel at least ten working days prior to becoming final. To the extent feasible, legal counsel will conduct his or her review within this time period, or if unable to do so, negotiate an alternative review schedule or process with the CO. In urgent situations, solicitations may be forwarded for review concurrently with release to the public, provided that the BCPO has given adequate notice to legal counsel.

1004.7102 Threshold exceptions.

Modifications do not require legal review if they merely exercise a priced option, or if they pertain only to administrative matters (e.g., funding modifications). Change orders may be issued without prior legal review, if it is determined in writing by the CO that they are urgent and require immediate award. Such change orders shall be submitted for legal review as soon as possible after issuance.

1004.7103 Documentation.

The minimum contract file documentation must be in accordance with 1004.803 Contents of Contract Files.

1004.7104 Legal review comments.

All comments received from legal counsel and a record of their disposition must be contained in the contract file. If legal counsel concurs without comment, the file must be documented to show the review date and the name of the attorney who reviewed the documents with a statement that the review found documents to be "legally sufficient."

SUBPART 1004.72—STAFF REVIEW

1004.7200 General.

Bureau procurement offices are not generally required to submit procurement actions for Departmental review. The SPE reserves the right to require submission of procurement actions for review and approval. All procurements to be reviewed by the Department must first be reviewed by the BCPO or his/her designee to ensure accuracy and completeness of the documents. Evidence of this bureau-level review must be documented in the contract file. Each bureau is responsible for establishing an internal review system to ensure quality procurement actions.

1004.7201 Department review.

When acquisition documents are required to be submitted for Departmental review, one copy of each relevant document from the contract file shall be included in the review package, and forwarded by the BCPO to the SPE. Documents to be reviewed shall be forwarded at least ten working days prior to becoming final. In urgent situations, a solicitation may be forwarded concurrently with release to the public, provided that the BCPO has given adequate written notice to the SPE. The contract file must accompany any acquisition document when submitted for SPE review.

1004.7202 Departmental review comments and approval.

Departmental recommendations and comments must be resolved prior to proceeding with the acquisition. BCPOs are responsible for ensuring that all Departmental comments are resolved, and clearly documented in the contract file.

1004.7203 Bureau Contract Review Boards (CRB).

(a) The BCPO must establish procedures to review all acquisitions, including all standalone contracts, task orders, delivery orders, and purchase orders that are sensitive, highly visible, complex, or over bureau-established dollar thresholds through a contract review board (CRB).

(b) The CRB must review documents at two points in time prior to issuance of the solicitation: After first draft of the acquisition plan, i.e., well in advance of the planned solicitation; and after final drafts of the solicitation documents are completed. The review may take place prior to or after quality assurance and/or legal reviews in accordance with bureau procedures. The CRB review is in addition to required pre-award review.

(1) During the first review, the CRB must review, at a minimum, the contents of the acquisition plan developed consistent with FAR Subpart 7.1. The CRB review should focus on small business, performance-based contracting, competition, and post-award management, including avoiding unnecessary follow-on sole sources.

(2) The second review, performed prior to issuance of the solicitation, must include at a minimum a review of the solicitation document and evaluation plan.

(c) The CRB membership must include at a minimum the BCPO whose procurement authority is being used and two other members, preferably with strong procurement technical experience and/or subject matter expertise surrounding the supplies or services being acquired. The other members may be from different bureaus or organizations, especially in cases of shared services acquisitions.

(d) The contract file must include documentation of the review issues, comments or questions raised and their disposition.

(e) Bureau policies must establish timeframes and service standards for conducting CRB reviews for incorporation into acquisition plan milestones.

SUBPART 1004.73—EVALUATION AND CERTIFICATION OF TREASURY PROCUREMENT SYSTEM

TD 12-11 delegates to the SPE responsibility for monitoring and evaluation of the Department-wide procurement system. The Office of the Procurement Executive (OPE) will evaluate each Treasury acquisition system in accordance with the Department of the Treasury Guidelines for Assessing the Acquisition Function based

on OMB Circular A-123, Management's Responsibility for Assessing the Acquisition Function at Federal Agencies, accessible at:

http://www.whitehouse.gov/omb/circulars_a123_rev/

SUBPART 1004.74—PROCUREMENT AUTOMATION

1004.7401 Policy.

(a) The use of automated acquisition and exchange of information among all bureaus is highly encouraged. The objective is to automate acquisition processes to the extent that it is efficient and effective. OPE requires that acquisition automation be developed with consideration for potential to integrate, interface, or coordinate with related functions such as finance, accounting, internal control, property, and personnel, and to the enterprise level.

(b) All Bureaus are required to use the systems available through the Integrated Acquisition Environment (IAE). Any related questions or concerns pertaining to the IAE should be forwarded to the Treasury Acquisition Systems Users Group.

1004.7402 Departmental collaboration on automated acquisitions systems and applications.

Bureaus shall notify the SPE as soon as possible of their intent to develop or obtain any significant automated acquisition system or application, or to make any substantive change to a current system or application. Bureaus must collaborate with the Treasury Acquisition Systems User Group during such initiatives. Acquisition of, or substantive changes to, any significant automated acquisition system or application must be approved by the SPE. Requests for approval must address at a minimum the following points, as well as those prescribed by the bureau's local Office of the Chief Information Officer (OCIO):

- Purpose
- Integration and Interfacing with the IAE systems
- Integration with financial system(s)
- Return on Investment
- Configuration
- Standards
- Security
- Market Research
- Strategic IT Planning
- Risks
- Maintenance
- Training

SUBPART 1004.75—ACQUISITION IMPROVEMENT

1004.7500 General.

(a) This subpart prescribes policies and procedures related to acquisition improvement within Treasury, to include establishment of goals and reporting procedures for acquisition savings and reduction in use of high risk contracting authorities.

(b) Unless otherwise specified, bureau level goals for acquisition improvement initiatives (such as savings and reduction in use of high risk contracting authorities) are assigned and managed through the OPE Treas-STAT and Procure-STAT programs. Current information is located at <http://intranet.treas.gov/procurement/stat.asp>.

1004.7501 Responsibilities and Accountability

(a) The SPE will maintain oversight of Treasury Acquisition Improvement and will facilitate the Department's achievement of goals and related enterprise-wide efficiencies.

(b) BCPOs will implement and manage acquisition improvement initiatives in accordance with SPE and other executive guidance.

(c) Bureau CFOs are accountable for validating bureau savings and high risk contracts reduction goals and for providing the leadership which drives bureau goals achievement.

1004.7502 Acquisition Savings.

(a) The acquisition savings goal for FY 2011 is 3.5 percent. Future goals will be articulated as part of the Treas-STAT program in 1004.7500(b).

(b) Savings is broadly defined and may include termination of contracts no longer needed, decrease in consumption of a commodity or service, and procurement influenced savings, e.g., achievement of discounts from General Services Administration (GSA) schedule pricing, negotiation of better than anticipated prices, and achievement of process and other efficiencies.

(c) Executive governance and reporting:

(1) OPE will prepare a Monthly Scorecard (Dashboard) showing bureau- and Department-level progress toward meeting assigned goals and will submit the Dashboard for review by the Chief Acquisition Officer (CAO) and Deputy Secretary.

(2) Bureau CFOs will submit no later than the 10th of each month a validated progress report for goal achievement. Reports will be in the format provided at <http://intranet.treas.gov/procurement/acquisition.asp> and will be submitted in accordance with the guidance on the form.

1004.7503 Reduction in Use of High Risk Contracting Authorities.

(a) The FY 2011 goal for reduction in use of high risk contracting authorities is 10 percent. Future goals will be articulated as part of the Treas-STAT program in 1004.7500(b).

(b) The 10 percent goal applies to new actions in each category of high risk contracts:

- (1) Noncompetitive contracts;
- (2) Competitive contracts for which only one bid was received;
- (3) Time-and-Material and Labor Hour contracts; and
- (4) Cost reimbursement contracts.

(c) New actions include new base contracts, to include follow-on contracts; new purchase orders; and new delivery and task orders.

(d) Reduction in use of high risk contracting authorities will be measured by high risk category using FPDS-NG data. Performance will be compared to the same performance period in prior FY to determine progress against the goal.

(e) Executive governance and reporting will be accomplished using the same process as in 1004.7502(c).

1004.7504 Customer Satisfaction Surveys.

(a) BCPOs must annually survey customers to ensure feedback regarding the quality of procurement services rendered. The survey must include at least an overall customer satisfaction score that can be captured or translated to a 0-100% scale measuring percentage of customers satisfied. The survey should cover other subcomponents of satisfaction, to include:

- (1) quality of service or items acquired;
- (2) timeliness of procurement support;
- (3) quality of procurement support; and
- (4) quality of procurement systems used.

(b) Reporting. Summary results of the annual surveys will be included in the Treas-STAT program in 1004.7500(b).

PART 1005—PUBLICIZING CONTRACT ACTIONS

SUBPART 1005.2—SYNOPSIS OF PROPOSED CONTRACT ACTIONS

1005.207 Preparation and transmittal of synopses.

(a)(4) Each synopsis must include "Department of the Treasury (DY)" GPO billing account code and the name of the bureau.

SUBPART 1005.3—SYNOPSIS OF CONTRACT AWARDS

1005.301 General.

(b) The CO must document the contract file explaining any reason(s) why a contract award was not synopsisized.

SUBPART 1005.4—RELEASE OF INFORMATION

1005.403 Requests from members of Congress.

Bureaus shall provide prompt written notification of all Congressional inquiries regarding acquisitions to the SPE per 1001.7000(a).

1005.404 Release of long-range acquisition estimates.

1005.404-1 Release procedures.

BCPOs will provide written notification of any release of long-range acquisition planning estimates to the SPE prior to release. Further, the BCPO must ensure in this notification that these estimates have been incorporated into the data required under DTAP 1046.7000.

SUBPART 1005.5—PAID ADVERTISEMENTS

1005.502 Authority.

(b) BCPO advanced written authorization is required to place advertisements in media other than newspapers.

PART 1006—COMPETITION REQUIREMENTS

SUBPART 1006.2—FULL AND OPEN COMPETITION AFTER EXCLUSION OF SOURCES

1006.202 Establishing or maintaining alternative sources.

(b)(1) Submit D&F per DTAP 1001.7000(a).

SUBPART 1006.3—OTHER THAN FULL AND OPEN COMPETITION

1006.302 Circumstances permitting other than full and open competition.

1006.302-7 Public interest.

(c)(1)(ii) D&Fs must be prepared and submitted through the BCPO to the SPE for review and transmittal to the Secretary for approval.

1006.303 Justifications.

1006.303-2 Content.

(a) TDF 70-01.6, "Justification for Other Than Full and Open Competition (JOFOC)," or other OPE-approved bureau form must be used to document justifications and approvals exceeding the simplified acquisition threshold.

SUBPART 1006.5—COMPETITION ADVOCATES

1006.501 Requirements.

Bureau heads, as defined in TD 12-11, will appoint competition advocates. A copy of each appointment will be submitted to the Departmental Competition Advocate at OPE.

1006.502 Duties and responsibilities.

(a) By January 31 each year, Bureau competition advocates must submit an annual report to the Departmental Competition Advocate containing these minimum reporting elements:

1. A description of activities undertaken as Bureau Competition Advocate, including a discussion of the interfaces with Bureau's Small Business Office to ensure that small business goals are considered when addressing a limited competition or sole source request;

2. A discussion of any new activities recommended to increase the acquisition of commercial items;
3. A discussion of any new activities recommended to increase competition;
4. A discussion of any new initiatives to ensure requirements are performance-based, i.e., stated in terms of functions to be performed, performance required or essential physical characteristics;
5. A discussion of any barriers to the acquisition of commercial items or competition that remain;
6. A discussion of other ways in which the Bureau has emphasized the acquisition of commercial items and competition in areas such as acquisition training and research;
7. Recommendations of goals and plans for increasing competition on a fiscal year basis;
8. Recommendations for a system of personal and organizational accountability for competition, which may include the use of recognition and awards to motivate program managers, contracting officers, and others in authority to promote competition in acquisition; and
9. Validation that FPDS-NG reports of bureau's degree of competition in the past FY are accurate.

PART 1007—ACQUISITION PLANNING

SUBPART 1007.1—ACQUISITION PLANS

1007.102 Policy.

The Department of the Treasury shall perform acquisition planning and conduct market research (see Part 1010 and Part 1008) in order to promote and provide for maximum use of strategic sources. The use of strategic sources is intended to improve the Department's economies of scale, expand use of good practices, and to reduce the cost of acquisitions required to obtain the same or similar goods and services.

1007.103 Agency-head responsibilities.

(d) Individual acquisition plans are required for any action, including interagency agreements, expected to exceed the Simplified Acquisition Threshold, inclusive of options. System level acquisition strategies must be prepared for Major Systems in accordance with 1034.004.

1007.104 General procedures.

(a)(1) BCPOs will maintain a list of planned and expiring contracts and ensure acquisition planning collaboration begins early with stakeholders for follow-on acquisitions.

(2) To enable sufficient time to accommodate acquisition improvements, for any acquisition over \$10 million, the acquisition plan must be initiated by the requiring office, and approved at least 18 months prior to anticipated award date, plus any additional time required for transition. Advance planning and early collaboration will promote use of lower risk contract strategies, competition, performance based acquisitions, and small business participation as well as other good business practices.

(b) To aid planning, bureau program officials must forecast future requirements, including renewal of ongoing contracts, to ensure applicable projects are covered in individual Acquisition Plans. Additionally, BCPOs must establish and publish standard procurement lead-times and cut-off dates, and implement procedures to measure service level accomplishment in accordance with those procurement lead times, e.g., "90% of acquisitions were accomplished within the established lead time of 90 days." BCPOs may negotiate and monitor other agreements and exceptions in supplying procurement services to the requirements personnel.

1007.105 Contents of written acquisition plans.

When an acquisition plan states that performance-based acquisition (PBA) methods are impractical, then a D&F must be prepared. D&Fs for acquisitions in excess of \$1 million must be forwarded to the SPE for approval in accordance with Subpart 1001.7000(a); for IRS, BPD, and the Mint, the SPE approval threshold is \$5 million. For cross-serviced requirements, thresholds are applied by contracting activity rather than funding agency.

All acquisition plans for major systems shall include the following in accordance with FAR 7.105(b)(10):

- a determination from the requirements official as to whether the program is a major acquisition under FAR Part 34 and OMB Circular A-11;
- if so, whether the program is required to include EVM and if the Contractor is required to have an EVMS;
- if so, whether the program official is EVM trained and qualified or has support that is EVM trained and certified; and
- when and how an Integrated Baseline Review will be completed.

“(b)(10)a For new service contracts awarded on or after March 1, 2012, the Procurement Customer shall provide, as an attachment to the acquisition plan, a completed Coding of Contract Function Worksheet confirming:

- 1 the functions to be contracted for are not inherently governmental;
- 2 the Procurement Customer has designated the services as closely associated to an inherently governmental function, as a critical function or as other;
- 3 the bureau has the technical capacity and contract management capability to give special management attention to contractor performance involving services closely associated to inherently governmental functions or involving critical functions; and,
- 4 the Senior Bureau Accountable Official (SBAO)/designee has approved the coding designation and has certified the requirements at a-c.

b The acquisition plan narrative shall include a summary and certification addressing a – d.

c In accordance with Department of the Treasury and Bureau policy, the Worksheet shall be in the prescribed format, shall include the appropriate level of supporting analysis, and shall be approved by the designated approving official(s). See 1007.570-3 for further guidance regarding completion and submission of the Worksheet.

SUBPART 1007.5—INHERENTLY GOVERNMENTAL FUNCTIONS

1007.503 Policy.

(e)(1) Contracting Officer shall ensure receipt of the documentation required by 1007.105(b)(10). The Contracting Officer shall not proceed with a procurement action if the coding designation document is not complete or not received from the Procurement Customer or if any part of the supporting documentation indicates that the contractor performance requirements include, even in small part, work that is inherently governmental. Should receipt of such a request document occur, the Contracting Officer will return the requirement to the Procurement Customer or take other appropriate steps in accordance with bureau policy to ensure that no requirement inclusive of inherently governmental work is solicited or awarded.

(e)(2) To ensure there is adequate oversight for contracts for services closely associated with inherently governmental functions and critical functions, Bureau Chief Procurement Officers (BCPOs) will make certain appropriate focus is applied to management of contracts involving these functions and will establish appropriate internal controls for both the Contracting Officer and Contracting Officer Representative functions to ensure contractor compliance with contract scope/requirements with no unauthorized expansion of scope or performance.

SUBPART 1007.570 – CODING OF SERVICE CONTRACT REQUIREMENTS AS CLOSELY ASSOCIATED TO INHERENTLY GOVERNMENTAL, CRITICAL, OR OTHER.

1007.570-1 General

This subpart prescribes the policies and procedures for coding of service contract actions in the Federal Procurement Data System as Closely Associated to Inherently Government, Critical, or Other.

1005.570-2 Coding of Service Contract Actions in FPDS

(a) For each service contract action awarded on or after March 1, 2012, the Contracting Officer shall enter as the first letters into the FPDS “description of requirement” field the applicable service designation code:

FPDS CODE	DEFINITION
Closely Associated	if services provided under the contract are predominantly for functions closely associated to inherently governmental ones
Critical Functions	if services are predominantly for critical functions
Other Functions	if services are predominantly for other functions

(b) Service contract actions to be coded include:

(1) each new contract award for services with a total estimated value (including options) greater than the micro-purchase threshold (\$3000 as of effective date of this policy) awarded on/after March 1, 2012;

(2) each Task Order and Delivery Order for services awarded on/after March 1, 2012, (regardless of the source or award date of the basic contract, order, Blanket Purchase Agreement or other contractual vehicle); and,

(3) each modification to an award for services (regardless of the source or date of the basic award action).

In this context, "award" includes, but is not limited to, a new contract, purchase order, BPA, or other contractual action not identified in 1005.570-2(b)(2) or (3).

1007.570-3 Designation and Submission of Service Code

(a) The Procurement Customer shall designate the appropriate code for each service contract action identified at 1005.570-2(b) and shall submit a completed and approved Coding of Contract Function Worksheet to the contracting office with the procurement request as required in accordance with this subpart and other established policy. Current Worksheet is located at

<http://www.treasury.gov/about/organizational-structure/offices/Mgt/Pages/ProcurementPolicy-Regulations.aspx>.

(b) For any request requiring an acquisition plan, the Worksheet shall be incorporated into the plan in accordance with DTAP 1007.105(b)(10)a. For any action that does not require an acquisition plan, the completed Worksheet shall be submitted with the procurement request in accordance with bureau policy.

(c) It is anticipated the designated code will not change after submission by the Procurement Customer. Should the code change at any time after initial submission, the Procurement Customer shall submit to the Contracting Officer a new completed and approved Coding of Contract Function Worksheet in the format required by Department and bureau policy; the CO will then revise the code in FPDS in accordance with appropriate procedures. If the change is necessitated because the Procurement Customer determined the code originally designated was incorrect, the Worksheet narrative shall include an explanation for the change.

(d) Procurement Customer coding of service contract requirements, to include approval and/or certification, shall not be delegated to the Bureau Chief Procurement Officer or equivalent.

(e) For new service contract requirements received in the contracting office prior to date of this policy and scheduled to be awarded on/after March 1, 2012, Contracting Officer will coordinate with the Procurement Customer to ensure designated code is received in required format prior to contract award. No award for services may be made on /after March 1, 2012 without receipt of the required coding information.

