

U.S. Department of
Homeland Security

United States
Coast Guard



COAST GUARD ACQUISITION PROCEDURES (CGAP)



COMDTINST M4200.19J

This page is intentionally left blank

Related CGAP Parts and Subparts from the previous edition of CGAP (COMDTINST M4200.19I) have been renumbered as Chapters and Subchapters beginning with Chapter 3001. This new version and any subsequent changes to it will only be available electronically, with official distribution via the Coast Guard Directives System Intranet site at:

<http://cgweb2.comdt.uscg.mil/CGDirectives/Welcome.htm> and the Internet site at:

<http://www.uscg.mil/directives/default.asp>. No hard copies of the Manual will be printed. Units with limited access may request a CD-ROM copy of the Manual by contacting Ms. Freda Buchanan at Fbuchanan@comdt.uscg.mil.

5. SUMMARY OF CHANGES. The attached Summary of Changes included with this Letter of Promulgation identifies the changes reflected in this reissuance of the CGAP. The reissued CGAP also reflects the FAR, HSAR, and HSAM through Federal Acquisition Circular (FAC) 2005-46, HSAM Notice 11-01, and Chief of Contracting Office (COCO) Alert 11-07.
6. REQUEST FOR CHANGES. Address comments, suggestions, and corrections to Commandant (CG-9132).
7. ENVIRONMENTAL ASPECTS AND IMPACT CONSIDERATION. This Manual contains procedures at Subchapter 3023.4 on the use of recovered materials which apply to all Coast Guard acquisitions. Subchapter 3023.7 of this Manual provides guidance on contracting for environmentally preferable products and services.
8. FORMS/REPORTS. The forms referenced in this Manual are available in USCG electronic Forms on the Standard Workstation or on the Internet: <http://www.uscg.mil/forms>; and <http://cgweb.comdt.uscg.mil/CGForms>. Department of Defense forms (DD) are available at <http://www.dtic.mil/whs/directives/infomgt/forms/formsprogram.htm>.

CLAIRE M. GRADY /s/
Head of the Contracting Activity

SUMMARY OF CHANGES

Table of Contents	
Updates page numbers and the Enclosure listing. Identifies new chapters that are currently marked "RESERVED".	
Organization and Content in Manual	
Consolidates and renumbers previous CGAP Parts/Subparts with their corresponding Chapters/Subchapters.	
Chapter 3006	
Subchapters 3006.303-1 3006.303-2	Renumbers the previous CGAP Subchapters 3006.303-190 and 3006-303-290, respectively, to more accurately coincide with corresponding Federal Acquisition Regulation (FAR) citations.
Chapter 3008	
Subchapters 3008.405 3008.405-6	Renumbers the previous CGAP Subchapter 3008.405-90, and CGAP Subchapter 3008.405-690, respectively, to more accurately coincide with corresponding FAR citations.
Chapter 3014	
Subchapter 3014.213-90	Renumbers the previous CGAP Subchapter 3014.213 to more accurately coincide with applicable FAR citations.