SUBPART 1007.70 – END OF FISCAL YEAR PLANNING AND PROCUREMENT CUTOFF DATES

1007.7000 Policy.

If published PALT times in 1007.104(b) do not accommodate accomplishment of end of year contract awards, BCPOs must coordinate with bureau budget and program offices to establish one or more cut-off dates as early as feasible in each FY (preferably no later than June) for submission of complete requirements packages to guard against inefficient procurement practices and to improve the ability to obtain quality supplies and services that are on time and within budget. OPE recommends that bureau program officials consider executing early pre-award actions for unfunded projects to facilitate availability of award-ready packages in the FY fourth quarter.

PART 1008—REQUIRED SOURCES OF SUPPLIES AND SERVICES

SUBPART 1008.002—SOURCES

1008.002 Priorities for use of government sources

(a)(1) Sources determined to be mandatory in accordance with 1017.71—Strategic Sourcing, shall have the highest priority for use within the Department of the Treasury, and shall be published on <http://intranet.treas.gov/procurement/>.

(2) Sources determined to be voluntary in accordance with 1017.71—Strategic Sourcing, shall be considered in the market research before awarding a new contract action. The contracting officer shall determine whether it is in the government's interest to use a voluntary source.

SUBPART 1008.4—FEDERAL SUPPLY SCHEDULES

1008.405-1 Ordering procedures for supplies, and services not requiring a statement of work.

(e) minimum documentation.

In addition to FAR 8.405-1, for all requirements issued against the FSS, the contract file shall contain documentation including:

- (1) Market research conducted by the contracting officer and A list of businesses identified.
- (2) A list of businesses solicited, including a minimum of two SDVOSB or HUBZone vendors, if found.
- (3) A list of vendor responses.
- (4) Contracting officer's basis for selection of contract awardee.

1008.405-2 Ordering procedures for services requiring a statement of work.

(e) minimum documentation.

In addition to FAR 8.405-2, for all requirements issued against the FSS, the contract file shall contain documentation including:

- (1) Market research conducted by the contracting officer and A list of businesses identified.
- (2) A list of businesses solicited, including a minimum of two SDVOSB or HUBZone vendors, if found.
- (3) A list of vendor responses.
- (4) Contracting officer's basis for selection of contract awardee.

1008.405-5 Small business.

(b) All Treasury requirements solicited against the FSS shall include a minimum of two SDVOSB and HUBZone vendors from either category in addition to the other sources solicited by the contracting officer. Potential offerors shall be identified through market research. This policy shall be applied to the establishment of new Blanket Purchase Agreements against the FSS. See file documentation required by 1008.405-1.

SUBPART 1008.8—ACQUISITION OF PRINTING AND RELATED SUPPLIES

1008.802 Policy.

(b) The Printing and Graphics Division has been designated as the Department's liaison. Bureaus with publication programs have publication liaison officers authorized to coordinate with the Printing and Graphics Division:

<http://intranet.treas.gov/printing%2dgraphics>.

SUBPART 1008.11—PURCHASE OR LEASE OF MOTOR VEHICLES

1008.1102 Presolicitation requirements.

(a)(3)(i) Section 1343(b)(2) of Title 31 United States Code generally requires that, in order to purchase or lease a passenger motor vehicle with appropriated funds, a Treasury bureau's appropriations must authorize that expenditure. Additionally, Treasury Appropriations Act language may require that the Department specifically approve the purchase of law enforcement vehicles. Bureaus must forward their requirements for these vehicles to the Office of Asset Management (OAM) in accordance with guidance issued by that office. OAM will review the request for compliance with the requirements and transmit it to the Assistant Secretary for Management and CFO with a recommendation for approval or disapproval. Following approval of the request by the Assistant Secretary for Management and CFO, the package will be returned to the bureau, so that it may be submitted to GSA in accordance with 41 CFR 101-26.501.

(ii) Bureaus must forward to OAM all requests for waivers (e.g. direct purchase authority), including special-purpose type vehicles (e.g., bomb trucks, surveillance vans) for transmittal to GSA.

1008.1170 Reduction of Fossil Fuel Usage (EO 13514)

Executive Order (EO) 13514, Federal Leadership in Environmental, Energy and Economic Performance, requires that agencies set goals for reducing the use of fossil fuels. Documentation of prior approval from OAM is required for all contract

actions resulting in the lease of motor vehicles from commercial concerns. BCPOs are required to:

(a) obtain documentation of approval from OAM prior to issuance of all contract actions resulting in the lease of motor vehicles from commercial concerns, and prior to issuance of all lease extensions not included in the terms of initial contract actions, and

(b) provide to OAM copies of all contract action resulting in leases of motor vehicles from commercial concerns, and lease extensions not included in the terms of initial contract actions, and

(c) include documentation of OAM approval of the contract action in the contract file.

(d) The Bureau requiring activity is responsible for providing documentation of OAM approval to the contracting officer. Documentation from the requiring activity must address whether the Environmental Protection Agency (EPA) for greenhouse gas emissions.

(i) If the requisition is for the lease of a commercial vehicle that meets EPA standards, documentation of approval by OAM only is required;

(ii) if the requisition is for the lease of a commercial vehicle that does not meet EPA standards, documentation of approval by both OAM and the Assistant Secretary for Management (ASM) is required.

PART 1009—CONTRACTOR QUALIFICATIONS

SUBPART 1009.2—QUALIFICATIONS REQUIREMENTS

1009.202 Policy.

(a)(1) Submit justification per DTAP 1001.7000(a).

(b) Submit determination per DTAP 1001.7000(a).

(e) When approved by the SPE, at the request of the BCPO, a procurement need not be delayed to comply with FAR 9.202(a).

1009.204 Responsibilities for establishment of a qualification requirement.

(a)(2) The determination must be approved by the BCPO.

DTAR 1009.204-70 Contractor publicity.

31 U.S.C. 333(a) prohibits the use of Treasury names, abbreviations, or symbols, in connection with, or as a part of, any advertisement, solicitation, business activity, or product, in a manner that may imply endorsement by Treasury. Bureaus shall insert a clause substantially the same as 1052.210-70 Contractor Publicity in all solicitations and contracts.

1009.206 Acquisitions subject to qualification requirements.

1009.206-1 General.

(b) Submit determination per DTAP 1001.7000(a).

SUBPART 1009.4—DEBARMENT, SUSPENSION, AND INELIGIBILITY

1009.404 Excluded Parties List System (EPLS).

(c) The SPE is responsible for accomplishing the required actions.

(c)(7) The CO must consult EPLS and document the contract file prior to award of a contract, contract extension, major modification, or consent to subcontract.

1009.405 Effect of listing

(a)(1) Suspension has the immediate effect of prohibiting the following actions, unless the head of the agency determines in writing that there are compelling reasons for proceeding, pursuant to Federal Acquisition Regulations (FAR) §§ 9.405 and 9.405-1(b):

- (i) Solicit offers from the suspended party
- (ii) Award new contracts to the suspended party
- (iii) Place new task, delivery, or purchase orders with the suspended party
- (iv) Consent to subcontracts with suspended party
- (v) Evaluate pending proposals, quotations, or offers from the suspended party. Bids received in response to an Invitation for Bids must be rejected.
- (vi) Add new work, exercise options, or extend the duration of current contracts or orders with the suspended party
- (vii) Use the Purchase Card to acquire goods or services from the suspended party
- (viii) Modify existing contracts, except for administrative changes as defined in FAR § 43.101.

(2) Contracting activities also must not place new orders against Federal Supply Schedule contracts, Government-wide Acquisition Contracts (GWACs), or other Indefinite Delivery Indefinite Quantity (IDIQ) contracts awarded to the suspended party by GSA or other Federal agencies. Contracting activities that wish to make a contract modification involving incremental funding first must consult with the Office of Procurement Executive (OPE) to discuss whether the modification involves new work, before processing the modification.

(3) Pursuant to FAR §§ 9.405 and 9.405-1(b), the head of the agency may make a written determination that there are compelling reasons for doing business with the suspended party notwithstanding its suspension. The head of the agency at Treasury for this purpose is defined in Treasury Order 101-30, is the Assistant Secretary for Management and Chief Financial Officer (ASM). Bureau requests for such a written determination must be submitted in writing and accompanied by appropriate justification. The justification must include a description and discussion of the compelling business reasons why the contract action should proceed despite the suspension and all relevant documentation supporting those reasons. Bureau requests must be signed by the Contracting Officer, the Bureau Chief Procurement Officer, and the Bureau Office of the Chief Counsel, and then sent to the Senior Procurement Executive. All requests for a written determination of compelling reasons will be reviewed and cleared by OPE, the Office of General Counsel (OGC), and other involved Offices as determined by OPE before submission to the ASM for consideration.

(4) Existing contracts and task orders may remain in effect unless the ASM directs otherwise. Therefore, do not terminate these contracts and task orders without first consulting with OPE and OGC.

1009.406 Debarment.

1009.406-1 General.

(a) The SPE is the Debarring Official.

(c) The Debarring Official is authorized to make the required statement.

1009.406-3 Procedures.

(a) Whenever a cause for debarment becomes known, the matter must be referred to the BCPO, who must consult with legal counsel and the OIG, or other investigatory organization. The BCPO must submit within 30 days of receiving a referral a formal recommendation, containing written concurrence of legal counsel, to the Debarring Official. If the review deadline passes, the referral should pass directly to the Debarring Official.

(b)(1) The Debarring Official will establish internal procedures, as required.

(b)(2)(i) The hearing will be conducted by the Debarring Official or designee.

(c) Based upon review of the recommendation to debar, and consultation with the Office of the General Counsel and OIG, as appropriate, the Debarring Official may issue a Notice of Proposed Debarment.

1009.407 Suspension.

1009.407-1 General.

(a) The SPE is the Suspension Official (SO).

1009.407-3 Procedures.

(a) Whenever a cause for suspension becomes known, the matter must be referred to the BCPO, who must consult with legal counsel and the OIG, or other investigatory organization. The BCPO must submit within 30 days of receiving a referral a formal recommendation, containing written concurrence of legal counsel, to the SO. If the review deadline passes, the referral should pass directly to the SO.

(b)(1) The SO will establish internal procedures, as required.

(b)(2)(i) The hearing will be conducted by the SO or designee.

(c) Based upon review of the recommendation to suspend, and consultation with the Office of the General Counsel and OIG, as appropriate, the SO may issue a Notice of Suspension.

**SUBPART 1009.5—ORGANIZATIONAL AND CONSULTANT
CONFLICTS OF INTEREST**

1009.503 Waiver.

Submit waiver requests per DTAP 1001.7000(a), after legal review.

PART 1010—MARKET RESEARCH

1010.001 Policy.

(a)(3)(vi) The BCPO must make the determination whether bundling is necessary and justified for the purposes of FAR 7.107(b).

1010.002 Procedures.

(b)(2)(iv) Department of the Treasury staff conducting market research must query the government database described at FAR 10.002(b)(2)(iv). Additionally, staff must review mandatory sources of supply per DTAP 1008.002(a)(1) and (2).

PART 1011—DESCRIBING AGENCY NEEDS

**SUBPART 1011.2—USING AND MAINTAINING REQUIREMENTS
DOCUMENTS**

1011.202 Maintenance of Standardization Documents.

(a) Submit through the SPE.

SUBPART 1011.5—LIQUIDATED DAMAGES

1011.501 Policy.

(d) In accordance with TD12-11, the SPE may act as head of the agency.

PART 1012—COMMERCIAL ITEMS

SUBPART 1012.3—SOLICITATION PROVISIONS AND CONTRACT CLAUSES FOR THE ACQUISITION OF COMMERCIAL ITEMS

1012.302 Tailoring of provisions and clauses for the acquisition of commercial items.

(c) BCPOs must approve waivers. The bureau competition advocate must review any waivers for transactions exceeding the simplified acquisition threshold.

PART 1013—SIMPLIFIED ACQUISITION PROCEDURES

SUBPART 1013.1—PROCEDURES

1013.106 Soliciting competition, evaluation of quotations or offers, award, and documentation.

1013.106-3 Award and documentation.

(b) Information must be recorded on Treasury Form TD F 76-01.1, "Purchase/Delivery Order/BPA Record," or other bureau form approved by the SPE.

SUBPART 1013.3—SIMPLIFIED ACQUISITION METHODS

1013.301 Government-wide commercial purchase card.

(b) Treasury procedures governing the Government-wide purchase card program are defined in TD 76-04, "Government Purchase Card Program."

1013.307 Forms.

Prescribed forms required to conduct a simplified acquisition must be used, unless an equivalent bureau form has been authorized for use by the SPE.

PART 1015—CONTRACTING BY NEGOTIATION

SUBPART 1015.2—SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

1015.204 Contract format.

(e) All requests for approval of an exception from the uniform contract format shall be forwarded to the SPE through the BCPO.

SUBPART 1015.3—SOURCE SELECTION

1015.303 Responsibilities.

(a) BCPOs are responsible for source selection. BCPOs are authorized to appoint individuals other than the contracting officer as the source selection authority for a particular acquisition or group of acquisitions.

1015.305 Proposal evaluation.

(a)(2)(ii) The Past Performance Information Retrieval System (PPIRS) has been established as a government-wide past performance system and serves as a central warehouse for performance assessment reports. While other systems or methods of collecting past performance information are encouraged, COs shall search PPIRS to review contractor performance information for source selection purposes.

PPIRS receives its completed reports from the Contractor Performance Assessment System (CPARS) and the Federal Awardee Performance and Integrity Information System (FAPIIS). CPARS replaces the legacy Contractor Performance System (CPS) which has been discontinued.

Bureaus shall use FAPIIS to report information on Terminations for Default, Terminations for Cause, Terminations for Material Failure to Comply, Defective Pricing Actions, Non-Responsibility Determinations, and Recipient Not-Qualified Determinations, in accordance with FAR 42.15.

Bureaus shall continue to obtain past performance information from PPIRS (i.e. when conducting a past performance evaluation during source selection).

(a)(4) Cost information may be provided to members of the technical evaluation team, as determined on a case-by-case basis by the CO.

SUBPART 1015.4—CONTRACT PRICING

1015.404-2 Information to support proposal analysis.

(c) Requests for audit services must be initiated in accordance with TD 76-06, "Request for Contract Audit Services."

1015.407-4 Should-cost review.

(b)(3) Request participation of the contract administration office.

(b)(4) The report, prepared for the CO, must include:

(i) Results of the review, including proposed versus recommended hours, tasks, or issues. Discuss each cost element in terms of review method, finding, and proposed or recommended cost. Do not accumulate the dollar value of individual recommendations into a recommended total price. Indicate team members available to support negotiations;

(ii) Improvement recommendations, including long and short term benefits, to be passed on to the contractor or the Government, including monitoring approach;

(iii) A list of lessons learned having value to later should-cost teams; and

(iv) Attachments, including letters recommending changes, implementing plans, pre-negotiation objectives, and price negotiation memorandum.

SUBPART 1015.6—UNSOLICITED PROPOSALS

1015.606 Agency procedures.

(a) Bureaus must establish procedures.

(b) Bureaus must establish bureau points of contact.

PART 1016—TYPES OF CONTRACTS

SUBPART 1016.2—FIXED-PRICE CONTRACTS

1016.203 Fixed-price contracts with Economic Price Adjustment.

1016.203-4 Contract clauses.

(d)(2) Because of the variations in circumstances and clause wording, any non-standard clause to be inserted herein must be approved by the BCPO.

SUBPART 1016.5—INDEFINITE-DELIVERY CONTRACTS

1016.501-2 General.

Whenever possible and appropriate, all procurement offices must coordinate their indefinite delivery contract requirements with procurement offices of other bureaus.

DTAR 1016.505 Ordering.

(b)(6) Bureaus shall designate a Task and Delivery Ombudsman in accordance with bureau procedures. In the absence of a designation, the Bureau Competition Advocate will serve in that capacity.

SUBPART 1016.6—TIME-AND-MATERIALS, LABOR-HOUR, AND LETTER CONTRACTS

1016.603 Letter contracts.

1016.603-2 Application.

(c) The BCPO must approve any extension to the definitization schedule of a letter contract.

PART 1017—SPECIAL CONTRACTING METHODS

SUBPART 1017.2—OPTIONS

1017.202 Use of options.

(a) COs shall not use unpriced options.

1017.204 Contracts.

(e) The BCPO must approve any extensions beyond the five-year limitation by written determination.

SUBPART 1017.4—LEADER COMPANY CONTRACTING

1017.402 Limitations.

(a)(4) Submit D&Fs per DTAP 1001.7000(a).

SUBPART 1017.5—INTERAGENCY ACQUISITION

1017.501 General.

(e) Procurement Support.

It is Treasury's preference that the Department's procurements be executed by the contracting offices designated in Subpart 1004-7601. If this is not feasible, procurements should be executed, to the maximum extent practicable, by another contracting office internal to Treasury.

(1) Each bureau will obtain all procurement support services from its designated contracting office unless exempted by guidance or approval addressed elsewhere in this subpart.

(2) Any bureau receiving procurement support from a source other than the designated contracting office (to include contracting organizations external to Treasury) may continue to receive the services, without further approval, until expiration of the current Intra- or Inter- agency Agreement securing the assisted acquisition. All Treasury-funded contract actions executed under applicable Intra- or Inter- Agency Agreements may continue through expiration of full performance periods, including options, subject to contract terms and current agreements. New non-exempt agreements will be subject to approval requirements at

1017.502.

(3) Should there exist on the effective date of this guidance any Treasury-funded contract action executed and/or administered by a contracting activity other than the designated contracting office that is not covered by an Intra- or Inter- Agency Agreement, that contract or order may continue through expiration of full performance periods, including options, subject to contract terms. Any follow-on non-exempt contract action must be covered by a current Intra- or Inter- Agency Agreement and will be subject to the approval requirements at 1017.502.

(f) Definitions

"Procurement support services" includes all contracting-related efforts necessary for solicitation, negotiation, award, and administration of contract actions for supplies, equipment, and services required by Treasury organizations. These services are also referred to as "assisted acquisition."

(g) Exemptions.

Treasury approval requirements specified in Section 1017-502 apply only to direct requests for procurement support services and do not apply to:

(1) Contract actions utilizing another agency's authority or responsibility (e.g., GSA support of public buildings, property and works; DOT Nationwide Transit Benefit Program);

(2) Contract actions executed as part of support provided to Treasury by another agency (e.g., contracting of nursing services by Department of Health and Human Services (HHS) executed to fulfill HHS commitment to provide medical-related support services to a Treasury bureau);

(3) Orders of any magnitude issued by the designated contracting organization against Federal Supply Schedules, Government-wide acquisition contracts, multi-agency contracts, and Treasury-wide contracts;

(4) Orders issued by the designated contracting organization against strategic sourcing contract vehicles mandated by Subpart 1008-002, Sources; and

(5) Other actions approved by the SPE for exemption on an individual or class basis.

1017.502 Procedures.

1017.502-1 General.

(a)(l) Assisted acquisitions. Bureaus shall obtain SPE approval prior to requesting that an agency external to Treasury (e.g., Department of the Interior) provide non-exempted procurement support services on the bureau's behalf. Approval for obtaining procurement support from a Treasury contracting office other than the designated contracting organization remains at HCA/BCPO level.

1017.502-2 The Economy Act.

(c)(3) The SPE must approve D&Fs where the servicing agency is not subject to the FAR (e.g., US Mint. See also agency approval requirements in 1017-502-1(a)(1).

1017.504 Ordering Procedures.

(a) Contracting Officers (COs) shall ensure that a decision to use an interagency acquisition is supported by a best interest determination, as described in the Interagency Acquisitions Guide ("IA Guide") issued by the Office of Federal Procurement Policy (OFPP) via Memorandum dated June 6, 2008 entitled "Improving the Management and Use of Interagency Acquisitions".

(b) BCPOs shall further ensure that new interagency agreements for assisted acquisitions contain the elements enumerated in Appendix 2 of the IA Guide, or follow the model agreement in Appendix 3 of the IA Guide. COs shall use the checklist at Appendix 1 of the IA Guide to facilitate the clear identification of roles and responsibilities. COs shall also consider modifying existing long-term interagency agreements for assisted acquisitions in accordance with this guidance, as appropriate and practicable.

When procuring property or services for the Department of Defense (DoD) in excess of the simplified acquisition threshold, interagency agreements will comply with Section 801 of the National Defense Authorization Act for Fiscal Year 2008 and Attachment 2 of the OFPP Administrator's memorandum dated June 6, 2008.

17.670 Interagency Agreement (IAA) Guide

The Treasury Payable Interagency Agreement (IA) Guide, which standardized Treasury-wide policies and procedures related to the preparation, processing, coordination, execution, administration, and close-out of Payable (funds out) IAs, was issued by the Deputy Chief Financial Officer and the Senior Procurement

Executive on May 1, 2002. The memo strongly encourages program, procurement, and finance personnel to use the uniform guidance and recommendations to prepare, process and administer IAs. This guidance can be found on the OPE Procurement Policy and Regulations website at:

<http://www.treasury.gov/about/organizational-structure/offices/Mgt/Documents/AB0221%20-%20Payable%20Interagency%20Agreement%20Guide.pdf>

SUBPART 1017.70—TREASURY-WIDE ACQUISITION CONTRACTS

1017.7001 Designation of Treasury-Wide Acquisition Contracts (TWAC).

(a) The SPE must approve the designation of a contractual action as a Treasury-Wide Acquisition Contract (TWAC) prior to its being solicited. Requests for TWAC designation must be submitted to the SPE by the BCPO.

(b) Prior to requesting a TWAC designation, review sources of information, such as the OPE website, to determine if bureau needs can be met by other contractual documents like TWACs, Government-wide Acquisition Contracts (GWACs), and Multiple Award Contracts (MACs).

(c) TWAC contractual action will require the designated procurement office to coordinate the TWAC requirement(s) with the other Treasury bureaus/offices. Presolicitation coordination includes, but is not limited to, consolidating requirements from all bureaus, establishing ordering and contract management procedures, and determining administrative costs/assessments for use of the TWAC. The BCPO must notify the SPE via e-mail once the TWAC is awarded, so that information about the TWAC can be communicated to the Treasury acquisition community.

SUBPART 1017.71—STRATEGIC SOURCING

1017.7101 Definitions.

As used in this subpart—

“Baseline” means the documented existing state (before a new strategic sourcing initiative) of characteristics related to a category of spending, e.g., pricing, socio-economic participation, cost to order, customer satisfaction.

“Executive Agent” means a Treasury Acquisition Council member responsible for leadership of a strategic sourcing initiative, and associated strategic sourcing team.

“Quad Council” is a leadership group chaired by the Assistant Secretary for Management and Chief Financial Officer, and comprised of membership from representative Treasury Bureaus’ Chief Financial Officer, Chief Information Officer, Chief Procurement Officer, and Chief Human Capital Officer communities. The Quad Council meets to make recommendations to the ASM & CFO on matters requiring strong interdisciplinary and inter-Bureau cooperation and coordination.

“Sourcing initiative” means a chartered project, sponsored by the Strategic Sourcing Council and the Treasury Acquisition Council, to develop and implement a sourcing strategy.

“Sourcing Strategy” means a documented set of data-driven activities developed in a collaborative and structured process to improve one or more aspects of acquisition for a category of spending.

“Sourcing team” means a cross-functional, cross-bureau team working under charter of the Strategic Sourcing Council to develop and implement a sourcing strategy.

“Strategic sources” are sources of supply developed through application of the policies and procedures defined in DTAP Subpart 1017.71-Strategic Sourcing.

“Strategic sourcing” means the collaborative and structured process of critically analyzing an organization’s spending and using this information to make business decisions about acquiring goods and services more effectively and efficiently.

“Strategic Sourcing Council” is a leadership group Chaired by the Senior Procurement Executive with membership identified by the Quad Council, which meets at least quarterly to provide advice to the Senior Procurement Executive on matters related to Strategic Sourcing.

“Strategic Sourcing Working Group” is a federal-wide subgroup chartered by the Chief Acquisition Officers Council to promote strategic sourcing.

“Treasury Acquisition Council” means the chartered Treasury Acquisition Council under the leadership of the Senior Procurement Executive.

1017.7102 Setting strategic sourcing goals.

The Senior Procurement Executive, in coordination with the Strategic Sourcing Council, must establish annual goals for strategic sourcing, including at a minimum, savings and socio-economic improvement goals.

1017.7103 Identification of opportunities.

(a) The Strategic Sourcing Council must make arrangements to develop and quarterly review strategic sourcing opportunities.

(b) OPE must provide:

- (i) a quarterly obligation analysis from available sources; and
- (ii) a scan of federal-wide sources and best practices from the Strategic Sourcing Working Group (SSWG).

(c) Any Treasury employee may provide suggestions for strategic sourcing opportunities and may request time on the Council agenda by contacting OPE.

(d) The SSC will agree on which opportunities shall be charted and become Strategic Sourcing Initiatives per section 1017.7104.

1017.7104 Sponsorship of strategic sourcing initiatives.

(a) The SSC approves an Executive Agent for the Sourcing Initiative and establishes a timeframe for chartering an approved Sourcing Team.

(b) The Executive Agent provides the SSC a proposed charter for the sourcing initiative that includes a project plan with resource requirements.

(c) The SSC approves or disapproves the charter and makes the resources available.

(d) The Sourcing Team develops sourcing strategy document that includes:

(1) Current state of spending, socio-economic participation, and other relevant considerations.

(2) Goals for improvement, defined through category benchmarks and measures. At a minimum, measures must include price/cost; socio-economic participation; and customer satisfaction.

(3) Requirements document confirming scope of activity and refined definition of category of spending covered;

(4) Acquisition Plan covering all elements required under the FAR, as well as special actions needed by bureaus to realize improvements to the current state; and a scan of current federal-wide or Treasury-wide contracts and good practices and business case for not using an existing solution; recommendation for mandatory or voluntary use;

(5) Business Case laying out resources needed to execute the acquisition plan and monitor sourcing strategy through its full life cycle compared with the savings or other improvements.

(6) Communications and Implementation plan, including at least: a plan for managing, measuring, and reporting implementation status and realization of planned improvements, and; a change management and communication strategy, including ordering procedures.

(e) In developing the sourcing strategy document, the Sourcing Team shall consider input from key internal stakeholders, e.g., from finance, end users, CORs, asset managers, functional experts.

1017.7105 Approval of sourcing strategies.

(a) The SSC must approve the sourcing strategy document (see 1017.7104(d)) before it is implemented.

(b) The approval must indicate whether the use of the strategy will be mandatory or voluntary.

(c) The SPE must approve waivers to the use of any mandatory sources.

1017.7106 Measurement and reporting.

1017.7106-1 Measurement methodology.

(a) Treasury declares strategic sourcing savings using project finance rules against a baseline of the spending patterns, processes, and prices that occurred before the strategic sourcing initiative. Using a stream of benefits and costs approach, Treasury captures savings accrued during a given time period, e.g., during Fiscal Year 2006 or over a contract's period of performance. Treasury may also describe savings in terms of net present value. The expected stream of benefits and costs must be associated with an approved strategic sourcing initiative.

(b) Treasury only includes incremental benefits and costs that can be clearly demonstrated to be a result of the strategic sourcing initiative, and that can be reasonably measured. Indirect or intangible benefits also must be documented. Savings from a particular strategic sourcing initiative terminate with the period of performance of a strategically sourced contract, or in accordance with the approved business case.

1017.7106-2 Reporting Frequency.

(a) The frequency of monitoring and reporting must be considered in the development of the sourcing strategy. Monitoring should take place as often as needed to support the achievement of the sourcing strategy's goals and sound contract management.

(b) For each approved sourcing initiative, a reporting of savings and improvements for the previous fiscal year shall be submitted to OPE no later than November 1 each year.

PART 1018—EMERGENCY ACQUISITIONS

1018.000 Scope of Part.

, AB 05-09 (Hurricane Katrina), AB 05-10(Hurricane Katrina), and AB 04-01 (Iraq Reconstruction) apply.

SUBPART 1018.1—AVAILABLE ACQUISITION FLEXIBILITIES

1018.108 Qualifications requirements.

The BCPO must make the determination to waive Qualified products list (QPL) requirements. QPL is defined at FAR Part 2.101.

SUBPART 1018.2—EMERGENCY ACQUISITION FLEXIBILITIES

1018.204 Resources.

OPE maintains a list of Contingency Contracting Officers to work with DHS/FEMA.

PART 1019—SMALL BUSINESS PROGRAMS

1019.000 Scope of Part.

(a) TD P 76-01.B, "Small Business Program Handbook," provides detailed information. The 2002 edition of the Handbook was issued under AB 02-09 dated June 14, 2002.

SUBPART 1019.2—POLICIES

1019.201 General policy.

(e) BCPOs will appoint Small Business Specialists (SBSs) in accordance with TD P 76-01.B.

(f)(1) The ASM/CFO must make any determinations in accordance with FAR 19.201(f)(1).

DTAR 1019.202 Specific policies.

DTAR 1019.202-70 The Treasury Mentor Protégé Program.

(a) [Reserved]

(b) [Reserved]

(c) Non-affiliation. For purposes of the Small Business Act, a protégé firm may not be considered an affiliate of a mentor firm solely on the basis that the protégé firm is receiving developmental assistance referred to in paragraph (m) of this section, from such mentor firm under the Mentor- Protégé Program.

(d) General policy. (1) Eligible contractors, not included on the "List of Parties Excluded from Federal Procurement and Nonprocurement Programs," that are approved as mentors will enter into agreements with eligible protégés. Mentors provide appropriate developmental assistance to enhance the capabilities of protégés to perform as contractors or subcontractors.

(2) A firm's status as a protégé under a Treasury contract shall not have an effect on the firm's eligibility to seek other contracts or subcontracts.

(e) Incentives for contractor participation. (1) Under the Small Business Act, 15 U.S.C. 637(d)(4)(E), Treasury is authorized to provide appropriate incentives in negotiated contractual actions to encourage subcontracting opportunities consistent with the efficient and economical performance of the contract. Proposed mentor-protégé efforts will be considered during the evaluation of such negotiated, competitive offers. Contracting Officers may provide, as an incentive, a bonus score, not to exceed 5% of the relative importance assigned to the non-price factors. If this incentive is used, the Contracting Officer shall include language in the solicitation indicating that this adjustment may occur.

(2) Before awarding a contract that requires a subcontracting plan, the existence of a mentor-protégé arrangement, and performance (if any) under such an existing arrangement, will be considered by the Contracting Officer in:

(i) Evaluating the quality of a proposed subcontracting plan under FAR 19.705-4; and, (ii) Evaluating the contractor compliance with the subcontracting plans submitted in previous contracts as a factor in determining contractor responsibility under FAR 19.705-5(a)(1).

(3) The Office of Small and Disadvantaged Business Utilization (OSDBU) Mentoring Award is a non-monetary award that will be presented (annually on a fiscal year basis or as often as is appropriate) to the mentoring firm providing the most effective developmental support of a protégé. The Mentor-Protégé Program Manager will recommend an award winner to the Director, OSDBU.

(f) [Reserved]

(g) Mentor firms. A mentor firm may be either a large or small business, eligible for award of a Government contract that can provide developmental assistance to enhance the capabilities of protégés to perform as subcontractors. Mentors will be encouraged to enter into arrangements with protégés in addition to firms with whom they have established business relationships.

(h) Protégé firms. (1) For selection as a protégé, a firm must be:

(i) A small business, women-owned small business, small disadvantaged business, small business owned and controlled by veteran or service disabled veteran, or qualified HUBZone small business, or a qualified 8(a) concern;

(ii) Qualified as a small business under the NAICS code for the services or supplies to be provided by the protégé under its subcontract to the mentor; and

(iii) Eligible for award of Government contracts.

(2) Except small disadvantaged businesses and qualified HUBZone small business firms, a protégé firm may self-certify to a mentor firm that it meets the requirements set forth in paragraph (h)(1) of this section. Mentors may rely in good faith on written representations by potential protégés that they meet the specified eligibility requirements. The h(1)(i), small disadvantaged business, or qualified HUBZone small business status eligibility and documentation requirements are determined according to FAR 19.304 and 19.1303, respectively.

(3) Protégés may not have multiple mentors unless approved, in writing, by the Director, OSDBU. Protégés participating in other agency mentor protégé programs in addition to the Treasury Mentor-Protégé Program should maintain a system for preparing separate reports of mentoring activity for each agency's program.

(i) Selection of protégé firms. (1) Mentor firms will be solely responsible for selecting protégé firms. The mentor is encouraged to identify and select the types of protégé firms listed in 1019.202-70(h). Mentor firms may have multiple protégés.

(2) The selection of protégé firms by mentor firms may not be protested. Any question regarding the size or eligibility status of an entity selected by a mentor to be a protégé must be referred solely to Treasury's OSDBU for resolution. Treasury, at its discretion, may seek an advisory opinion from the Small Business Administration (SBA).

(j) Application process for mentor firms to participate in the program. (1) Firms interested in becoming a mentor firm may apply in writing to Treasury's OSDBU. The application will be evaluated based upon the description of the nature and extent of technical and managerial support proposed as well as the extent of other developmental assistance in the form of equity investment, loans, joint-venture support and traditional subcontracting support.

(k) OSDBU review and approval process of agreement. (1) OSDBU will review the information specified in 1019.202-70(1). The OSDBU review will be completed no later than 30 calendar days after receipt.

(2) Upon completion of the review, the mentor may implement the developmental assistance program.

(3) An approved agreement will be incorporated into the mentor firm's contract(s) with Treasury.

(4) If OSDBU disapproves the agreement, the mentor may provide additional information for reconsideration. Upon finding deficiencies that OSDBU considers correctable, OSDBU will notify the mentor and provide a list of defects. Any additional information or corrections requested will be provided within 30 calendar days. The review of any supplemental material will be completed within 30 calendar days after receipt by OSDBU. When submission of additional data is required during a proposal evaluation for a new contract award, shorter timeframes for submission, review and re-evaluation for approval may be authorized by OSDBU.

(5) The agreement defines the relationship between the mentor and protégé firms only. The agreement itself does not create any privity of contract between the mentor or protégé and Treasury.

(1) Agreement contents. The contents of the agreement will contain:

(1) Names and addresses of mentor and protégé firms and a point of contact within both firms who will oversee the agreement;

(2) Procedures for the mentor firm to notify the protégé firm, OSDBU and the Contracting Officer, in writing, at least 30 days in advance of the mentor firm's intent to voluntarily withdraw from the Mentor-Protégé Program;

(3) Procedures for a protégé firm to notify the mentor firm in writing at least 30 days in advance of the protégé firm's intent to voluntarily terminate the mentor-protégé agreement. The mentor must notify OSDBU and the Contracting Officer immediately upon receipt of such notice from the protégé;

(4) Each proposed mentor-protégé relationship must include information on the mentor's ability to provide developmental assistance to the protégé and how that assistance will potentially increase contracting and subcontracting opportunities for the protégé firm;

(5) A description of the type of developmental program that will be provided by the mentor firm to the protégé firm, to include a description of the potential subcontract work, and a schedule for providing assistance and criteria for evaluation of the protégés' developmental success;

(6) A listing of the types and dollar amounts of subcontracts that may be awarded to the protégé firm;

(7) Program participation term;

(8) Termination procedures;

(9) Plan for accomplishing work should the agreement be terminated; and

(10) Other terms and conditions, as appropriate.

(m) Developmental assistance. The forms of developmental assistance a mentor can provide to a protégé include:

(1) Management guidance relating to financial management, organizational management, overall business management/planning, business development, and technical assistance.

- (2) Loans;
- (3) Rent-free use of facilities and/or equipment;
- (4) Property;
- (5) Temporary assignment of personnel to protégé for purpose of training; and
- (6) Any other types of mutually beneficial assistance.

(n) Obligation. (1) Mentor or protégé firms may voluntarily withdraw from the Mentor-Protégé Program. However, such withdrawal shall not excuse the contractor from compliance with contract requirements.

(2) At the conclusion of each year in the Mentor-Protégé Program, the contractor and protégé must formally brief the Department of the Treasury team regarding program accomplishments as they pertain to the approved agreement. Individual briefings may be conducted, at the request of either party. Treasury will consider the following:

(i) Specific actions taken by the mentor, during the evaluation period, to increase the participation of protégés as suppliers to the Federal government and to commercial entities;

(ii) Specific actions taken by the mentor, during the evaluation period, to develop the technical and corporate administrative expertise of a protégé as defined in the agreement;

(iii) To what extent the protégé has met the developmental objectives in the agreement; and

(iv) To what extent the mentor firm's participation in the Mentor-Protégé Program resulted in the protégé receiving contract(s) and subcontract(s) from private firms and agencies other than the Department of the Treasury.

(v) Mentor and protégé firms must submit an evaluation to OSDBU at the conclusion of the mutually agreed upon program period, the conclusion of the contract, or the voluntary withdrawal by either party from the Mentor-Protégé Program, whichever comes first.

(o) [Reserved]

(p) Solicitation provisions and contract clauses (1) Insert the provision at 1052.219-73, Department of the Treasury Mentor-Protégé Program, in all unrestricted solicitations exceeding \$500,000 (\$1,000,000 for construction) that offer subcontracting possibilities.

(2) Insert the clause at 1052.219-75, Mentor Requirements and Evaluation, in contracts where the contractor is a participant in the Treasury Mentor-Protégé Program.

1019.202-70 The Treasury Mentor Protégé Program

1019.202-70.1 General.

(a) The Mentor- Protégé Program is designed to motivate and encourage firms to assist small businesses (SB), including veteran-owned small businesses (VOSB), service-disabled veteran-owned small businesses (SDVOSB), HUBZone small businesses (HUBZone), small disadvantaged businesses (SDB) and women-owned small businesses (WOSB). The program is also designed to improve the performance of Department of the Treasury contracts and subcontracts, foster the establishment of long-term business relationships between these entities and Treasury prime contractors, and increase the overall number of these entities that receive Treasury contract and subcontract awards.

1019.202-70.2 Definitions.

(a) Mentor, as used herein, means a prime contractor who elects, on a particular contract, to promote and develop small business subcontractors by providing developmental assistance designed to enhance the business success of the protégé. Mentors must be deemed eligible as a mentor as described in DTAR 1019.202-70.7.

(b) Office of Small and Disadvantaged Business Utilization (OSDBU) is designated to assist and advise small, small disadvantaged, and women-owned small business concerns on procedures for doing business with Treasury.