This page is intentionally left blank

**COAST GUARD ACQUISITION PROCEDURES (CGAP)
TABLE OF CONTENTS**

CHAPTER	TITLE	PAGE
GENERAL		
<u>CGAP 3001</u>	<u>COAST GUARD ACQUISITION PROCEDURES SYSTEM</u>	<u>1-1</u>
<u>CGAP 3002</u>	<u>DEFINITIONS OF WORDS AND TERMS</u>	<u>2-1</u>
<u>CGAP 3003</u>	<u>IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST</u>	<u>3-1</u>
<u>CGAP 3004</u>	<u>ADMINISTRATIVE MATTERS</u>	<u>4-1</u>
COMPETITION AND ACQUISITION PLANNING		
<u>CGAP 3005</u>	<u>PUBLICIZING CONTRACT ACTIONS</u>	<u>5-1</u>
<u>CGAP 3006</u>	<u>COMPETITION REQUIREMENTS</u>	<u>6-1</u>
<u>CGAP 3007</u>	<u>ACQUISITION PLANNING</u>	<u>7-1</u>
<u>CGAP 3008</u>	<u>REQUIRED SOURCES OF SUPPLIES AND SERVICES</u>	<u>8-1</u>
<u>CGAP 3009</u>	<u>CONTRACTOR QUALIFICATIONS</u>	<u>9-1</u>
<u>CGAP 3010</u>	<u>MARKET RESEARCH</u>	<u>10-1</u>
<u>CGAP 3011</u>	<u>DESCRIBING AGENCY NEEDS</u>	<u>11-1</u>
<u>CGAP 3012</u>	<u>ACQUISITION OF COMMERCIAL ITEMS (RESERVED)</u>	<u>12-1</u>
CONTRACTING METHODS AND CONTRACT TYPES		
<u>CGAP 3013</u>	<u>SIMPLIFIED ACQUISITION PROCEDURES</u>	<u>13-1</u>
<u>CGAP 3014</u>	<u>SEALED BIDDING</u>	<u>14-1</u>
<u>CGAP 3015</u>	<u>CONTRACTING BY NEGOTIATION</u>	<u>15-1</u>
<u>CGAP 3016</u>	<u>TYPES OF CONTRACTS</u>	<u>16-1</u>
<u>CGAP 3017</u>	<u>SPECIAL CONTRACTING METHODS</u>	<u>17-1</u>
<u>CGAP 3018</u>	<u>(RESERVED)</u>	<u>18-1</u>
SOCIOECONOMIC PROGRAMS		
<u>CGAP 3019</u>	<u>SMALL BUSINESS PROGRAMS</u>	<u>19-1</u>
<u>CGAP 3020</u>	<u>(RESERVED)</u>	<u>20-1</u>
<u>CGAP 3021</u>	<u>(RESERVED)</u>	<u>20-1</u>
<u>CGAP 3022</u>	<u>APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS</u>	<u>22-1</u>
<u>CGAP 3023</u>	<u>ENVIRONMENT, CONSERVATION, OCCUPATIONAL SAFETY, AND DRUG-FREE WORKPLACE</u>	<u>23-1</u>
<u>CGAP 3024</u>	<u>PROTECTION OF PRIVACY AND FREEDOM OF INFORMATION (RESERVED)</u>	<u>24-1</u>
<u>CGAP 3025</u>	<u>FOREIGN ACQUISITION</u>	<u>25-1</u>
<u>CGAP 3026</u>	<u>OTHER SOCIOECONOMIC PROGRAMS</u>	<u>26-1</u>

GENERAL CONTRACTING REQUIREMENTS

<u>CGAP 3027</u>	<u>PATENTS, DATA, AND COPYRIGHTS</u>	<u>27-1</u>
<u>CGAP 3028</u>	<u>BONDS AND INSURANCE</u>	<u>28-1</u>
<u>CGAP 3029</u>	<u>TAXES</u>	<u>29-1</u>
<u>CGAP 3030</u>	<u>COST ACCOUNTING STANDARDS ADMINISTRATION</u> <u>(RESERVED)</u>	<u>30-1</u>
<u>CGAP 3031</u>	<u>CONTRACT COST PRINCIPALS AND PROCEDURES (RESERVED)</u>	<u>31-1</u>
<u>CGAP 3032</u>	<u>CONTRACT FINANCING</u>	<u>32-1</u>
<u>CGAP 3033</u>	<u>PROTESTS, DISPUTES, AND APPEALS</u>	<u>33-1</u>

SPECIAL CATEGORIES OF CONTRACTING

<u>CGAP 3034</u>	<u>MAJOR SYSTEM ACQUISITION</u>	<u>34-1</u>
<u>CGAP 3035</u>	<u>RESEARCH AND DEVELOPMENT CONTRACTING (RESERVED)</u>	<u>35-1</u>
<u>CGAP 3036</u>	<u>CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS</u>	<u>36-1</u>
<u>CGAP 3037</u>	<u>SERVICE CONTRACTING</u>	<u>37-1</u>
<u>CGAP 3038</u>	<u>FEDERAL SUPPLY SCHEDULE CONTRACTING (RESERVED)</u>	<u>38-1</u>
<u>CGAP 3039</u>	<u>ACQUISITION OF INFORMATION TECHNOLOGY</u>	<u>39-1</u>
<u>CGAP 3040</u>	<u>(RESERVED)</u>	<u>40-1</u>
<u>CGAP 3041</u>	<u>ACQUISITION OF UTILITY SERVICES</u>	<u>41-1</u>