(c) Protégé, as used herein, means a Small Business, Service Disabled Veteran-Owned Small Business, Small Disadvantaged Business, Woman-Owned Small Business, or Veteran-Owned Small Business that is the recipient of developmental assistance pursuant to a mentor-protégé arrangement on a particular contract. Protégés must be deemed eligible as described in DTAR 1019.202-70.8.

1019.202-70.6 Measurement of program success.

The overall success of the Treasury Mentor-Protégé Program will be measured by:

(a) The increase in the number and dollar value of contracts awarded to protégé firms under Department of the Treasury contracts from the date the protégé enters the program.

(b) The increase in the number and dollar value of contracts and subcontracts awarded to the protégé under other Federal agencies and commercial contracts.

(c) An increase in the quality of the technical capabilities of the protégé firm.

1019.202-70.15 Internal controls.

(a) The OSDBU will oversee the program and will work with the cognizant Contracting Officer to achieve the program's objectives.

(b) The Department of the Treasury may rescind an existing Mentor-Protégé agreement if it determines that such action is in Treasury's interest. Rescission must be in writing and sent to the mentor and protégé after approval by the Director, OSDBU. Rescission of an agreement does not change the terms of the subcontract between the mentor and the protégé or the prime contractor's obligations under its contract with Treasury or its subcontracting plan.

SUBPART 1019.3—DETERMINATION OF SMALL BUSINESS STATUS FOR A SMALL BUSINESS PROGRAMS

1019.302 Protesting a small business representation.

(a) The CO must notify immediately the bureau SBS of any protest or appeal filed with the SBA.

(b) The bureau SBS must notify immediately the OSDDBU of any protest, appeal or final decision.

SUBPART 1019.4—COOPERATION WITH THE SMALL BUSINESS ADMINISTRATION

1019.401 General.

(b) The Director, OSDDBU is the Treasury liaison with the SBA.

1019.402 Small Business Administration Procurement Center Representatives

(c)(4) If the Procurement Center Representative (PCR) files an appeal, the CO must notify immediately the bureau SBS, who must promptly notify the OSDDBU.

SUBPART 1019.5—SET-ASIDES FOR SMALL BUSINESS

1019.501 General.

(i) COs must carefully document decisions to award to other than small business based on price reasonableness. Depending on the circumstances of the procurement, it may be possible to award to a small business over a large business even though the small business' proposed price may be higher, provided that the price is not unreasonable.

1019.502 Setting aside acquisitions.

(a) Bureau procurement offices are required to solicit Service-Disabled Veteran-Owned Small Businesses (SDVOSB) and Qualified Historically Underutilized Business Zone (HUBZone) businesses for procurement actions in excess of the micro-purchase threshold to the maximum extent practicable. The Department of the Treasury is required to provide Federal contracting assistance to SDVOSB and the HUBZone small business concerns. In order to meet Department goals, continued efforts to identify, solicit, and award to businesses in these preference groups are required.

(b) The contracting officer shall review all requirements over the micro-purchase threshold for set aside for award to HUBZone and SDVOSB businesses. The contracting officer shall document the determination concerning the set-aside and include in the contract file.

(c) The contracting officer must solicit HUBZone and SDVOSB businesses to the maximum extent practicable for all requisitions where: (1) the award is not set aside for HUBZone or SDVOSB businesses; or (2) the solicitation is not limited to HUBZone or SDVOSB businesses on a Federal Supply Schedule. The contracting officer must document the extent to which these socio-economic groups were considered, solicited, and participated in the acquisition. The documentation must include:

- (1) A description of the market research conducted and considered by the contracting officer,
- (2) A list of HUB Zone and SDVOSB businesses identified within the applicable North American Industrial Classification System (NAICS) code,
- (3) A list of businesses to be solicited, and
- (4) Rationale for not setting-aside the requirement for HUBZone and/or SDVOSB businesses. or for not limiting solicitation to HUBZone and/or SDVOSB business under a FSS.

(d) The Bureau small business specialist shall review contracting officer determinations concerning SDVOSB and HUBZone that are not set-aside or sole source determinations for actions over \$100,000. If the small business specialist does not concur with the contracting officer's determination, the Bureau Chief Procurement Officer shall make a written determination concerning sources to be solicited.

"(e)(1) Between July 1, 2011 and August 31, 2011, for any planned solicitation, request for quotation or request for proposal that (1) is estimated between \$150,000 and \$5,000,000; (2) will not be set aside for a HUBZone or SDVOSB business; (3) will not be limited to HUBZone or SDVOSB businesses on a Federal Supply Schedule buy and, (4) has been identified as one of the following North American Industry Classification System (NAICS) categories:

- 23 (CONSTRUCTION)
- 33 (MANUFACTURING (METALS, MACHINERY, COMPUTER, ELECTRONICS ELECTRICAL TRANSPORTATION EQUIPMENT, FURNITURE, MISCELLANEOUS))
- 42 (WHOLESALE TRADE)
- 45 (RETAIL TRADE (SPORTING GOODS GENERAL MERCHANDISE, MISCELLANEOUS))
- 48 (TRANSPORTATION)
- 49 (POSTAL SERVICE, COURIER/MESSANGER, WAREHOUSING)
- 51 (INFORMATION)
- 52 (FINANCE AND INSURANCE)
- 54 (PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES)
- 56 (ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION SERVICES)
- 61 (EDUCATIONAL SERVICES)
- 72 (ACCOMMODATION AND FOOD SERVICES)

81 (OTHER SERVICES (EXCEPT PUBLIC ADMINISTRATION))
92 (PUBLIC ADMINISTRATION)

the contracting officer must prepare documentation required in section 10 19-502(c). The documentation must include the requisition number(s), the contract, agreement, order, call, and modification number where applicable, NAICS code, and be submitted in a single attached file to: CrushTheGoals@treasuryecm.gov prior to release of the solicitation. For purposes of this section, the term solicitation shall include Requests for Quote (RFQ), Requests for Proposal (RFP), request for task/delivery order proposal, requests for proposal under a BPA call or other instrument, or request for products or services resulting in a modification to a contract, agreement, order, or call.

1019.502-1 Requirements for setting aside acquisitions.

(b) COs must make available for review by the SBS all proposed open market acquisitions in excess of \$25,000 which have not been unilaterally set-aside for small business. Requisitions must be provided to the SBS for review upon receipt in the contracting office. If the CO rejects an SBS recommendation for a requirement in excess of \$25,000, the CO shall provide written notice to the OSDBU within 5 working days.

1019.502-2 Total small business Set-asides.

(b) COs must make available for review by the SBS and the PCR all proposed open market acquisitions in excess of \$100,000 which have not been unilaterally set-aside for HUBZone, Service Disabled Veteran-Owned Small Businesses, small businesses, or the 8(a) program, and must make available any other such proposed acquisitions exceeding the micro-purchase threshold at the request of the PCR. If the purchase is not a set-aside, file documentation must be completed and signed by the CO (if the order is between \$3,000 and \$25,000) and by the bureau SBS (if the order is between \$25,000 and \$100,000) prior to awarding the unrestricted purchase.

1019.505 Rejecting Small Business Administration recommendations.

(b) If the SBA files an appeal, the HCA must notify immediately the bureau SBS, who must promptly notify the OSDBU.

(c) The HCA must notify promptly the SBS and OSDBU of recommendation decisions.

1019.506 Withdrawing or modifying small business set-asides.

(a) The SBS must forward the written notice to the OSDBU.

(b) Withdrawal or modification of class set-asides in 1019.503(a) and (c)(1) must be forwarded through the SBS for approval by the OSDBU.

SUBPART 1019.6—CERTIFICATES OF COMPETENCY AND DETERMINATIONS OF RESPONSIBILITY

1019.602 Procedures.

1019.602-1 Referral.

(a)(2) Provide a copy of the CO's referral letter and supporting documents to the SBS and OSDBU.

1019.602-2 Issuing or denying a Certificate of Competency (COC).

(d) The CO shall ensure a copy of the SBA response is provided to the SBS and OSDBU.

1019.602-3 Resolving differences between the agency and the Small Business Administration.

(a) COs must notify SBS of their differences. SBS should facilitate resolution with SBA. The CO must coordinate suspension actions and referrals with the SBS and OSDBU.

(3) If the CO decides to appeal issuance of a COC, the CO must notify the SBS and OSDBU within five business days.

SUBPART 1019.7—THE SMALL BUSINESS SUBCONTRACTING PROGRAM

1019.705 Responsibilities of the Contracting Officer under the Subcontracting Assistant Program.

1019.705-2 Determining the need for a subcontracting plan.

(c) Submit a determination that no subcontracting possibilities exist under a contract, through the SBS and PCR, to the OSDBU for approval at least 10 workdays prior to solicitation release.

(d) COs must consult with the SBS prior to incorporating subcontracting plans as an evaluation factor for award.

1019.705-3 Preparing the solicitation.

COs must provide the SBS and the PCR (as requested) with a copy of the solicitation requiring submission of subcontracting plans to review, and allow at least five working days for the submission of any advisory findings prior to release of the solicitation.

1019.705-4 Reviewing the subcontracting plan.

The subcontracting plan evaluation must be separate from the technical or cost evaluation.

(a) Detailed instructions for reviewing subcontracting plans are contained in the [Small Business Handbook](#) at <http://intranet.treas.gov/procurement/policy/docs/small-business-handbook-02.pdf>.

(c) Submission of subcontracting plan reporting shall be included as a “not separately priced” (NSP) deliverable under the contract when a subcontracting plan is required. Subcontracting Reporting shall be completed using the electronic Subcontracting Reporting System (eSRS). The eSRS eliminates paper submission and processing of the Individual Subcontracting Reports (ISR), formerly the SF-294, and the Summary Subcontracting Reports (SSR), formerly the SF-295. Registration will be coordinated through the Agency Coordinator (AC), located in OSDDBU. The AC has full access to all eSRS records for the Agency and has the ability to change registration levels.

(d)(1) The CO shall include language in the solicitation notifying offerors that past performance in achieving subcontracting plan goals shall be at least as important as the other subcontracting factors or subfactors combined.

(d)(7) The CO must forward all subcontracting plans to the bureau SBS for initial review. The SBA PCR must review all subcontracting plans, after review by the SBS, and prior to forwarding to the OSDDBU for approval, unless the SBA PCR has waived reviews and/or the OSDDBU has delegated their authority to approve subcontracting plans to the bureau SBS. COs must provide the SBSs and the PCR each 5 workdays to review proposed subcontracting plans. Ideally, the SBS and PCR reviews should be performed concurrently. All subcontracting plans shall be submitted to the OSDDBU at least 10 workdays prior to the contract award date. Upon request, a copy of the proposed prime contract and the cost proposal shall be provided. A copy of the lead agency CO's approval of a master or commercial products subcontracting plan must be attached. The OSDDBU approval must be retained in the contract file.

1019.705-7 Liquidated damages.

(d) The CO must consult with legal counsel, the SBS, and OSDDBU prior to making a determination that the contractor failed to make a good faith effort to carry out its subcontracting plan.

(e) The CO must provide a copy of the final decision to the SBS and OSDDBU.

(h) The CO must provide a copy of the final decision to the SBS and OSDDBU.

SUBPART 1019.8—CONTRACTING WITH THE SMALL BUSINESS ADMINISTRATION (THE 8(A) PROGRAM)

1019.803 Selecting acquisitions for the 8(a) Program.

(a) Responses to search letters must be prepared by the SBS and coordinated with the CO.

(c) Once a product or service has been acquired successfully by an acquisition office on the basis of an 8(a) set-aside, all future requirements of that office for that product or service should be acquired using 8(a) set-aside procedures. If a CO determines there is no longer a reasonable likelihood that an offer can be obtained from a qualified 8(a) concern and award can be made at fair market prices, the repetitive set-aside may be withdrawn, using the procedures at DTAP 1019.506.

1019.803-70 Simplified Procedures for 8(a) acquisitions under MOUs.

(a) Once an 8(a) contractor has been identified, the CO must establish the price with the selected 8(a) contractor and prepare and issue a purchase order or contract in accordance with the provisions in FAR Part 13. The applicable clauses in FAR 19.811-3 shall be included in the award document.

(b) The CO must issue the purchase order or contract directly to the 8(a) firm. The CO must insert FAR clause 52.219-14, Limitations on Subcontracting, and DTAR clause 1052.219-72, Section 8(a) Direct Award, in all purchase orders and contracts awarded under this subsection.

(c) No later than the day that the purchase order is provided to the 8(a) contractor, the Treasury CO must provide the cognizant SBA Business Opportunity Specialist, using facsimile or electronic mail, the following documents:

(i) a copy of the purchase order, and

(ii) a notice stating that the purchase order is being processed under the MOU. The notice must also indicate that the 8(a) contractor will be deemed eligible for award and automatically begin work under the purchase order unless, within 2 working days after SBA's receipt of the purchase order, the 8(a) contractor and the Treasury CO are notified that the 8(a) contractor is ineligible for award.

1019.805 Competitive 8(a).

1019.805-2 Procedures.

(b)(1) For requirements exceeding \$100,000 processed under FAR 19.800, the CO must submit the name, address, and telephone number of the low bidder (in sealed bid acquisitions); the apparent successful offeror in negotiated acquisitions; or all offerors within the competitive range (if discussions are required) to the SBA Business Opportunity Specialist at the field office servicing the identified 8(a) firm. The SBA must determine the eligibility of the firm(s) and advise the CO within two working days of receipt of the request. If the firm is determined to be ineligible, the CO must submit information on the next low offeror or next apparent successful offeror, as applicable, to the cognizant SBA field office.

DTAR 1019.811 Preparing the contracts.

DTAR 1019.811-3 Contract clauses.

(d)(3) Insert the clause at 1052.219-18, Notification of Competition Limited to Eligible 8(a) Concerns - Alternate III (Deviation), for paragraph (c) of FAR 52.219-18, Notification of Competition Limited to Eligible 8(a) Concerns, in all solicitations and contracts that exceed \$100,000 and are processed under 1019.8.

(f) Insert the clause at 1052.219-72, Section 8(a) Direct Awards, in solicitations and contracts that exceed \$100,000 and are processed under 1019.8 for paragraph (c) of FAR 52.219-11, Special 8(a) Contract Conditions; FAR 52.219-12, Special 8(a) Subcontract Conditions; and FAR 52.219-17, Section 8(a) Award.

1019.812-70 Information.

COs must promptly notify the SBA, and inform the SBS of 8(a) contractor performance problems.

SUBPART 1019.70 CONTRACTING OPPORTUNITIES IN FEDERAL ADVERTISING (EXECUTIVE ORDER 13170)

(a) Executive Order No. 13170 dated October 6, 2000 requires agencies to ensure substantial participation in federal advertising contracts by small disadvantaged and minority owned businesses.

(b) Required actions include consideration of use of minority-owned entities in the acquisition planning process, use of databases and other resources containing information on minority-owned entities, and coordination with Bureau small business specialists to identify minority-owned entities for solicitation.

(c) Special attention shall be given to requirements for advertising placement in publications and television and radio stations that reach specific, ethnic and racial audiences. Each department and agency shall ensure that payment for federal advertising is commensurate with fair market rates in the relevant market, and shall structure advertising contracts as commercial acquisitions consistent with Part 12 of

the Federal Acquisition Regulation processes and procedures to enhance participation by 8(a) Businesses (8(a)s), Small Disadvantaged Businesses (SDBs), and Minority-Owned Business Entities (MBEs).

(d) File documentation requirements apply to contracts awarded March 1, 2007 and thereafter. The specific procedures that constitute guidance on this subject are to be found in Executive Order 13170, Increasing Opportunities and Access for Disadvantaged Businesses, dated October 6, 2000.

**PART 1022—APPLICATION OF LABOR LAWS TO GOVERNMENT
ACQUISITIONS**

SUBPART 1022.1—BASIC LABOR POLICIES

1022.101 Labor relations.

1022.101-3 Reporting labor disputes.

COs must make reports of any potential or actual labor disputes to the BCPO and legal counsel. Reports must include at a minimum:

- (a) The nature of the potential or actual dispute, including whether a strike, lockout, slow-down, shut down, or picketing is involved and the degree of emergency presented;
- (b) The character, quantity, degree of importance, and delivery dates and their relationship to the total acquisition program;
- (c) The identity and location of the parties to the dispute and their representatives, including the approximate number of employees involved;
- (d) The need for and availability of alternative resources to furnish the items involved within the time required;
- (e) Any critical items that should be removed from the plant or work site or should continue to be processed there with the consent of the parties to the dispute; and
- (f) Recommended action to be taken by Treasury.

1022.101-4 Removal of items from contractors' facilities affected by work stoppages.

(a)(3) The CO must obtain guidance from legal counsel and approval from the BCPO.

1022.103 Overtime.

1022.103-4 Approvals.

(a) BCPOs or their designees, but not below the level of the CO, must approve the use of overtime.

**SUBPART 1022.3—CONTRACT WORK HOURS AND SAFETY
STANDARDS ACT**

1022.302 Liquidated damages and overtime pay.

(d) Bureaus may establish procedures for disposing of funds.

SUBPART 1022.4—LABOR STANDARDS FOR CONTRACTS INVOLVING CONSTRUCTION

1022.406 Administration and enforcement.

1022.406-8 Investigations.

(d)(1) Submit report in accordance with DTAP 1001.7000(a).

(d)(2) The SPE is authorized to process the report.

1022.406-13 Semiannual enforcement reports.

Reports are due to OPE 20 days after the end of the reporting period.

SUBPART 1022.6—WALSH-HEALEY PUBLIC CONTRACTS ACT

1022.604 Exemptions.

1022.604-2 Regulatory exemptions.

(b)(1) Submit requests in accordance with DTAP 1001.7000(b).

SUBPART 1022.8—EQUAL EMPLOYMENT OPPORTUNITY

1022.803 Responsibilities.

(d) Submit questions in accordance with DTAP 1001.7000(a).

1022.804 Affirmative action programs.

1022.804-2 Construction.

(b) BCPOs are responsible for maintaining and distributing required lists.

1022.805 Procedures.

(b) The poster may be ordered directly from the nearest regional GSA supply depot or online at: <http://www.dol.gov/esa/regs/compliance/posters/pdf/eeopost.pdf>.

1022.807 Exemptions.

(a)(1) The ASM/CFO is authorized to make the determination. Submit requests in accordance with DTAP 1001.7000(b).

**SUBPART 1022.13—SPECIAL DISABLED VETERANS,
VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE
VETERANS**

1022.1305 Waivers.

(c) Submit requests under FAR 22.1305(a) and (b) in accordance with DTAP 1001.7000(b).

**SUBPART 1022.14—EMPLOYMENT OF WORKERS WITH
DISABILITIES**

1022.1403 Waivers.

(c) Submit requests under FAR 22.1403(a) and (b) in accordance with DTAP 1001.7000(b).

**PART 1023—ENVIRONMENT, ENERGY AND WATER EFFICIENCY,
RENEWABLE ENERGY TECHNOLOGIES, OCCUPATIONAL SAFETY,
AND DRUG-FREE WORKPLACE**

SUBPART 1023.4—USE OF RECOVERED MATERIALS

1023.405 Procedures.

(c) In accordance with TD 75-07, Department of the Treasury Waste Prevention, Recycling and Acquisition, the ASM/CFO is the Departmental Environmental Executive, and may make such determinations.

SUBPART 1023.5—DRUG FREE WORKPLACE

1023.506 Suspension of payments, termination of contract, and debarment and suspension actions.

(e) Submit waiver requests in accordance with DTAP 1001.7000(b).

**SUBPART 1023.7—CONTRACTING FOR ENVIRONMENTALLY
PREFERABLE PRODUCTS AND SERVICES**

1023.703 Policy.

(a) BCPOs must establish required programs. Refer to TD 75-07, Department of the Treasury Waste Prevention, Recycling and Acquisition, and TD 75-04, Energy Management Program, for guidelines on preference programs.

(b) In implementing this policy, the Office of the Procurement Executive (OPE) shall:

- (1) Establish and implement policy and procedures for the procurement of green products and services and designated biobased products.
- (2) Identify and promote to Treasury bureaus acquisition of green products and services and designated biobased products.
- (3) Assess bureau compliance with applicable policy and regulations governing procurement of green products and services and designated biobased products.
- (4) Establish training requirements for contracting personnel, contracting officer's technical representatives, and purchase cardholders on procurement of green products and services and designated biobased products, and monitor compliance with training requirements.
- (5) Coordinate with bureau procurement offices and provide consolidated responses to data calls and requests for information from the Office of Management and Budget (OMB), Office of Federal Procurement Policy (OFPP), Office of the Federal Environmental Executive (OFEE), and other organizations as needed.

(c) Treasury Bureau Chief Procurement Officers (BCPOs) shall

(1) Identify opportunities for and give preference to the acquisition of green products and services and biobased products including but not limited to:

- (i) Alternative fuels and alternative fuel vehicles (AFVs) and hybrids as required by Section 303 of the Energy Policy Act of 1992 and amended by the Energy Policy Act of 2005, EO 13423, and EO 13514;
- (ii) Biobased products designated by the Department of Agriculture (USDA) under Section 9002 of the Farm Security and Rural Investment Act of 2002 (FSRIA);
- (iii) Energy Star®, FEMP-designated, and those electronic products with the lowest available stand-by power as required by Section 104 of the Energy Policy Act of 2005, EO 13221, Energy Efficient Standby Power Devices, EO 13423, and EO 13514;
- (iv) Environmentally-preferable products and services in accordance with EO 13423 and EO 13514;
- (v) EPEAT-registered products in accordance with EO 13423 and EO 13514;
- (vi) Products with low or no toxic or hazardous chemicals or materials or products containing lesser or no toxic or hazardous constituents;
- (vii) Non-ozone depleting substances under the Clean Air Act as contained in EPA's Significant New Alternatives Program (SNAP);
- (viii) Recycled content and/or remanufactured products designated by EPA under Section 6002 of the Resource Conservation and Recovery Act of 1976 (RCRA);
- (ix) Renewable energy as required by Section 203 of the Energy Policy Act of 2005, EO 13423, and EO 13514; and
- (x) Water efficient products, including those meeting EPA's WaterSense standards.

(2) Ensure representation of environmental and energy experts, managers, or technical personnel on integrated procurement teams for all high impact acquisitions and address in the acquisition plans each of the following factors:

- (i) Sustainable design practices;
- (ii) Life cycle cost analysis;
- (iii) Product or packaging take back (return to manufacturer for recycling or remanufacturing purposes); and
- (iv) Maximization of energy and resource recovery in solid waste management.

(3) Address the applicability of the above four factors in all other acquisition plans,

(4) Coordinate with facility environmental management personnel to incorporate green purchasing requirements in facility environmental management systems.

(d) BCPOs shall:

- (1) give preference to green products and services and biobased products in bureau annual procurement forecasts for all products and services to the extent practicable;
- (2) develop templates for incorporating green purchasing requirements into solicitations and contracts;
- (3) use Federal Business Opportunities (FedBizOpps) and other e-procurement tools to publicize and promote requirements for green products and services and/or sustainable acquisitions;
- (4) where applicable, consider best value based on life cycle cost assessments of cradle-to-grave manufacture, use, and disposition;
- (5) address in acquisition plans how green and/or sustainable standards and performance indicators in statements of work, source selection factors, and performance-based criteria will be included in procurements;
- (6) require flowdown of green product preferences to subcontractors;
- (7) report green contract requirements implementation through the Federal Procurement Data System (FPDS);
- (8) comply with Treasury training requirements associated with procurement of green products and services and biobased products;
- (9) for recycled content products only, require estimates of the total amount of recovered materials used in items supplied or used under the contract, certification that the minimum recycled content requirement was met, where appropriate, and implement procedures for verifying the estimates and certifications.
- (10) conduct pilot projects as appropriate to test and measure results from the purchase and use of green products and services;
- (11) when purchasing printing and writing papers, including office paper products, or support services that include the supply of written documents: meet the minimum content standard of 30 percent postconsumer fiber; or if 30 percent content is not reasonably available, does not meet reasonable performance requirements, or is only available at an unreasonable price, meet a 20 percent postconsumer content standard;
- (12) when procuring electronics products, ensure (i) at least 95 percent of those requirements are met with an EPEAT-registered product, unless there is no EPEAT standard for such product, (ii) Energy Star® features are available on agency computers and monitors, and (iii) environmentally sound practices are used with respect to disposition of electronic equipment that has reached the end of its useful life;
- (13) Incorporate the acquisition-related requirements of the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings as set forth in the 2006 Federal Leadership in High Performance and Sustainable Buildings Memorandum of Understanding, EO 13423, EO 13514, and Treasury's Sustainable Buildings Program and Implementation Plan;

(14) provide bureau responses to OPE for data calls and requests for information from OMB, OFPP, OFEE, and other organizations as needed.

(e) Bureau Affirmative Procurement Programs

Treasury bureaus shall supplement the Departmental APP with appropriate policy and procedures outlining specific guidelines for implementing the Departmental APP in their bureaus. The scope and magnitude of the policy and procedures should be commensurate with the procurement activity associated with green products and services and biobased products.

(f). Electronics Stewardship Program

(1) In support of Treasury's Electronics Stewardship Program, bureau procurement offices are required to meet the following policy requirements:

(i) Incorporate Federal Acquisition Regulation (FAR) clauses for environmental and energy considerations, including the Electronic Product Environmental Assessment Tool (EPEAT), into contracts as they are promulgated. Ninety-five percent of new eligible electronic products purchased or leased shall be EPEAT-registered. Procurement offices will strive to purchase or lease products that are rated at the Silver level or higher.

(ii) Include EPEAT, environmental, and energy aspects into IT procurement contracts.

(aa) Maximum use of sustainable practices in acquisition of electronic products (e.g., computers, copiers, printers, fax machines), including total cost of ownership analysis.

(bb) In applicable IT contracts for leased equipment, incorporate adequate language to require that, at the end of the lease period, the equipment is reused, donated, sold, or recycled using environmentally sound management practices;

(cc) Electronics stewardship training for contracting personnel, purchase cardholders, contracting officer's technical representatives, and individuals responsible for establishing requirements for electronic products.

(g) In accordance with EO 13514, promote electronics stewardship, in particular by:

- (1) ensuring procurement preference for EPEAT-registered electronic products;
- (2) establishing and implementing policies to enable power management, duplex printing, and other energy-efficient or environmentally preferable features on all eligible agency electronic products;
- (3) employing environmentally sound practices with respect to Treasury disposition of all excess or surplus electronic products;
- (4) ensuring the procurement of Energy Star® and FEMP designated electronic equipment; and

- (5) implementing best management practices for energy-efficient management of servers and data centers.

(h) Sustainable Buildings Program

In support of Treasury's Sustainable Buildings Program and Implementation Plan, bureau procurement offices are required to meet the following policy requirements:

- (1) Comply with the acquisition-related requirements of the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings for energy efficiency, use of renewable energy, water conservation, and reduction of the environmental impacts of materials;
- (2) For those individuals involved in construction, renovation, and maintenance and operations, provide sustainable buildings training for contracting personnel, contracting officer's technical representatives, and personnel responsible for requirements definition.

(i) Purchase Card Program

The requirements of EO 13423, the Implementing Instructions for EO 13423, EO 13514, and this APP apply to purchases below the micropurchase threshold. Purchase card training programs shall include information on environmentally friendly purchasing and purchase of biobased products, to include awareness of designated items and criteria for written documentation of exceptions.

(j) Annual Review and Monitoring: Review, Documentation, and Follow-Up for Corrective Action

BCPOs are responsible for establishing internal controls to ensure that all of the procurement requirements of EO 13423, the Implementing Instructions for EO 13423, EO 13514, and this APP are followed in their purchasing and contracting practices. Contracting officers are responsible for ensuring that all applicable clauses, provisions, and certifications are included in solicitations and contracts, as required by the Federal Acquisition Regulation. They are also responsible for ensuring contractors complete the certifications and that the certifications are reviewed by the responsible technical program office that prepared the purchase description or statement of work.

Subject-matter experts within the technical and program offices at each bureau are responsible for ensuring that any acquisitions with environmental and/or safety considerations contain all applicable federal, state and local laws, regulations, or requirements within the purchase description or statement of work. Bureau procurement offices should contact their bureau senior environmental officials if assistance is required in this area. If additional assistance is required, the Director Environment, Safety, and Health Division (ESHD) may be contacted.

(k) Environmental Management Training

Executive Order (E.O.) 13423, Strengthening Federal Environmental, Energy, and Transportation Management, and E.O. 13423 Implementing Instructions require that agencies develop and provide environmental management training for all personnel whose actions are affected by the E.O.

The PowerPoint presentation, Purchasing Green Products and Services, attached to AB No. 09-05, meets the requirement for training on acquisition-related requirements of the E.O. Comparable Bureau-developed training also meets the E.O. training requirement.

1. Contracting personnel, purchase cardholders, and contracting officer's technical representatives must review the attached training presentation on purchasing green products and services, or complete other training with comparable content, as determined by the Bureau Chief Procurement Officers, no later than December 31 of each calendar year. Training for purchase cardholders may be tailored to address the products that they are authorized to purchase.
2. Bureau Chief Procurement Officers are required to ensure that the training is completed and documented for all applicable personnel.

SUBPART 1023.10—FEDERAL COMPLIANCE WITH RIGHT-TO-KNOW LAWS AND POLLUTION PREVENTION REQUIREMENTS

1023.1002 Applicability.

TD 75-06, Prevention, Control and Abatement of Environmental Pollution at Treasury Facilities, provides guidance and direction for compliance with environmental laws.

**PART 1024—PROTECTION OF PRIVACY AND FREEDOM OF
INFORMATION**

SUBPART 1024.1—PROTECTION OF INDIVIDUAL PRIVACY

1024.103 Procedures.

Procedures for implementing the Privacy Act of 1974 are contained in Departmental regulations under 31 CFR Part 1.

SUBPART 1024.2—FREEDOM OF INFORMATION ACT

1024.203 Policy.

(a) The Department's implementation of the Freedom of Information Act is codified in regulations under 31 CFR Part 1. See TD 25-05, FOIA.

(b) See FAR 15.207(b) on the safeguarding of proposals.

PART 1025—FOREIGN ACQUISITION

SUBPART 1025.1—BUY AMERICAN ACT – SUPPLIES

1025.103 Exceptions.

- (a) The SPE is authorized to make the determination.
- (b) Submit requests under FAR 25.103(b)(2)(ii) in accordance with DTAP 1001.7000(a).

1025.105 Determining reasonableness of cost.

- (a)(1) The SPE is authorized to make the determination.

SUBPART 1025.2—BUY AMERICAN ACT -- CONSTRUCTION MATERIALS

1025.202 Exceptions.

- (a)(1) Submit requests under FAR 25.202(a)(1) in accordance with DTAP 1001.7000(b).

1025.204 Evaluating offers of foreign construction material.

- (b) BCPOs must consult with the SPE when using this subsection.

1025.205 Post-award determinations.

- (c) The SPE must authorize any consideration less than the differential. Submit requests in accordance with DTAP 1001.7000(a).

SUBPART 1025.7—PROHIBITED SOURCES

1025.701 Restrictions.

- (b) BCPOs must notify the SPE prior to acquiring supplies and services that are restricted in FAR 25.701(b).

SUBPART 1025.10 – ADDITIONAL FOREIGN ACQUISITION REGULATIONS

1025.1001 Waiver of right to examination of records.

(a) The ASM/CFO will make the determination after concurrence from the Comptroller General. Submit requests in accordance with DTAP 1001.7000(b).

1025.1103 Other provisions and clauses.

U.S. Trade Agreements.

(a) On December 29, 2009 the United States Trade Representative established new thresholds for application of Title III of the Trade Agreements Act, which implements U.S. trade agreement obligations. These thresholds became effective January 1, 2010. The FAR has not yet been updated to incorporate these increased thresholds.

(b) When determining the applicability of trade agreements to procurements, contracting officers shall use the values in the Table provided below in lieu of the Table at FAR 25.402(b). Contracting officers shall also substitute the new threshold values wherever they appear in the FAR

Trade Agreement	Supply Contract (equal to or exceeding)	Service Contract (equal to or exceeding)	Construction Contract (equal to or exceeding)
WTO GPA	\$203,000	\$203,000	\$7,804,000
FTAs			
Australia FTA	70,079	70,079	7,804,000
Bahrain FTA	203,000	203,000	9,110,318
CAFTA-DR Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, and Nicaragua	70,079	70,079	7,804,000
Trade Agreement	Supply Contract (equal to or exceeding)	Service Contract (equal to or exceeding)	Construction Contract (equal to or exceeding)
Chile FTA	70,079	70,079	7,804,000
Morocco FTA	203,000	203,000	7,804,000
NAFTA			
—Canada	25,000	70,079	9,110,318

—Mexico	70,079	70,079	9,110,318
Oman FTA	203,000	203,000	9,110,318
Peru FTA	203,000	203,000	7,804,000
Singapore FTA	70,079	70,079	7,804,000
Israeli Trade Act	50,000	—	—

PART 1027—PATENTS, DATA, AND COPYRIGHTS

SUBPART 1027.2—PATENTS

1027.203 Patent indemnification of Government by contractor.

1027.203-6 Clause for Government waiver of indemnity.

Submit requests in accordance with DTAP 1001.7000(a), after consultation with legal counsel.

1027.205 Adjustment of royalties.

(a) Reports must be made to legal counsel. COs must coordinate actions with the BCPO and SPE.

SUBPART 1027.3—PATENT RIGHTS UNDER GOVERNMENT CONTRACTS

1027.303 Contract clauses.

The SPE is authorized to make the determinations at FAR 27.303(a)(3), (b)(2), and (c)(3).

1027.304 Procedures.

1027.304-1 General.

(a)(4) COs must refer fact-finding to the BCPO for action.

(b) Submit requests in accordance with DTAP 1001.7000(a).

(g)(2) The SPE is authorized to issue the required notice.

(h) Required approvals must be made by the SPE, after consultation with legal counsel.

1027.304-5 Appeals.

(a) COs are authorized to take the specified actions.

(b) Appeals must be directed to the SPE.

PART 1028—BONDS AND INSURANCE

SUBPART 1028.1—BONDS AND OTHER FINANCIAL PROTECTIONS

1028.101 Bid guarantees.

1028.101-1 Policy on use.

(c) Class waivers require approval by the SPE.

SUBPART 1028.2—SURETIES AND OTHER SECURITY FOR BONDS

1028.203 Acceptability of individual sureties.

(g) Refer evidence through the BCPO to the OIG, or other investigatory organization, with a copy to the SPE. The OIG should provide a report of findings to the debarring and suspension official.

1028.203-7 Exclusion of individual sureties.

(d) Justifications must be prepared by the CO and forwarded through the BCPO to the debarring and suspension official for approval.

1028.204 Alternatives in lieu of corporate or individual sureties.

(a) BCPOs must establish required safeguards.

SUBPART—1028.3 INSURANCE

1028.307 Insurance under cost-reimbursement contracts.

1028.307-1 Group insurance plans.

(a) Plans shall be submitted to the CO and must be reviewed by legal counsel.

DTAR 1028.307-1 Group insurance plans.

(a) Plans shall be submitted to the CO.

(b) [Reserved]

DTAR 1028.310 Contract clause for work on a Government installation.

DTAR 1028.310-70 Contract clause.

(a) Insert a clause substantially similar to 1052.228-70, "Insurance Requirements," in all solicitations and contracts that contain the clause at FAR 52.228-5.

DTAR 1028.311 Solicitation provision and contract clause on liability insurance under cost reimbursement contracts.

DTAR 1028.311-2 Agency solicitation provisions and contract clauses.

Insert a clause substantially similar to 1052.228-70, "Insurance Requirements," in all solicitations and contracts that contain the clause at FAR 52.228-7.

PART 1029—TAXES

SUBPART 1029.3—STATE AND LOCAL TAXES

1029.303 Application of state and local taxes to government contractors and subcontractors.

(a) Submit requests for review in accordance with DTAP 1001.7000(a), after review by legal counsel.

PART 1030—COST ACCOUNTING STANDARDS ADMINISTRATION

SUBPART 1030.2—CAS PROGRAM REQUIREMENTS

1030.201 Contract requirements.

1030.201-5 Waiver.

Submit waiver requests in accordance with DTAP 1001.7000(a), for review and transmittal to the Cost Accounting Standards Board (CASB).

1030.202 Disclosure requirements.

1030.202-2 Impracticality of submission.

The ASM/CFO is authorized to determine that the Disclosure Statement is impractical to secure and authorize contract award without obtaining the statement.

PART 1031—CONTRACT COST PRINCIPALS AND PROCEDURES

SUBPART 1031.1—APPLICABILITY

1031.101 Objectives.

Submit deviations in accordance with DTAP 1001.7000(a).

PART 1032—CONTRACT FINANCING

1032.003 Simplified acquisition procedures financing.

BCPOs must determine when contract financing for commercial items may be provided for purchases made under FAR Part 13.

1032.006 Reduction or suspension of contract payments upon finding of fraud.

1032.006-1 General.

(b) The required determination must be made by the ASM/CFO.

1032.006-2 Definition.

The SPE is Treasury's Remedy Coordination Official (RCO).

1032.006-3 Responsibilities.

(a) The ASM/CFO will fulfill agency head responsibilities in FAR 32.006-4 and 32.006-5.

(b) Reports must be made through the BCPO to the RCO.

SUBPART 1032.1—NON-COMMERCIAL ITEM PURCHASE FINANCING

1032.102 Description of contract financing methods.

(e)(2) Authorized if adequate safeguards are in place and approved at one level above the CO.

DTAR 1032.113 Customary contract financing.

The specified arrangements are considered customary within Treasury.

1032.114 Unusual contract financing.

Deviations must be approved by the SPE.

SUBPART 1032.2—COMMERCIAL ITEM PURCHASE FINANCING

1032.202 General.

DTAR 1032.202-1 Policy.

(b)(2) Commercial interim payments and commercial advance payments may also be made when the contract price is at or below the simplified acquisition threshold.

1032.202-4 Security for Government financing.

(a)(2) The required determination must be in writing, reviewed by legal counsel, and retained in the contract file.

SUBPART 1032.4—ADVANCE PAYMENTS FOR NON-COMMERCIAL ITEMS

1032.402 General.

(e)(1) The SPE is responsible for preparing the D&F.

(e)(2) BCPOs must coordinate with the bureau's financing offices before requesting a D&F from the SPE.

1032.407 Interest.

(d) The SPE must make the authorization.