CONTRACT MANAGEMENT

<u>CGAP 3042</u>	<u>CONTRACT ADMINISTRATION AND AUDIT SERVICES</u>	<u>42-1</u>
<u>CGAP 3043</u>	<u>CONTRACT MODIFICATIONS</u>	<u>43-1</u>
<u>CGAP 3044</u>	<u>SUBCONTRACTING POLICIES AND PROCEDURES (RESERVED)</u>	<u>44-1</u>
<u>CGAP 3045</u>	<u>GOVERNMENT PROPERTY</u>	<u>45-1</u>
<u>CGAP 3046</u>	<u>QUALITY ASSURANCE</u>	<u>46-1</u>
<u>CGAP 3047</u>	<u>TRANSPORTATION</u>	<u>47-1</u>
<u>CGAP 3048</u>	<u>VALUE ENGINEERING (RESERVED)</u>	<u>48-1</u>
<u>CGAP 3049</u>	<u>TERMINATION OF CONTRACTS</u>	<u>49-1</u>
<u>CGAP 3050</u>	<u>EXTRAORDINARY CONTRACTUAL ACTIONS AND THE SAFETY</u> <u>ACT</u>	<u>50-1</u>
<u>CGAP 3051</u>	<u>USE OF GOVERNMENT SOURCES BY CONTRACTORS</u> <u>(RESERVED)</u>	<u>51-1</u>

CLAUSES AND FORMS

<u>CGAP 3052</u>	<u>SOLICITATION PROVISIONS AND CONTRACT CLAUSES</u>	<u>52-1</u>
<u>CGAP 3053</u>	<u>FORMS</u>	<u>53-1</u>

APPENDICES

Appendix A SAMPLE LICENSING AGREEMENT A-1
Appendix B SAMPLE DETERMINATION AND FINDINGS B-1
Appendix C NOTICE FOR FILING AGENCY PROTESTS C-1

ENCLOSURES

Enclosure 1 DEVIATIONS & WAIVERS 1
Enclosure 2 COAST GUARD STANDARDIZATION PROGRAM SAMPLE FORMAT-- 1
 DETERMINATION AND FINDINGS
Enclosure 3 SAMPLE JUSTIFICATION FOR OTHER THAN FULL AND OPEN 1
 COMPETITION: PURCHASE OF SUPPLIES, SERVICES, AND/OR
 CONSTRUCTION TO SUPPORT EMERGENCY PREPARATION,
 RECOVERY AND RESTORATION EFFORTS.....
Enclosure 4 SAMPLE JUSTIFICATION AND APPROVAL FOR OTHER THAN FULL 1
 AND OPEN COMPETITION (J&A)
Enclosure 5 SAMPLE LIMITED SOURCE JUSTIFICATION (FAR PART 8) 1
Enclosure 6 MILITARY INTERDEPARTMENTAL PURCHASE REQUESTS (MIPRS) 1

This page is intentionally left blank

COAST GUARD ACQUISITION PROCEDURES (CGAP)

CHAPTERS 3001 THROUGH 3053

**Procedures Implementing the
Federal Acquisition Regulation (FAR)
Homeland Security Acquisition Regulation (HSAR)
Homeland Security Acquisition Manual (HSAM)**

This page is intentionally left blank

CGAP CHAPTER 3001 COAST GUARD ACQUISITION PROCEDURES SYSTEM

CGAP SUBCHAPTER 3001.1 PURPOSE, AUTHORITY, ISSUANCE

CGAP SUBCHAPTER 3001.101 Purpose

The purpose of the Coast Guard Acquisition Procedures (CGAP) is to provide internal guidance addressing the policies set forth in the [Federal Acquisition Regulation \(FAR\)](#), [Homeland Security Acquisition Regulation \(HSAR\)](#), [Homeland Security Acquisition Manual \(HSAM\)](#), other Federal and agency regulations, and statutory requirements impacting Coast Guard contracting and acquisition management. The CGAP details the internal mechanisms through which the Coast Guard implements them.

CGAP SUBCHAPTER 3001.103 Authority

(a) The CGAP is prescribed pursuant to the authority of (FAR) [48 CFR 1.301\(a\)\(2\)](#), and [\(HSAR\) 48 CFR 3001.301\(a\)\(2\)](#).

CGAP SUBCHAPTER 3001.104 Applicability

The CGAP applies to all Coast Guard procurements for supplies, services, and construction. The CGAP is not applicable to acquisitions involving title to either lands or improvements and lesser interests to the granting of easements, leases, licenses, and similar interests in real property. Except as otherwise set forth herein, the CGAP is not applicable to acquisitions involving housing. Any conflict or inconsistency between the FAR, HSAR, HSAM, and CGAP shall be resolved by giving precedence in the following order: (1) the FAR, (2) the HSAR, (3) the HSAM, and (4) the CGAP, unless the HSAR, HSAM or CGAP is more restrictive. Whenever the U. S. Coast Guard becomes an agency under the U. S. Navy by declaration of war or national emergency, the following applies:

(a) Actions previously requiring approval by the Secretary of the Department of Homeland Security (DHS) shall now be sent to the Office of the Secretary of the Navy (OSN) for approval. All contracting warrants issued by the Coast Guard shall remain in effect.

(b) The U. S. Coast Guard shall discontinue using the Homeland Security Acquisition Regulation (HSAR), Homeland Security Acquisition Manual (HSAM) and Coast Guard Acquisition Procedures (CGAP) and shall commence using the [Department of Defense \(DOD\) FAR Supplement](#) (DFARS) and [Navy Marine Corps Acquisition Regulation Supplement](#) (NMCARS).

CGAP SUBCHAPTER 3001.105 Issuance.

CGAP SUBCHAPTER 3001.105-1 Publication and code arrangement.

CGAP SUBCHAPTER 3001.105-2 Arrangement of regulations.

(a) General. The CGAP conforms to the arrangement and numbering system prescribed by [FAR 1.105-2](#).

(b) Numbering. All coverage in the CGAP that does not correspond to FAR, HSAR or HSAM coverage will include the digits 90 through 99, as applicable, in the numbering scheme of each Subpart and Subchapter where this situation occurs.

CGAP SUBCHAPTER 3001.105-3 Copies

Only electronic copies are available of CGAP. However, CD-ROM copies may be requested from the Office of Procurement Policy and Oversight (Commandant (CG-913)).

CGAP SUBCHAPTER 3001.2 ADMINISTRATION

CGAP SUBCHAPTER 3001.202 Departmental compliance with the FAR, HSAR, and HSAM.

CGAP SUBCHAPTER 3001.202-70 Compliance with the FAR, HSAR, HSAM and CGAP.

Proposed changes to the FAR, HSAR, HSAM and CGAP shall be forwarded to Commandant (CG-913) for processing and coordination. Commandant (CG-913) shall forward to the Head of the Contracting Activity (HCA) (Commandant (CG-91)) and the DHS Chief Procurement Officer (CPO), as applicable, any requested changes for their review and approval.

CGAP SUBCHAPTER 3001.3 AGENCY ACQUISITION REGULATIONS

CGAP SUBCHAPTER 3001.301 Policy

(a)(1) The Notice for Filing Agency Protests contained in the Appendix to Chapter 3033 shall be affixed as a cover page to all solicitations for contracts exceeding \$100,000. When using streamlined procedures where the synopsis and the solicitation for a requirement are combined, the Notice for Filing Agency Protests shall be published as part of the synopsis submission.

(a)(2) Certain FAR, HSAR and HSAM procurement authorities and responsibilities vested in the Commandant and other officials have been re-delegated as cited in these procedures. Unless otherwise stated, these authorities may not be re-delegated. All documents discussed in the HSAR, HSAM, and CGAP that require approval at a level above the Chief of the Contracting Office (COCO) shall be routed to Commandant (CG-913) for processing and forwarding to the appropriate approving official, unless otherwise indicated by special routing instructions in the Parts and Chapters herein.

CGAP SUBCHAPTER 3001.4 DEVIATIONS FROM THE FAR, HSAR, HSAM

CGAP SUBCHAPTER 3001.403 Individual deviations.