1032.409 Contracting Officer action.

Submit recommendations under FAR 32.409 to BCPOs for coordination per DTAP 1032.402(e)(2) and SPE approval per DTAP 1001.7000(a).

SUBPART 1032.8—ASSIGNMENT OF CLAIMS

1032.803 Policies.

(d) Submit determination in accordance with DTAP 1001.7000(b).

SUBPART 1032.9—PROMPT PAYMENT

1032.906 Making payments.

(a) The HCA may make the determination.

SUBPART 1032.11—ELECTRONIC FUNDS TRANSFER

1032.1109 EFT Information submitted by offerors.

Contracting officers must require offerors to submit EFT information prior to award.

PART 1033—PROTESTS, DISPUTES, AND APPEALS

SUBPART 1033.1—PROTESTS

1033.102 General.

(b) This determination must be made by the SPE.

1033.103 Protests to the agency.

(d)(3) Upon receipt of the agency protest, the CO must immediately notify the BCPO and legal counsel, providing the latter with a copy.

(d)(4) An independent review is available only as an appeal of the contracting officer's decision on an agency protest. The BCPO or the BCPO's designee will conduct independent reviews. The BCPO's designee must be at least one level above the contracting officer. In cases where the BCPO is the contracting officer/source selection authority, OPE may conduct the independent review. Solicitations must specify the availability of the independent review.

1033.104 Protests to GAO.

(a)(3)(iv) The report must be appropriately titled and dated, cite the GAO file number, and be signed by the CO. Reports must be coordinated with legal counsel. Reports will be transmitted to GAO by legal counsel.

(a)(4)(i) The protestor's copy must be hand-carried or express mailed.

(b)(1) The HCA must obtain legal counsel's review.

(c)(2) The HCA must obtain legal counsel's review.

SUBPART 1033.2—DISPUTES AND APPEALS

DTAR 1033.201 Definitions.

Agency Board of Contract Appeals means the Civilian Board of Contract Appeals (CBCA). The CBCA is the authorized representative of the Secretary of the Treasury in hearing, considering, and determining all appeals of decisions of Contracting Officers filed by contractors pursuant to FAR Subpart 33.2. Appeals are governed by the Rules of Procedure of the CBCA.

1033.203 Applicability.

(b)(2) Submit determinations in accordance with DTAP 1001.7000(a).

1033.209 Suspected fraudulent claims.

COs must refer these matters to the OIG, or other appropriate investigative organization.

1033.211 Contracting Officer's decision.

(a)(4)(v) Include specific reference to CBCA, 1800 M Street, NW, Washington, DC 20036.

1033.212 Contracting Officer's duties upon appeal.

Bureau legal counsel is responsible for representing the Bureau before the CBCA. Legal counsel will prepare all correspondence in connection with the appeal, with the assistance of the CO and other appropriate personnel. COs must prepare the appeal file as prescribed on the CBCA website: www.cbca.gsa.gov. The file must be forwarded to legal counsel within 15 days from receipt of notice. Legal counsel must have 15 days to review the file, and file the appeal file with the CBCA.

PART 1034—MAJOR SYSTEM ACQUISITION

SUBPART 1034.0—GENERAL

DTAR 1034.001 Definitions.

Core Earned Value Management is a process for ensuring that the contractor's self validated earned value management system is capable of producing earned value management data and meets, at a minimum, the following core ANSI/EIA Standard-748 criteria:

- (1) (ANSI #1) Define the authorized work elements for the program. A work breakdown structure (WBS), tailored for effective internal management control, is commonly used in this process.
- (2) (ANSI #2) Identify the program organizational structure including the major subcontractors responsible for accomplishing the authorized work, and define the organizational elements in which work will be planned and controlled.
- (3) (ANSI #3) Provide for the integration of the company's planning, scheduling, budgeting, work authorization, and cost accumulation processes with each other, and as appropriate, the program WBS and the program organizational structure.
- (4) (ANSI #6) Schedule the authorized work in a manner that describes the sequence of work and identifies significant task interdependencies required to meet the needs of the program.
- (5) (ANSI #7) Identify physical products, milestones, technical performance goals, or other indicators that will be used to measure progress.
- (6) (ANSI #8) Establish and maintain a time-phased budget baseline, at the control account level, against which program performance can be measured. Initial budgets established for performance measurement will be based on either internal management goals or the external customer negotiated target cost including estimates for authorized but vaguely defined work. Budget for far-term efforts may be held in higher-level accounts until an appropriate time for allocation at the control account level. On government contracts, if an over-target baseline is used for performance measurement reporting purposes, prior notification must be provided to the customer.
- (7) (ANSI #16) Record direct costs in a manner consistent with the budgets in a formal system controlled by the general books of account.
- (8) (ANSI #22) At least on a monthly basis, generate the following information at the control account and other levels as necessary for management control using actual cost data from, or reconcilable with, the accounting system:
 - (i) Comparison of the amount of planned budget and the amount of budget earned for work accomplished. This comparison provides the schedule variance.
 - (ii) Comparison of the amount of the budget earned and the actual (applied where appropriate) direct costs for the same work. This comparison provides the cost variance.
- (9) (ANSI #27) Develop revised estimates of cost at completion based on performance to date, commitment values for material, and estimates of future conditions. Compare this information with the performance measurement baseline to identify variances at completion important to management and any applicable customer reporting requirements, including statements of funding requirements.

- (10) (ANSI #28) Incorporate authorized changes in a timely manner, recording the effects of such changes in budgets and schedules. In the directed effort prior to negotiation of a change, base such revisions on the amount estimated and budgeted to the program organizations.

Development, Modernization, Enhancement (DME) is the portion of an IT investment/project which deals with developing and implementing new or enhanced technology in support of an agency's mission.

Major acquisitions for development are defined as contracts, awarded in support of one or more Major IT investments with DME activities, which meet the contract threshold for fully applying FAR 34.2 procedures.

Performance-based acquisition management means a documented, systematic process for program management, which includes integration of program scope, schedule and cost objectives, establishment of a baseline plan for accomplishment of program objectives, and use of earned value techniques for performance measurement during execution of the program. A performance-based acquisition (as defined in FAR 37.101) or an acquisition with a defined quality assurance plan that includes performance standards/measures should be the basis for monitoring the contractor.

DTAR 1034.004 Acquisition strategy.

(a) A program manager's acquisition strategy written at the system or investment level in accordance with FAR 7.103(e) shall include at a minimum:

- (1) The relationship of each individual acquisition (Contract, Delivery Order, Task Order, or Interagency Agreement) to the overall investment requirements and management structure;
- (2) What work is being performed in-house (by government personnel) versus contracted out for the investment;
- (3) A description of the effort, by acquisition, and the plans to include required clauses in the acquisitions;
- (4) A timetable of major acquisition award and administration activities, including plans for contract transitions;
- (5) An investment/system surveillance plan;
- (6) Financial and human resource requirements to manage the acquisition processes through the investment lifecycle;
- (7) Consideration of optimal contract types, including considerations of performance based approaches, small business utilization, Section 508, etc.; and
- (8) Assurances that the acquisition strategy section and supporting acquisition plans will maximize competition, including enabling downstream competition through avoidance of vendor "lock in".

(b) The acquisition strategy shall be approved by a chartered interdisciplinary acquisition team that includes a representative of the procurement organization designated in accordance with bureau procedures.

1034.004 Acquisition strategy.

(a) A program manager's acquisition strategy written at the system or investment level in accordance with FAR 7.103(e) shall include at a minimum:

- (1) The relationship of each individual procurement actions to the overall investment requirements and management structure;
- (2) Work performed in-house vs. contracted out for the investment;
- (3) Plans to include required EVM clauses in all development, modernization and enhancement activities;
- (4) A timetable of major contract award and administration activities, including plans for contract transitions;
- (5) Financial and human resource requirements to manage the acquisition processes through the investment life cycle;
- (6) Consideration of optimal contract types, including consideration of performance based approaches, small business utilization; and
- (7) Assurances that the acquisition strategy section and supporting acquisition plans maximize competition, including enabling downstream competition through avoidance of vendor "lock in".

(b) The acquisition strategy shall be approved by a chartered interdisciplinary acquisition team that includes a representative of the procurement organization designated in accordance with bureau procedures.

1034.005 General requirements.

1034.005-2 Mission-oriented solicitation.

(b)(6) (i) In planning the acquisition for a major system, and prior to release of the solicitation, the CO must ensure the implementation of the policies set forth in AB 06-01, Earned Value Management (EVM) and OMB A-11, Part 7.

(ii) EVM is a project management tool that measures a Contractor's actual cost, schedule and performance against the planned cost, schedule and performance to determine if any deviations from the planned milestones exist, the extent of those deviations, and the impact of those deviations to the remainder of the project. Mitigation of the observed risks is then built into the program plan. Implementation of EVM requires the Contractor to have a project planning software system that meets the criteria of ANSI-EIA Standard 748.

(iii) Solicitations and Contract Awards

All solicitations and subsequent contract awards of major acquisitions requiring EVM must contain a requirement that the Contractor and its subcontractors either have an EVMS that has been certified as being ANSI-EIA Standard 748 compliant or that the Contractor deliver a plan to provide EVM data that meets that standard. In addition, the solicitations and subsequent contract awards must provide for the completion of an Integrated Baseline Review that meets the Government standard and that the Contractor provide periodic reporting of the EVM data. All EVM determinations as set forth in 1 and 2, above, shall be documented in the pre-award and contract files, as appropriate.

(v) Program Management

For those contracts to which EVM applies, the program manager/contracting officer's representative (COR) shall:

- ensure that EVM requirements are included in the contract statement of work;
- determine whether the contractor's EVMS (and that of its subcontractors) is ANSI-EIA Standard 748 compliant, or determine whether the contractor's plan to provide EVM data meets the required standard; and
- validate and approve the IBR and the subsequently issued EVM reports.
- These program management requirements shall be included in the contracting officer's written appointment letter to the program manager/COR.

DTAR SUBPART 34.2 – EARNED VALUE MANAGEMENT SYSTEM

DTAR 1034.201 Policy.

(a) (1) An Earned Value Management System (EVMS) is required for major acquisitions for development/modernization/enhancement (DME) in accordance with OMB Circular A-11. This includes prototypes and tests to select the most cost effective alternative during the Planning Phase, the work during the Acquisition Phase, and any developmental, modification or upgrade work done during the Operational/Steady State Phase. EVMS is to be applied to contractor efforts regardless of contract type. The Contracting Officer shall procure the Contractor-developed component(s) of major project(s) that have been vetted through the Treasury governance process and the acquisition has been identified by the program manager as requiring the Contractor's use of an EVMS. In addition to major acquisitions for development, the Department of the Treasury may also require the Contractor's use of an EVMS for other acquisitions. The following thresholds apply to DME costs at the Contract Line Item Number (CLIN) level for performance-based acquisitions and to DME costs at the acquisition level (Contract, Task Order, or IAG) for non-performance-based contracts:+

Contract, Task Order, IAG, or CLIN Value	Reporting Requirements for IT Investments	Applicable ANSI/EIA Criteria	Level of EVMS Validation/-Acceptance	IBR Required	Level of EVMS Surveillance (Contractor)
>\$50 M	Full	32	CFA1/Acceptance	Yes	CFA Surveillance unless another interested party alternative is requested by the Bureau and approved by the Treasury CIO
Between \$20M and \$50 M	Full	32	Contractor Self-Validation	Yes	
<\$20M	Core	10	Contractor Self-	Independent Baseline	Treasury/Bureau Surveillance*

			Validation	Validation IBR (Core)	
* In accordance with Bureau Annual Surveillance Strategy 1/CFA – Cognizant Federal Agency (See FAR 42.003)					

(2) For the purpose of this subpart, CLIN may be interpreted as a single Contract Line Item Number, Contract Line Item Number with Sub-CLINs, or Multiple Contract Line Item Numbers included in a single DME effort. Do not break down any DME effort below the aggregation of the requirement to avoid use of the actual threshold prescriptions.

(b) Acquisition Planning. All written acquisition plans shall include the following:

- (1) A determination from the requirements official as to whether the program is a major acquisition as defined under OMB Circular A-11 and FAR Part 34;
- (2) If so, whether the program is required to include EVM and if the Contractor is required to use an EVMS;
- (3) If so, whether the program official is EVM trained and qualified or has support from someone who is EVM trained and certified; and
- (4) Whether a Full Integrated Baseline Review (IBR) will be completed within 90 days when the acquisition DME value is \$20 Million or more, or a Core Integrated Baseline Review when the acquisition DME value is less than \$20 Million).

(c) Solicitations and Awards. Unless a waiver has been granted (See paragraph (e) of this section), all solicitations and awards for major investments with DME valued at \$20 Million or more require EVMS from the Contractor and its Subcontractor as follows:

- (1) FAR Clause 52.234-4, Earned Value Management System; and, as appropriate, 1052.234-4, Earned Value Management System Alternate I (See 1034.203 below), must contain a requirement that the Contractor and its subcontractors have:
 - (i) AN EVMS that has been determined as meeting the Full criteria of ANSI/EIA Standard-748 compliance (valued at \$20 Million or more);
 - (ii) An EVMS that has been determined as meeting the Core criteria of ANSI/EIA Standard-748 compliance (valued at below \$20 Million, See 5. DTAR Special Solicitation Provisions and Contract Clauses, 1052.234-2 and 1052.234-3); or
 - (iii) That the Contractor deliver a plan to provide EVM data that meets the standard.

(2) Provide for the completion of an IBR, or, as appropriate, for subcontracts with DME less than \$20 million, an IBR (Core) that meets the Government standard, and r provide periodic reporting of the EVM data.

(3) All EVM determinations as set forth in paragraphs 3(c)(i)(A) and (B) of this section, shall be documented in the pre-award and contract files, as appropriate.

(d) Program Management. For those acquisitions to which EVM applies, the program manager (PM)/(COR) shall:

- (1) Ensure that EVM requirements are included in the acquisition Statement of Objectives (SOO), Performance Work Statement (PWS), or Statement of Work (SOW);

(2) Determine whether the Contractor's EVMS (and that of its subcontractors) is ANSI/EIA Standard 748 compliant, or determine whether the Contractor's plan to provide EVM data meets the required standard; and

(3) Validate and approve the IBR/IBR (Core) and the subsequently issued EVM reports. These program management requirements shall be included in the Contracting Officer's written appointment letter to the COR.

(e) Waivers. In accordance with Bureau policy, a waiver(s) to the guidance described within the Department of the Treasury Earned Value Management Guide (Treasury EVM Guide) may be granted by the Departmental Treasury CIO based on Bureau documented and Bureau CIO approved requests. Examples of waiver justifications may include, but are not limited to:

- (1) Urgency of work to be performed;
- (2) Limited duration of work to be performed;
- (3) Cost of adding EVMS requirement to a contract versus benefit achieved;
- (4) Percentage of DME costs vis-à-vis the life cycle investment costs; and
- (5) Level of risk.

DTAR 1034.202 Integrated Baseline Reviews.

(a) When an EVMS is required, and depending on the DME CLIN value threshold, the Government will conduct a Full IBR or a Core IBR.

(b) The purpose of the Full IBR and the Core IBR is to verify the technical content and the realism of the related performance budgets, resources, and schedules. It should provide a mutual understanding of the inherent risks in offerors'/contractors' performance plans and the underlying management control systems, and it should formulate a plan to handle these risks.

(c) Both the IBR and the IBR (Core) are joint assessments by the offeror or Contractor, and the Government, of the –

(1) Ability of the project's technical plan to achieve the objectives of the scope of work;

(2) Adequacy of the time allocated for performing the defined tasks to successfully achieve the project schedule objectives;

(3) Ability of the Performance Measurement Baseline (PMB) to successfully execute the project and attain cost objectives, recognizing the relationship between budget resources, funding, schedule, and scope of work;

(4) Availability of personnel, facilities, and equipment when required, to perform the defined tasks needed to execute the program successfully; and

(5) The degree to which the management process provides effective and integrated technical/schedule/cost planning and baseline control.

(d) An IBR/IBR (Core) may be held either pre- or post-award; however, the post-award IBR/IBR (Core) must be completed within 90 days after award, or the Contracting Officer shall obtain a copy of the Program Manager's written review of the requirement and assessment of the IBR/IBR (Core) timing based on the risk associated with the acquisition. While a post-award IBR is preferred, a pre-award IBR will be acceptable. Note: The IBR (Core) may be included within the Quality Assurance Surveillance Plan (QASP).

(e) The solicitation and award shall include the process and schedule for EVMS validation as meeting the ANSI/EIA 748 through EVMS Compliance Recognition

documents or a Compliance Evaluation Review where a compliance document does not exist, and periodic systems surveillance.

DTAR 1034.203 Solicitation provisions and contract clauses.

(a) For major investment acquisitions that included a DME effort value of greater than \$50 Million, the Contracting Officer shall follow the requirements provided at FAR Subpart 34.203.

(b) For major investment acquisitions that include a DME effort with a value between \$20 - \$50 Million:

(1) The Contracting Officer shall insert the FAR provision at FAR 52.234-2, Notice of Earned Value Management System – Pre-Award IBR, with the clause at 1052.234-2, Notice of Earned Value System – Pre-Award Alternate I in solicitations and awards that require the contractor to use an EVMS and for which the Government requires an IBR *prior to award*.

(2) The Contracting Officer shall insert the FAR provision at FAR 52.234-3, Notice of Earned Value Management System – Post-Award IBR, with 1052.234-3, Notice of Earned Value System – Post-Award Alternate I in solicitations and awards that require the contractor to use and Earned Value Management System (EVMS) and for which the Government requires an IBR *after award*.

(3) The contracting officer shall insert the FAR clause at FAR 52.234-4, Earned Value Management System, with 1052.234-4, Earned Value Management System Alternate I), in solicitations and awards that require a contractor to use an EVMS.

(c) For major acquisitions that include a DME effort with a value of less than \$20 Million:

(1) The Contracting Officer shall insert the provision 1052.234-70, Notice of Earned Value Management System – Pre-Award IBR (Core), in solicitations for awards that require the contractor to use an Earned Value Management System (EVMS) and for which the Government requires an IBR prior to award.

(2) The Contracting Officer shall insert the provision 1052.234-71, Notice of Earned Value Management System – Post-Award IBR (Core), in solicitations for contracts that require the contractor to use an Earned Value Management System (EVMS) and for which the Government requires an IBR after award.

(3) The Contracting Officer shall insert the clause 1052.234-72, Core Earned Value Management System, in solicitations and awards that require a contractor to use an EVMS.

PART 1035—RESEARCH AND DEVELOPMENT CONTRACTING

1035.003 Policy.

Cost sharing and recoupment must be determined on a case-by-case basis. Recoupment, not otherwise required by law, should be structured to address factors such as recovering the Department's fair share of its investment in nonrecurring costs related to the items acquired. Advice of legal counsel must be obtained prior to establishing cost sharing policies and recoupment mechanisms under FAR 35.003(b) and (c).

1035.010 Scientific and technical reports.

(b) Prior to making available R&D contract results, which involve classified or national security information, the CO must follow the procedures at FAR 4.403, as supplemented by TD P 15-71.

**PART 1036—CONSTRUCTION AND ARCHITECT-ENGINEERING
CONTRACTS**

**SUBPART 1036.2—SPECIAL ASPECTS OF CONTRACTING FOR
CONSTRUCTION**

1036.201 Evaluation of contractor performance.

(a)(2) The performance evaluation reports also must be prepared and entered into the Contractor Performance Assessment Report System (CPARS) on an annual basis for contract performance exceeding one year.