(a) Commandant (CG-913) shall coordinate legal review with Commandant (CG-0949) for any deviation request. The HCA is authorized to grant Individual Deviations from the [FAR](#), [HSAR](#), and [HSAM](#); and the HCA is the approval authority for Individual Deviations from CGAP.

CGAP SUBCHAPTER 3001.404 Class deviations.

(a) Commandant (CG-913) shall coordinate legal review with Commandant (CG-0949) for all requests for Class Deviations and forward them to the HCA (Commandant (CG-91)) and the Chief Procurement Officer (CPO) of DHS, as applicable. The Chief Procurement Officer (CPO) of DHS, with the endorsement of the HCA, is authorized to approve Class Deviations from the [FAR](#), [HSAR](#), and [HSAM](#). The HCA is the approval authority for Class Deviations from CGAP.

CGAP SUBCHAPTER 3001.490 Deviations and waivers.

Information on the Coast Guard's policies and procedures for the submission and processing of requests for Deviations and Waivers is provided in Enclosure (1).

CGAP SUBCHAPTER 3001.6 CAREER DEVELOPMENT, CONTRACTING AUTHORITY AND RESPONSIBILITIES

CGAP SUBCHAPTER 3001.602 Contracting officers.

CGAP SUBCHAPTER 3001.602-2 Responsibilities

CGAP Subchapter 3042.270 discusses the requirements for selection, training, and certification of Contracting Officers' Technical Representatives (COTRs).

CGAP SUBCHAPTER 3001.602-390 Ratification of unauthorized commitments.

(b)(2) This authority is delegated to the Chief of the Contracting Office (COCO).

(c) A report of all Unauthorized Commitments shall be forwarded on a quarterly basis to Commandant (CG-913). The report shall indicate the total number of Unauthorized Commitments for the reporting period; and for each Unauthorized Commitment the Procurement Request number, description of action, dollar value, whether the unauthorized action was ratified, the date the Unauthorized Commitment occurred, and the date of its ratification. If no Unauthorized Commitments occurred, a negative report shall be submitted stating that there were no Unauthorized Commitments during the reporting period. The report is due no later than the close of business on the 15th of January, April, July and October of the fiscal year (e.g., no later than 15th of January for the quarter ending 31 December), and may be submitted by e-Mail.

(e) The COCO shall render a final decision within 30 calendar days of receipt of a ratification request. The ratification request shall contain the information required by [HSAM 3001.602-3 \(c\)](#). Once a decision has been rendered, all documentation shall be forwarded to the

appropriate Contracting Officer. If an Unauthorized Commitment is approved for ratification, the Contracting Officer shall process a purchase order or other contract document for payment purposes. If an Unauthorized Commitment is disapproved for ratification (i.e., non-ratifiable), the Contracting Officer shall promptly notify in writing the individual who made the Unauthorized Commitment, stating the reasons for disapproval and recommending that the individual obtain legal advice. The Contracting Officer must also advise the individual responsible for the Unauthorized Commitment that the non-ratifiable commitment will not be paid in accordance with prescribed contracting methods of payment. In those cases where a non-ratifiable Unauthorized Commitment involves the use of a U.S. Bank Government purchase card, or payment has already been effected via the SMART PAY program, the responsible individual may be billed or a pay adjustment may be initiated for the Government to obtain reimbursement.

CGAP SUBCHAPTER 3001.603 Selection, appointment, and termination of appointment.

CGAP SUBCHAPTER 3001.603-1 General

The policy for appointment of Contracting Officers is set forth in the DHS Office of the Chief Procurement Officer (OCPO) Interim Policy, Contracting Officer Warrant Program, per [DHS Acquisition Alert \(AA\) 07/08](#), [Addendum 01 to AA 07/08](#), and the Coast Guard's guidance, "[Coast Guard Contracting Officer Warrant Program](#)". Issuance of a Contracting Officer warrant depends upon the particular need of the contracting office involved as well as the qualifications of the person receiving such a warrant.

Approval by the HCA is required for COCO warrants. Warrant approving officials shall forward through Commandant (CG-913) any requests to the HCA for COCO warrants over such authority.

Pursuant to [Office of Federal Procurement Policy \(OFPP\) Letter 05-01](#), Developing and Managing the Acquisition Workforce, effective January 1, 2007, acquisition workforce personnel issued new Contracting Officer warrants must obtain Federal Acquisition Certification in Contracting (FAC-C) at an appropriate level to support their warrant authority. However, GS-1105 civilian personnel and U.S. Coast Guard Storekeepers are exempt from FAC-C certification. (For further information see DHS OCPO Interim Policy, Professional (GS-1102) Career Information and Federal Acquisition Certification in Contracting (FAC-C) Program, per [DHS Acquisition Alert \(AA\) 07/08](#), and [Addendum 01 to AA 07/08](#).)

CGAP SUBCHAPTER 3001.603-190 Minimum COCO requirements.

In order to be eligible for designation as a COCO, an employee must meet all the qualifications for eligibility to receive a Contracting Officer's warrant at the highest dollar level issued for that contracting office to include FAC-C certification. (For further information on these requirements see DHS OCPO Interim Policy, Professional (GS-1102) Career Information and Federal Acquisition Certification in Contracting (FAC-C) Program, per [DHS Acquisition Alert \(AA\) 07/08](#), and [Addendum 01 to AA 07/08](#); and the Coast Guard's guidance, "[Coast Guard Contracting Officer Warrant Program](#)".

CGAP SUBCHAPTER 3001.690 Participation of legal counsel in the procurement process.

(a) Whenever legal review is mandatory or desired, the Contracting Officer shall include all supporting documents with the file forwarded for review. Coordination during the preparation of documents to be submitted for legal review will minimize review time.

(b) The Contracting Officer may require legal review of any procurement action consistent with the availability of counsel. However, in addition to the requirements for legal review in [FAR](#), [HSAR](#), [HSAM](#) and CGAP, the following matters require consultation and coordination with legal counsel:

(1) Correspondence on procurement policy requiring the signature of the Commandant, Vice Commandant, Chief of Staff, Deputy Commandant for Mission Support and Service Center Directors, Assistant Commandant for Acquisition, Director of Contracting and Procurement, Director of Acquisition Services, Director of Acquisition Programs, or the Chief of the Contracting Office (COCO).

(2) Proposed procurement policy statements and procedures.

(3) Drafts of a proposed new contract provisions or clauses.

(4) Questions concerning the application of laws, interpretation of court precedents, or conflicts in statutory or regulatory guidance. This includes procedural guidance that interprets, limits, or expands such reviews/applications/interpretations.

(5) Legal counsel attendance at meetings where a contractor has legal representation.

CGAP CHAPTER 3002 DEFINITIONS OF WORDS AND TERMS

CGAP SUBCHAPTER 3002.1 DEFINITIONS

CGAP SUBCHAPTER 3002.101 Definitions

“Head of the Organizational Component (OC)” for the Coast Guard is the Commandant (Commandant ((G-00)).

“Chief Acquisition Officer (CAO)” means an executive level acquisition official responsible for agency performance of acquisition activities and acquisition programs created pursuant to the Services Acquisition Reform Act of 2003, Section 1421 of Public Law 108-136. The CAO for the Coast Guard is the Assistant Commandant for Acquisition (Commandant (CG-9)).

“Chief of the Contracting Office (COCO)” means a GS-1102 series Supervisory Contracting Officer, appointed in writing by the Head of the Contracting Activity pursuant to [Homeland Security Acquisition Manual \(HSAM\) Subchapter 3001.601-70 \(b\)](#), who has functional authority and responsibility for the oversight and control of Coast Guard personnel at designated adjacent and/or geographically separated shore or afloat units engaged in the procurement of supplies and services.

“Head of the Contracting Activity (HCA)” means the official who has overall responsibility for managing the contracting activity. The HCA for the Coast Guard is the Director of Contracting and Procurement (Commandant (CG-91)).

CGAP SUBCHAPTER 3002.101-90 HCA and Chiefs of Contracting Offices (COCOs).

(a) In the absence of the HCA, the Deputy Director of Contracting and Procurement (Commandant (CG-91D)) will perform the functions of the HCA, unless the [FAR](#), [HSAR](#), or [HSAM](#) indicate a level of authority equal or greater than Senior Executive Service (SES).

(b) Specific instructions regarding the appointment of COCOs are found in CGAP Subchapter 3001.603-190.