(c)(2) Performance evaluation reports in the Past Performance Information Retrieval System (PPIRS) at www.ppirs.gov, must be considered before making a determination of responsibility.

1036.209 Construction contracts with architect-engineer firms.

BCPOs must submit requests to the SPE for approval. Performance Evaluation Reports must include: (1) the reason(s) why award to the design firm is required; (2) an analysis of the facts involving potential or actual organizational conflicts of interest, including benefits and detriments to the Government and prospective contractor; and (3) measures to be taken to avoid, neutralize, or mitigate conflicts of interest.

SUBPART 1036.6—ARCHITECT-ENGINEER SERVICES

DTAR 1036.602-5 Short selection process for contracts not to exceed the simplified acquisition threshold.

Bureaus are authorized to use either process.

1036.605 Government cost estimate for architect-engineer work.

(b) COs may release Government estimates on an as-needed basis in accordance with FAR 36.605(b).

PART 1037—SERVICE CONTRACTING

SUBPART 1037.1—SERVICE CONTRACTS – GENERAL

1037.104 Personal services contracts.

(b) Refer all personal services requirements to the bureau personnel officer for determination of whether the appointment is authorized by statute.

1037.112 Government use of private sector temporaries.

All actions must be coordinated with the bureau personnel officer.

1037.113 Severance payments to foreign nationals.

1037.113-1 Waiver of cost allowability limitations.

(a) The SPE must make any required waivers.

SUBPART 1037.6—PERFORMANCE-BASED ACQUISITION

1037.6070 Treasury PBA Program.

(a) Each Bureau must name a Performance-Based Acquisition (PBA) Advocate to coordinate with the OPE PBA Advocate on PBA matters. The Bureau Advocate will: (1) Establish procedures and dollar threshold(s) for the review prior to release of service solicitations to assure performance based techniques are adequately implemented; (2) prepare and report progress on annual bureau level plans to meet or exceed PBA goals set by OPE; and (3) review and sign determination and findings prepared in accordance with DTAP 1007.105.

(b) 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.

(c) Defined requirements. 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.

PART 1039—ACQUISITION OF INFORMATION TECHNOLOGY

SUBPART 1039.1—GENERAL

1039.101 Policy.

- (a) The TD-P-84-01, Information System Lifecycle Manual, provides policy and guidance for both the information resources management and IT programs.
- (b) SmartBUY. (i) In support of the OMB requirements, the renewal or establishment of new enterprise or bulk license agreements for commercial software may not be entered into without first contacting the OPE, which will coordinate with the OCIO and review the subject action. Consistent with the Department's commitment to the SmartBUY program, the Treasury OPE will notify bureau procurement offices of SmartBUY agreements specifically announced by GSA. Once bureaus receive such notification, any subsequent internal agreements or renewals for software included in a SmartBUY agreement will require a formal waiver from GSA.
 - (ii) GSA's SmartBUY Waiver Procedures dated August 6, 2004, are documented and maintained at www.cio.gov. In compliance with these procedures, all Treasury Bureaus are required to submit formal waivers for any new or renewal enterprise or bulk software licensing agreements that include software specifically announced by GSA as subject to a SmartBUY agreement. Bureaus must obtain required waivers at least 30 days prior to the execution of such agreements. The Program Manager and/or Contracting Officer for the requirement must submit a coordinated waiver that has the concurrence of both the Bureau's Procurement Office and Office of the Chief Information Officer. Waivers should be prepared in accordance with the sample format included in GSA's Waiver Procedures and submitted electronically to the OPE with approval certifications by the Bureau Chief Procurement Officer and Bureau CIO. Upon receipt, the OPE will process the subject waiver request for signature by the Senior Procurement Executive and forward it for review by the Department of the Treasury Chief Information Officer. Once coordinated with the SPE and Treasury CIO, the BCPO may submit the waiver request to the GSA SmartBUY Team.

1039.101-70 Common Security Configurations

- (a) On March 22, 2007, OMB issued memorandum M-07-11, "Implementation of Commonly Accepted Security Configurations for Windows Operating Systems," which directed federal agencies to adopt the security configurations for Windows XP and Vista operating systems developed by the National Institute of Standards and Technology (NIST), the Department of Defense (DoD) and the Department of Homeland Security (DHS). Full implementation requires newly acquired information

technology products or services to operate effectively using these security configurations, when an agency chooses to use Windows XP or Vista operating systems.

(b) Bureau Chief Procurement Officers shall ensure that all new acquisitions that 1) include Windows XP or Vista or 2) will use either of those operating systems, include the following requirements:

(1) The provider of information technology shall certify applications are fully functional and operate correctly as intended on systems using the Federal Desktop Core Configuration (FDCC). This includes Internet Explorer 7 configured to operate on Windows XP and Vista (in Protected Mode on Vista). For the Windows XP settings, see: http://csrc.nist.gov/itsec/guidance_WinXP.html, and for the Windows Vista settings, see: http://csrc.nist.gov/itsec/guidance_vista.html.

(2) The standard installation, operation, maintenance, update, and/or patching of software shall not alter the configuration settings from the approved FDCC configuration. The information technology should also use the Windows Installer Service for installation to the default "program files" directory and should be able to silently install and uninstall.

(3) Applications designed for normal end users shall run in the standard user context without elevated system administration privileges."

PART 1041—ACQUISITION OF UTILITY SERVICES

SUBPART 1041.1—GENERAL

1041.103 Statutory and delegated authority.

(b) Requests to GSA for delegations of contracting authority must be referred by the BCPO to the SPE for forwarding to GSA.

PART 1042—CONTRACT ADMINISTRATION AND AUDIT SERVICES

1042.002 Interagency agreements.

(a) Interagency agreements established to acquire field contract administration services must be coordinated in advance with the SPE to determine whether there should be a Department-wide arrangement.

SUBPART 1042.1—CONTRACT AUDIT SERVICES

1042.102 Assignment of contract audit services.

(a) Requests for audit services must be in accordance with TD 76-06, "Request for Contract Audit Services" and AB 05-01, "Contracting for Audit or Certain Non-Audit Services."

SUBPART 1042.7—INDIRECT COST RATES

1042.703 General.

1042.703-2 Certificate of indirect costs.

(b) BCPOs may waive certification requirements.

SUBPART 1042.15—CONTRACTOR PERFORMANCE INFORMATION.

DTAR 1042.1500 Procedures.

Contracting Officers are responsible for preparing interim and final past performance evaluations.

1042.1502 Policy.

(a)(1) Bureaus must use the Contractor Performance Assessment Reporting System (CPARS) for submitting input on contractor performance in accordance with FAR 42.1502 and 42.1503.

(2) COs shall prepare interim evaluations on an annual basis from the date of contract award.

1042.1503 Obtaining information.

In accordance with Federal Acquisition Regulation Subpart 42.15, the following procedures are required for collection, evaluation, reporting, and monitoring the use of contractor performance information.

Contract Actions Subject to Evaluation and Reporting Requirements

1. Except as provided in FAR 42.1502 (e) (f) and (h), evaluation of past performance information is required for all contracts exceeding the simplified acquisition threshold, orders exceeding the simplified acquisition threshold placed against Federal Supply Schedule contracts, and task orders and delivery orders exceeding the simplified acquisition threshold against contracts awarded by another Federal agency.
2. Contracts and orders with initial award values at or below the simplified acquisition threshold that are subsequently modified so that the value exceeds the simplified acquisition threshold become subject to evaluation and reporting requirements when the dollar value exceeds the simplified acquisition threshold.
3. Evaluation of past performance information for orders exceeding the simplified acquisition threshold placed against contracts awarded by Treasury Bureaus is at the discretion of the Contracting Officer responsible for the award of the contract against which orders are placed. The CO's determination concerning the requirement for evaluation of past performance information shall be based on the factors contained in FAR 42.1502(d), and shall be documented in the contract file. The CO's determination shall be provided to all Bureau procurement offices authorized to place orders against the basic contract.

Evaluation of Contractor Performance Information

1. Evaluation of contractor performance information is required at completion of contract performance, and no less frequently than annually for contracts with performance periods exceeding one year. Interim evaluations are required annually, based on the award date of the contract action, and are to be completed within thirty days after the end of each twelve-month period, until completion of the contract action. The final performance evaluation is required within thirty days after completion of contract performance.
2. The contracting officer is responsible for obtaining evaluations from all functional elements involved in post-award management of the contract action. The Contracting Officer's Technical Representative evaluation is required for all contract actions. Evaluations from the program office, administrative contracting office, end users of the product or service, and other technical or business advisors are required, as determined by the contracting officer, such that all relevant performance information is available to the contracting officer for consideration in preparing the evaluation.
3. Per FAR 42.1501, contractor performance information includes the contractor's record of conforming to contract requirements and to standards of good workmanship; the contractor's record of forecasting and controlling costs; the

contractor's adherence to contract schedules, including the administrative aspects of performance; the contractor's history of reasonable and cooperative behavior and commitment to customer satisfaction; the contractor's record of integrity and business ethics, and generally, the contractor's business-like concern for the interest of the customer. These factors, tailored to the complexity and performance requirements of the contract, are to be considered in contractor performance evaluations.

4. Performance evaluations of contracts shall include an assessment of contractor performance against, and efforts to achieve, the goals identified in the small business subcontracting plan when the contract includes the clause at 52.219-9, Small Business Subcontracting Plan. Performance evaluations of task orders and delivery orders shall not include this assessment.

5. Performance evaluations shall be provided to the contractor as soon as practicable after completion of the evaluation, but no later than thirty days after the annual performance or final performance period. Contractors shall be given a minimum of thirty days to submit comments, rebutting statements, or additional information. If there are disagreements between the contracting officer and the contractor on performance evaluations, Bureau review at a level above the contracting officer, as designated in Bureau procedures, is required.

Transmission of Contractor Performance Evaluations to PPIRS

1. The FAR requires agencies to post all contractor performance evaluations in PPIRS. The feeder system for Treasury Bureau collection and transmission of contractor performance evaluations is the **Contractor Performance Assessment Reporting System (CPARS)** at <http://www.cpars.csd.disa.mil/cparsmain.htm> . .

1042.1503 Procedures.

(b) For the purpose of this subpart, "as soon as practicable," is defined as 30 days. All evaluations must be finalized in CPARS within 120 days after completion of delivery, performance, or contract period, whichever is later.

PART 1043—CONTRACT MODIFICATIONS

SUBPART 1043.1—GENERAL

1043.102 Policy.

(a) Any modification, when considered with previous modifications, that increases the total estimated value of a contract, task order, or delivery order by 10% or more as compared with the initial award value must be approved by the BCPO prior to execution, unless the increase remains under the non-commercial simplified acquisition threshold. COs must include in the contract file a determination that a proposed modification is within the general scope of the agreement. Legal counsel must be consulted in doubtful or unusual situations, such as when modifications, other than exercise of original options, increase the total price by 20% or more. Out of scope modifications are subject to the same competition requirements as a new contract or order.

PART 1044—SUBCONTRACTING POLICIES AND PROCEDURES

**SUBPART 1044.3—CONTRACTORS' PURCHASING SYSTEMS
REVIEWS**

1044.302 Requirements.

(a) The SPE is authorized to increase or decrease the \$25 million CPSR review level. Submit requests in accordance with DTAP 1001.7000(a).

PART 1046—QUALITY ASSURANCE

SUBPART 1046.6—MATERIAL INSPECTION AND RECEIVING REPORTS

1046.670 Inspection and receiving report.

(a) Unless otherwise prescribed by bureau procedures, a receiving report statement must be signed by the authorized Government representative to evidence Government inspection and receipt, except for simplified acquisitions using OF 347. The receiving report must be completed at the place(s) specified in the contract for performance of Government quality assurance.

(b) For simplified acquisitions using OF 347, or an equivalent authorized bureau form, the receiving report section must be completed for inspection and receipt and signed by the authorized Government representative.

1046.671 Acceptance report.

(a) Unless otherwise prescribed by bureau procedures, an acceptance report statement must be signed by the authorized Government representative to evidence Government acceptance, except for simplified acquisitions using OF 347. The acceptance report must be completed at the place(s) specified in the contract for Government acceptance.

(b) For simplified acquisitions using OF 347, or an equivalent authorized bureau form, the receiving report section must be completed for acceptance and signed by the authorized Government representative.

1046.672 Inspection, acceptance, and receiving report.

All contract and order files must contain the following information in a bureau-authorized form or format, when OF 347, or an equivalent, has not been used:

Date:

Contract Number:

Modification Number:

Contractor's Name:

Date items received or date recurring payment due:

Location where items were delivered or contractor's performance:

All the requirements have been inspected, received and accepted by me and meet the terms of the contract except as noted below:

List the requirements that were not accepted and/or the deductions made and state the reason why:

Total amount of deductions:

Signature of authorized government representative:

Title of authorized government representative:

Date signed:

1046.601 General.

Treasury Bureaus must prescribe procedures and instructions for the use, preparation, and distribution of material inspection and receiving reports and commercial shipping document/packing lists to evidence Government inspection (see FAR 46.401) and acceptance (see FAR 46.501).

SUBPART 1046.7—WARRANTIES

1046.704 Authority for use of warranties.

COs are authorized to approve the use of warranties.

1046.708 Warranties of data.

Warranties of data shall be used only after consultation with legal counsel.

SUBPART 1046.70—HIA PROGRAM

1046.7000 HIA Program.

(a) The HIA process was initiated to (1) provide insight into the management of Treasury's High Impact Acquisitions, and (2) improve communication and coordination among cognizant COs, PMs, and COTRs. The HIA program will monitor acquisition strategies and timelines in the pre-award phase to ensure they are appropriate for their purpose, well planned, aligned with federal and Treasury strategic objectives, properly resourced, effectively managed, and on track for award. In the post-award phase, the HIA program will monitor high profile contracts in the areas of cost, schedule, and performance/compliance with contract terms and conditions. The program will also monitor the qualifications of the contracting officer (CO)/contracting officer technical representative (COTR).

(b) Bureaus must follow the process explained in the HIA Program Guide at http://intranet.treas.gov/procurement/hia_program_guide.asp.

(c) HIA Definition. All planned or existing procurement actions, e.g., interagency agreements, contracts, task orders, delivery orders and purchase orders meeting at least one of the following criteria are considered HIA and must be tracked and reported in accordance with the HIA Program Guide:

- (1) a value greater than \$10 million (estimated);
- (2) contracts that support OMB 300 major investments;
- (3) Competitive Sourcing actions under OMB Circular A-76;
- (4) controversial or otherwise sensitive such that they warrant the attention of the Senior Procurement Executive, e.g., complex or high profile multiple bureau purchases, relevant protests or claims, or acquisitions in which interest or inquiries have been expressed by either the White House or Congress, Inspectors General (OIG and TIGTA), or Government Accountability Office (GAO); or
- (5) obligation of American Recovery and Reinvestment Act of 2009 (also referred to as the Recovery Act or ARRA) funds.

(d) Strategic review board. OPE may call a Strategic Review Board (SRB) to assess selected acquisition strategies or contract performance. The SRB will consist of OPE staff and other stakeholders. The Bureau's BCPO will be notified if an SRB will be held for one of their acquisitions or contracts. The Contracting Officer and PM/COTR will prepare a presentation for the SRB within 2 weeks of BCPO notification.

(e) Contract File Documentation. The following documentation generated under the HIA program must be in the contract file:

- (1) HIA Coordination Form
- (2) Corrective action plan and monthly progress report (as required)
- (3) SRB presentation (if requested)

PART 1047—TRANSPORTATION

SUBPART 1047.5—OCEAN TRANSPORTATION BY U.S.-FLAG VESSELS

1047.506 Procedures.

(d) COs must submit, where obtainable, a properly notated and legible copy of the ocean bill of lading in English to: Office of Cargo Preference, Maritime Administration, U.S. Department of Transportation, 400-7th Street, S.W., Washington, DC 20590. If a bill of lading cannot be obtained, COs must submit the information described in 46 C.F.R. § 381.3(a).

PART 1048—VALUE ENGINEERING

SUBPART 1048.1—POLICIES AND PROCEDURES

1048.102 Policies.

(a) Submit exemption requests in accordance with DTAP 1001.7000(a). Exemptions will be retained in the contract file.

(b)(1) Bureaus must establish required procedures. OMB A-131 applies.

1048.103 Processing Value Engineering Change Proposals (VECPs).

(a) Bureau technical personnel are responsible for: conducting a comprehensive review of VECPs for technical feasibility, usefulness, and adequacy of the contractor's estimate of cost savings; making a written report; and recommending acceptance or rejection to the CO.

(b) Bureaus must establish systems to track VECPs.

1048.104 Earned Value Management (EVM)

EVM is a project management tool that measures a Contractor's actual cost, schedule and performance against the planned cost, schedule and performance to determine if any deviations from the planned milestones exist, the extent of those deviations, and the impact of those deviations to the remainder of the project. Mitigation of the observed risks is then built into the program plan. Implementation of EVM requires the Contractor to have a project planning software system that meets the criteria of ANSI-EIA Standard 748.

To determine the planned criteria, an Integrated Baseline Review is performed. The Contractor and the Government validate the Integrated Baseline Review and measure the actual data against it.

1. Acquisition Planning

All written acquisition plans shall include the following:

- a. a determination from the requirements official as to whether the program is a major acquisition under FAR Part 34 and OMB Circular A-11;
- b. if so, whether the program is required to include EVM and if the Contractor is required to have an EVMS;
- c. if so, whether the program official is EVM trained and qualified or has support that is EVM trained and certified; and
- d. when and how an Integrated Baseline Review will be completed.

2. Solicitations and Contract Awards

All solicitations and subsequent contract awards of major acquisitions requiring EVM must contain a requirement that the Contractor and its subcontractors either have an EVMS that has been certified as being ANSI-EIA Standard 748 compliant or that the Contractor deliver a plan to provide EVM data that meets that standard. In addition, the solicitations and subsequent contract awards must provide for the completion of an Integrated Baseline Review that meets the Government standard and that the Contractor provide periodic reporting of the EVM data. All EVM determinations as set forth in 1 and 2, above, shall be documented in the pre-award and contract files, as appropriate.

3. Program Management

For those contracts to which EVM applies, the program manager/contracting officer's representative (COR) shall:

- a. ensure that EVM requirements are included in the contract statement of work;
 - b. determine whether the contractor's EVMS (and that of its subcontractors) is ANSI-EIA Standard 748 compliant, or determine whether the contractor's plan to provide EVM data meets the required standard; and
 - c. validate and approve the IBR and the subsequently issued EVM reports.
- These program management requirements shall be included in the contracting officer's written appointment letter to the program manager/COR.

PART 1049—TERMINATION OF CONTRACTS

SUBPART 1049.1—GENERAL PRINCIPLES

1049.106 Fraud or other criminal conduct.

Submit reports of suspected fraud or criminal misconduct through legal counsel to the BCPO and OIG, or other investigatory organization, along with copies of documents or other information connected with the suspected violations(s). Submit a copy of the report to the debarring/suspension official.

PART 1050—EXTRAORDINARY CONTRACTUAL ACTIONS

SUBPART 1050.1—GENERAL

1050.105 Records.

The records must be maintained by OPE.

SUBPART 1050.2—DELEGATION OF, AND LIMITATIONS ON EXERCISE OF AUTHORITY

1050.201 Delegation of authority.

The ASM/CFO is authorized to approve all actions under FAR Part 50, except indemnification actions listed in FAR 50.201(d).

SUBPART 1050.3—CONTRACT ADJUSTMENTS

1050.305 Processing cases.

COs must prepare written reports, including information in FAR 50.303 and 50.304, and draft Memoranda of Decision (see FAR 50.306). Submit report, after legal review and any comments/concerns addressed, in accordance with DTAP 1001.7000(b).

SUBPART 1050.4—RESIDUAL POWERS

1050.402 General.

(a) Proposals for the exercise of residual powers must be processed using the procedures in DTAP 1050.305.

1050.403 Special procedures for unusually hazardous or nuclear risks.

1050.403-2 Action on indemnification requests.

(a) The CO submission must include the contractor's indemnification request and a draft Memorandum of Decision for signature by the Secretary. After review by legal counsel and any comments/concerns addressed, submit in accordance with DTAP 1001.7000(b).

DTAR PART 1052—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

DTAR SUBPART 1052.2—TEXTS OF PROVISIONS AND CLAUSES

DTAR 1052.201-70 Contracting Officer's Representative (COR) appointment and authority.

As prescribed in 1001.670-6, insert the following clause:

CONTRACTING OFFICER'S REPRESENTATIVE (COR) APPOINTMENT AND AUTHORITY AUG 2011

- (a) The COR is _____ [insert name, address and telephone number].
- (b) Performance of work under this contract is subject to the technical direction of the COR identified above, or a representative designated in writing. The term “technical direction” includes, without limitation, direction to the contractor that directs or redirects the labor effort, shifts the work between work areas or locations, and/or fills in details and otherwise serves to ensure that tasks outlined in the work statement are accomplished satisfactorily.
- (c) Technical direction must be within the scope of the contract specification(s)/work statement. The COR does not have authority to issue technical direction that:
- (1) Constitutes a change of assignment or additional work outside the contract specification(s)/work statement;
 - (2) Constitutes a change as defined in the clause entitled “Changes”;
 - (3) In any manner causes an increase or decrease in the contract price, or the time required for contract performance;
 - (4) Changes any of the terms, conditions, or specification(s)/work statement of the contract;
 - (5) Interferes with the contractor's right to perform under the terms and conditions of the contract; or
 - (6) Directs, supervises or otherwise controls the actions of the contractor's employees.
- (d) Technical direction may be oral or in writing. The COR must confirm oral direction in writing within five workdays, with a copy to the Contracting Officer.
- (e) The Contractor shall proceed promptly with performance resulting from the technical direction issued by the COR. If, in the opinion of the contractor, any direction of the COR or the designated representative falls within the limitations of (c) above, the contractor shall immediately notify the Contracting Officer no later than the beginning of the next Government work day.
- (f) Failure of the Contractor and the Contracting Officer to agree that technical direction is within the scope of the contract shall be subject to the terms of the clause entitled “Disputes.”

(End of clause)

DTAR 1052.210-70 Contractor publicity.

As prescribed in 1009.204-70, insert the following clause:

CONTRACTOR PUBLICITY AUG 2011

The Contractor, or any entity or representative acting on behalf of the Contractor, shall not refer to the equipment or services furnished pursuant to the provisions of this contract in any news release or commercial advertising, or in connection with any news release or commercial advertising, without first obtaining explicit written consent to do so from the Contracting Officer. Should any reference to such equipment or services appear in any news release or commercial advertising issued by or on behalf of the Contractor without the required consent, the Government shall consider institution of all remedies available under applicable law, including 31 U.S.C. 333, and this contract. Further, any violation of this provision may be considered during the evaluation of past performance in future competitively negotiated acquisitions.

(End of clause)

DTAR 1052.219-18 Notification of competition limited to eligible 8(a) concerns - Alternate III (Deviation) (May 1998).

In accordance with 1019.811-3(d)(3), substitute the following for the paragraph (c) in FAR 52.219-18:

(c) Any award resulting from this solicitation will be made directly by the contracting officer to the successful 8(a) offeror selected through the evaluation criteria set forth in this solicitation.

DTAR 1052.219-72 Section 8(a) direct awards.

As prescribed in 1019.811-3(f), insert the following clause:

8(A) BUSINESS DEVELOPMENT PROGRAM AWARDS (June 2003)

(a) This purchase/delivery/task order or contract is issued by the contracting activity directly to the 8(a) program participant/contractor pursuant to the Partnership Agreement between the Small Business Administration (SBA) and the Department of the Treasury. However, the Small Business Administration is the prime contractor and retains responsibility for 8(a) certification, 8(a) eligibility determinations and related issues, and provides counseling and assistance to the 8(a) contractor under the 8(a) Business Development program. The cognizant SBA district office is:

[To be completed by the contracting officer at the time of award]

(b) The contracting officer is responsible for administering the purchase/delivery/task order or contract and taking any action on behalf of the Government under the terms and conditions of the purchase/delivery/task order or contract, to include providing the cognizant SBA district office with a signed copy of the purchase/delivery/task order or contract award within 15 days of the award. However, the contracting officer shall give advance notice to the SBA before it issues a final notice terminating performance, either in whole or in part, under the purchase order or contract. The contracting officer shall also coordinate with SBA prior to processing any novation agreement. The contracting officer may assign contract administration functions to a contract administration office.

(c) The contractor agrees:

(1) to notify the contracting officer, simultaneously with its notification to SBA (as required by SBA's 8(a) regulations), when the owner or owners upon whom 8(a) eligibility is based, plan to relinquish ownership or control of the concern. Consistent with 15 U.S.C. 637(a)(21), transfer of ownership or control shall result in termination of the contract for convenience, unless SBA waives the requirement for termination prior to the actual relinquishing of control; and,

(2) to adhere to the requirements of FAR 52.219-14, Limitations on Subcontracting.

(End of clause)

DTAR 1052.219-73 Department of the Treasury Mentor-Protégé Program.

As prescribed in 1019.202-70.(p), insert the following clause:

DEPARTMENT OF THE TREASURY MENTOR-PROTÉGÉ PROGRAM (June 2003)

(a) Large and small businesses are encouraged to participate in the Department of the Treasury Mentor-Protégé Program. Mentor firms provide small business protégés with developmental assistance to enhance their capabilities and ability to obtain federal contracts.

(b) Mentor firms are large prime contractors or eligible small businesses capable of providing developmental assistance. Protégé firms are small businesses as defined in 13 CFR parts 121, 124, and 126.

Developmental assistance includes technical, managerial, financial, and other mutually beneficial assistance to aid protégé. Contractors interested in participating in the Program are encouraged to contact the Department of the Treasury Office of Small and Disadvantaged Business Utilization for further information.

(End of provision)

DTAR 1052.219-75 Mentor Requirements and Evaluation.

As prescribed in 1019.202-70(p), insert the following clause:

MENTOR REQUIREMENTS AND EVALUATION AUG 2011

(a) Mentor and protégé firms shall submit an evaluation to the Department of the Treasury's Office of Small and Disadvantaged Business Utilization (OSDBU) at the conclusion of the mutually agreed upon Program period, or the voluntary withdrawal by either party from the Program, whichever occurs first. At the conclusion of each year in the Mentor-Protégé Program, the prime contractor and protégé will formally brief the Department of the Treasury Mentor-Protégé Program Manager regarding program accomplishments under their mentor-protégé agreements.

(b) A mentor or protégé must notify the OSDBU and the contracting officer, in writing, at least 30 calendar days in advance of the effective date of the firm's withdrawal from the Program. A mentor firm must notify the OSDBU and the contracting officer upon receipt of a protégé's notice of withdrawal from the Program.

(c) Contracting officers may provide, as an incentive, a bonus score, not to exceed 5% of the relative importance assigned to the non-price factors. If this incentive is used, the contracting officer shall include language in the solicitation indicating that this adjustment may occur.

(End of clause)

DTAR 1052.228-70 Insurance requirements.

As prescribed in 1028.310-70 and 1028.311-2, insert a clause substantially as follows: The contracting officer may specify additional kinds (e.g., aircraft public and passenger liability, vessel liability) or increased amounts of insurance.

INSURANCE AUG 2011

In accordance with the clause entitled "Insurance - Work on a Government Installation" [or "*Insurance - Liability to Third Persons*"] in Section I, insurance of the following kinds and minimum amounts shall be provided and maintained during the period of performance of this contract:

(a) Worker's compensation and employer's liability. The contractor shall, as a minimum, meet the requirements specified at FAR 28.307-2(a).

(b) General liability. The contractor shall, at a minimum, meet the requirements specified at FAR 28.307-2(b).

(c) Automobile liability. The contractor shall, at a minimum, meet the requirements specified at FAR 28.307-2(c).

(End of clause)

DTAR 1052.234-2 Notice of Earned Value Management System – Pre-Award IBR - Alternate I AUG 2011

As prescribed in DTAR 1034.203, substitute the following paragraph (a) for paragraph (a) of the basic FAR clause:

- (a) The offeror shall provide either documentation that the Cognizant Federal Agency has determined that the proposed earned value management system (EVMS) complies with the EVMS guidelines in ANSI/EIA Standard-748 (ANSI Standard) or documentation that supports the offeror's self-validation that the EVMS complies with the ANSI Standard, as applicable.

(End of Provision)

DTAR 1052.234-3 Notice of Earned Value Management System – Post-Award IBR - Alternate I AUG 2011

As prescribed in DTAR 1034.203, substitute the following paragraph (a) for paragraph (a) of the basic FAR clause:

- (a) The offeror shall provide either documentation that the Cognizant Federal Agency has determined that the proposed earned value management system (EVMS) complies with the EVMS guidelines in ANSI/EIA Standard-748 (ANSI Standard) or documentation that supports the offeror's self-validation that the EVMS complies with the ANSI Standard, as applicable.

(End of Provision)

DTAR 1052.234-4 Earned Value Management System Alternate I AUG 2011

As prescribed in DTAR 1034.203, substitute the following paragraph (a) for paragraph (a) of the basic FAR clause:

- (a) The Contractor shall use an earned value management system (EVMS) that has been determined by the Cognizant Federal Agency (CFA) or has been determined through Contractor's self-validation to be compliant with the guidelines in ANSI/EIA Standard-748 (current version at the time of award) to manage this contract. If the Contractor's current EVMS has not been determined compliant at the time of award, see paragraph (b) of this clause. The Contractor shall submit reports in accordance with the requirements of this contract.

(End of Clause)

DTAR 1052.234-70 Notice of Earned Value Management System – Pre-Award IBR (Core) AUG 2011

As prescribed in DTAR 1034.203, insert this provision in solicitations and awards that require the Contractor to use an earned value management system (EVMS) and for which the Government requires an IBR *prior to award*.

(a) The offeror shall provide either documentation that the Cognizant Federal Agency has determined that the proposed earned value management system (EVMS) complies with the EVMS guidelines in ANSI/EIA Standard-748 (ANSI Standard) or documentation that supports its self-validation that the EVMS used for this award complies with Core EVM criteria.

(b) If the offeror proposes to use a system that has not been determined to be in compliance with the requirements of paragraph (a) of this provision, the offeror shall submit a comprehensive plan for compliance with the EVMS guidelines.

(1) The plan shall –

(i) Describe the EVMS the offeror intends to use in performance of the contracts;

(ii) Distinguish between the offeror's existing management system and modifications proposed to meet the guidelines;

(iii) Describe the management system and its application in terms of the EVMS guidelines;

(iv) Describe the proposed procedures for administration of the guidelines, as applied to subcontracts; and

(v) Provide documentation describing the process and results of any third-party or self-evaluation of the system's compliance with the EVMS guidelines.

(2) The offeror shall provide information and assistance as required by the contracting officer to support review of the plan.

(3) The Government will review and approve the offeror's plan for an EVMS before contract award.

(4) The offeror's EVMS plan must provide milestones that indicate when the offeror anticipates that the EVM system will be compliant with the requirements in paragraph (a) of this provision.

(c) Offerors shall identify the major subcontractors, or major subcontracted effort if major subcontracts have not been selected subject to the guidelines. The prime Contractor and the Government shall agree to subcontractors selected for application of the EVMS requirements.

(d) The Government will conduct an Integrated Baseline Review (IBR), as designed by the agency, prior to contract award. The objective of the IBR is for the Government and the Contractor to jointly assess technical areas, such as the Contractor's planning, to ensure complete coverage of the contract requirements, logical scheduling of the work activities, adequate resources, methodologies for earned value (budgeted cost for work performed (BCWP)), and identification of inherent risks.

(End of Provision)

**DTAR 1052.234-71 Notice of Earned Value Management System – Post-Award IBR
(Core) AUG 2011**

As prescribed in DTAR 1034.203, insert this provision in solicitations and awards that require the contractor to use an earned value management system (EVMS) and for which the Government requires an IBR *after award*.

(a) The offeror shall provide either documentation that the Cognizant Federal Agency has determined that the proposed EVMS complies with the EVMS guidelines in ANSI/EIA Standard-748 (ANSI Standard) or documentation that supports its self-validation that the EVMS used for this award complies with Core EVM criteria.

(b) If the offeror proposes to use a system that has not been determined to be in compliance with the requirements of paragraph (a) of this provision, the offeror shall submit a comprehensive plan for compliance with the EVMS guidelines.

(1) The plan shall –

(i) Describe the EVMS the offeror intends to use in performance of the contracts;

(ii) Distinguish between the offeror's existing management system and modifications proposed to meet the guidelines;

(iii) Describe the management system and its application in terms of the EVMS guidelines;

(iv) Describe the proposed procedures for administration of the guidelines, as applied to subcontracts; and

(v) Provide documentation describing the process and results of any third-party or self-evaluation of the system's compliance with the EVMS guidelines.

(2) The offeror shall provide information and assistance as required by the contracting officer to support review of the plan.

(3) The Government will review and approve the offeror's plan for an EVMS before contract award.

(4) The offeror's EVMS plan must provide milestones that indicate when the offeror anticipates that the EVMS will be compliant with the requirements in paragraph (a) of this provision.

(c) Offerors shall identify the major subcontractors, or major subcontracted effort if major subcontracts have not been selected subject to the guidelines. The prime Contractor and the Government shall agree to subcontractors selected for application of the EVMS requirements.

(d) The Government will conduct an Integrated Baseline Review (IBR), as designed by the agency, prior to contract award. The objective of the IBR is for the Government and the Contractor to jointly assess technical areas, such as the Contractor's planning, to ensure complete coverage of the contract requirements, logical scheduling of the work activities, adequate resources, methodologies for earned value (budgeted cost for work performed (BCWP)), and identification of inherent risks.

(End of Provision)

DTAR 1052.234-72 Core Earned Value Management System AUG 2011

As prescribed in DTAR 1034.203, insert this clause in major investment solicitations and awards with DME that require a contractor to use an earned value management system (EVMS).

(a) The Contractor shall use an earned value management system (EVMS) that has either been determined by the Cognizant Federal Agency (CFA) to be compliant with the guidelines in ANSI/EIA Standard-748 (current version at the time of award) or documentation that supports its validation that the EVMS used to manage this contract meets the following ANSI/EIA-748 criteria:

(1) (ANSI #1) Define the authorized work elements for the program. A work breakdown structure (WBS), tailored for effective internal management control, is commonly used in this process.

(2) (ANSI #2) Identify the program organizational structure including the major subcontractors responsible for accomplishing the authorized work, and define the organizational elements in which work will be planned and controlled.

(3) (ANSI #3) Provide for the integration of the company's planning, scheduling, budgeting, work authorization, and cost accumulation processes with each other, and as appropriate, the program WBS and the program organizational structure.

(4) (ANSI #6) Schedule the authorized work in a manner that describes the sequence of work and identifies significant task interdependencies required to meet the needs of the program.

(5) (ANSI #7) Identify physical products, milestones, technical performance goals, or other indicators that will be used to measure progress.

(6) (ANSI #8) Establish and maintain a time-phased budget baseline, at the control account level, against which program performance can be measured. Initial budgets established for performance measurement will be based on either internal management goals or the external customer negotiated target cost including estimates for authorized but vaguely defined work. Budget for far-term efforts may be held in higher-level accounts until an appropriate time for allocation at the control account level. On government contracts, if an over-target baseline is used for performance measurement reporting purposes, prior notification must be provided to the customer.

(7) (ANSI #16) Record direct costs in a manner consistent with the budgets in a formal system controlled by the general books of account.

(8) (ANSI #22) At least on a monthly basis, generate the following information at the control account and other levels as necessary for management control using actual cost data from, or reconcilable with, the accounting system:

(i) Comparison of the amount of planned budget and the amount of budget earned for work accomplished. This comparison provides the schedule variance.

(ii) Comparison of the amount of the budget earned and the actual (applied where appropriate) direct costs for the same work. This comparison provides the cost variance.

(9) (ANSI #27) Develop revised estimates of cost at completion based on performance to date, commitment values for material, and estimates of future conditions. Compare this information with the performance measurement baseline to identify variances at completion important to management and any applicable customer reporting requirements, including statements of funding requirements.

(10) (ANSI #28) Incorporate authorized changes in a timely manner, recording the effects of such changes in budgets and schedules. In the directed effort prior to negotiation of a change, base such revisions on the amount estimated and budgeted to the program organizations. If the Contractor's current EVMS has not been determined compliant at the time of award, see paragraph (b) of this clause. The Contractor shall submit reports in accordance with the requirements of this contract.

(b) If, at the time of award, the Contractor's EVMS has not been determined by the CFA as complying with EVMS guidelines or the Contractor does not have an existing cost/schedule control system that is compliant with the guidelines in paragraph (a), the Contractor shall –

(1) Apply the current system to the contract; and

(2) Take necessary actions to meet the milestones in the Contractor's EVMS plan approved by the contracting officer.

(c) The Government will conduct an Integrated Baseline Review (IBR). If a pre-award IBR has not been conducted, a post award IBR shall be conducted as early as practicable after contract award.

(d) The contracting officer may require an IBR upon the

(1) Exercise of significant options; or

(2) Incorporation of major modifications.

(e) Unless a waiver is granted by the CFA, Contractor-proposed EVMS changes require approval of the CFA prior to implementation. The CFA will advise the Contractor of the acceptability of such changes within 30 calendar days after receipt of the notice of proposed changes from the Contractor. If the advance approval requirements are waived by the CFA, the Contractor shall disclose EVMS changes to the CFA at least 14 calendar days prior to the effective date of implementation.

(f) The Contractor shall provide access to all pertinent records and data requested by the contracting officer or a duly authorized representative as necessary to permit Government surveillance to ensure that the EVMS conforms, and continues to conform, with the performance criteria referenced in paragraph (a) of this clause.

(g) The Contractor shall require the subcontractors specified below to comply with the requirements of this clause: [Insert list of applicable subcontractors].

(End of Clause)

PART 1053 – FORMS

SUBPART 1053.2 – PRESCRIPTION OF FORMS

1053.201 –TDF -76-01.6, Justification for Other Than Full and Open Competition – Prescription.

This form or one substantially similar is prescribed for use in documenting justification for other than full and open competition, as required in DTAP 1006.303-2.

SUBPART 1053.3 – ILLUSTRATIONS OF FORMS

1053.301 – TDF-76-01.6, Justification for Other Than Full and Open Competition – Web Link.

<http://intranet.treas.gov/forms/files/TDF76-01.6.pdf>