(c) Unless otherwise directed by the HCA, duties necessary to support the COCO authorities enumerated within this Manual that are not limited by the [FAR](#), [HSAR](#), [HSAM](#), or CGAP from further re-delegation may be assigned to other personnel subject to the COCO’s oversight and control.

CGAP SUBCHAPTER 3002.190 Submissions to the HCA, CAO, Vice Commandant, or Commandant.

(b) Any documents requiring transmittal to the HCA, CAO, Vice Commandant (Commandant (G-09)), or Commandant of the Coast Guard (Commandant (G-00)) shall be transmitted to Commandant (CG-913) for review and coordination.

CGAP CHAPTER 3003 IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

CGAP SUBCHAPTER 3003.4 CONTINGENT FEES

CGAP SUBCHAPTER 3003.405 Misrepresentations or violations of the covenant against contingent fees.

(a) The Chief of the Contracting Office (COCO) shall prepare a written finding of the facts of the case and submit the file to Commandant (CG-0949) for review. The file shall contain the written opinion of the legal counsel for the contracting office, if any. An information copy shall be provided to Commandant (CG-913). After review, Commandant (CG-0949) will forward the findings to the Office of the Inspector General (J-1) and will also furnish a copy to the Department of Justice, if appropriate.

CGAP SUBCHAPTER 3003.5 OTHER IMPROPER BUSINESS PRACTICES

CGAP SUBCHAPTER 3003.502-2 Subcontractor kickbacks.

(g) Coast Guard personnel shall advise the cognizant COCO in writing, of any instances that come to their attention involving possible violations of the Anti-Kickback Act (41 U.S.C. 51-54). The COCO shall prepare a written finding of the facts of the case and submit the file to Commandant (CG-0949) for review. The file shall contain the written opinion of the legal counsel for the contracting office. An information copy shall be provided to Commandant (CG-913). After review, Commandant (CG-0949) will forward the findings to the Office of the Inspector General (J-1) and will also furnish a copy to the Department of Justice, if appropriate.

CGAP SUBCHAPTER 3003.590 Suspected fraudulent or other criminal conduct.

Mandatory Reporting of Incidents to the Coast Guard Investigative Service and Requesting Investigative Assistance, [COMDTINST 5520.5 \(series\)](#), addresses investigative assistance and details actions to be taken in cases of suspected fraud or criminal conduct in the performance of Coast Guard contracts.

CGAP SUBCHAPTER 3003.8 LIMITATION ON THE PAYMENT OF FUNDS TO INFLUENCE FEDERAL TRANSACTIONS

CGAP SUBCHAPTER 3003.806 Processing suspected violations.

Suspected violations of the requirements of 31 U.S.C. 1352 shall be reported in accordance with the same procedures contained in CGAP Subchapters 3003.405 and 3003.502-2.

CGAP CHAPTER 3004 ADMINISTRATIVE MATTERS**CGAP SUBCHAPTER 3004.1 – CONTRACT EXECUTION****CGAP SUBCHAPTER 3004.101 Contracting Officer’s signature.****CGAP SUBCHAPTER 3004.101-90 Contract execution in contract writing systems.**

Coast Guard policy requires Contracting Officers to physically sign and date a written copy of each contract, Purchase Order, Delivery Order, or contract modification awarded for purposes of paper file retention, irrespective of any automated contracting system that also may be used for obligating funds.

CGAP SUBCHAPTER 3004.5 ELECTRONIC COMMERCE IN CONTRACTING**CGAP SUBCHAPTER 3004.502 Policy**

(b)(1) All Coast Guard organizational components involved in acquisition activities shall engage in electronic commerce to the maximum extent practicable using only those automated systems approved for and incorporated into the Acquisition e-Business suite of the Commandant (CG-913). This policy extends to any enterprise acquisition systems currently in use for which Coast Guard organizational elements have received training. These acquisition systems include but are not limited to:

Central Contractor Registration (CCR)
 Contract Information Management System (CIMS)
 Contractor Performance Assessment Reporting System (CPARS)
 Coast Guard Oracle Financials (CGOF)
 Federal Business Opportunities (FedBizOps) (FBO)
 Federal Procurement Data System—Next Generation (FPDS-NG)
 Finance and Procurement Desktop (FPD)
 Past Performance Information Retrieval System (PPIRS)
 Workflow Imaging Network System (WINS)

(b)(2) In addition, any new systems mandated for use within the Integrated Acquisition Environment, pursuant to the Presidential e-Government Act of 2002, as well as any systems forthcoming from the Department of Homeland Security (DHS) shall be required for usage by all contracting activities within the Coast Guard. Implementation of all such current and future e-Business applications shall become mandatory upon completion of the requisite training for its use. Upon completion of such training, the Chiefs of Contracting Offices (COCOs) shall be responsible for ensuring within their respective areas of responsibility full operation of all systems in the Acquisition e-Business suite.

CGAP SUBCHAPTER 3004.6 CONTRACT REPORTING**CGAP SUBCHAPTER 3004.603 Policy**

(a) The Contracting Officer shall report individual contract actions in FPDS-NG. When completing such reports Contracting Officers shall ensure that the Contract Action Report within FPDS-NG accurately and completely reflects the various characteristics of each procurement action, including all contract modifications regardless of dollar value, addresses all relevant data fields, and, in accordance with [FAR 4.604\(b\)\(3\)](#), is completed within three business days of award.

CGAP SUBCHAPTER 3004.603-90 Records requirements.

All records created as a result of processes in the Manual will be managed in accordance with directions in the [Information and Life Cycle Management Manual, COMDTINST M5212.12 \(series\)](#), containing Records Management policies and schedules. This pertains also to electronic data/documents, which are considered official Federal records, and must be stored, archived, or deleted in accordance with subject manual.

CGAP SUBCHAPTER 3004.605 Procedures

(a) Procurement Instrument Identifier (PIID). This Subchapter supplements the guidance under [HSAM Subchapter 3004.605\(a\)](#) regarding elements of DHS PIIDs and Supplementary Procurement Instrument Identifiers (SPIIDs).

(5) Position Nine. The following information should be noted concerning the one-digit alphabetic code identifying the type of procurement instrument (position nine of the PIID).

(i) When task orders are to be issued against an existing contract whose document number begins with “DTCG”, the task order number should begin with “HSCG” and the instrument code should be “J” instead of “F”.

(ii) For task orders issued against a contract vehicle created by a another DHS organizational element, use the instrument code “J” rather than “F”.

(iii) The capital letter assigned to indicate the type of instrument code shall reflect [HSAM Subchapter 3004.605\(a\) \(5\)](#) as indicated in the table below.

<u>Standard Instrument Code</u>	<u>Exception Descriptions</u>	<u>Exception Instrument Code</u>
P – Purchase Orders	If FINCEN is the payment office and additional letters are needed to differentiate specific types of purchase order actions.	“N” for construction or service purchase orders when using simplified acquisition procedures, which require Contracting Officer approval for payments. Do not use “N” for delivery or task orders.

<u>Standard Instrument Code</u>	<u>Exception Descriptions</u>	<u>Exception Instrument Code</u>
	Numbering capacity of "P" becomes exhausted during the fiscal year.	"V" then "W"

(8) Supplementary Procurement Instrument Identifiers (SPIIDs).

(i) Orders issued against other Federal agency Indefinite Delivery contracts, Basic Ordering Agreements (BOAs), and Blanket Purchase Agreements (BPAs). These orders shall use Instrument Code "F".

(ii) Orders issued under DHS Component indefinite-delivery contracts, BOAs, and BPAs.

(A) Orders issued against indefinite-delivery contracts, BOAs, and BPAs of DHS Organizational Components other than the Coast Guard shall use Instrument Code "J".

(B) The numbering methodology for calls against Coast Guard generated BPAs is based upon Finance and Procurement Desktop (FPD) system coding conventions and is designed to create within the Coast Guard an internal numbering process permitting users to retrieve the various information elements set forth under [HSAM Subchapter 3004.605\(a\)\(8\)\(ii\)](#). To ensure system compatibility between FPD and the Federal Procurement Data System-Next Generation (FPDS-NG), all calls issued against Coast Guard BPAs created within FPD shall have an Instrument Code of "A", and shall include four additional digits reflecting the sequence in which calls are made against individual BPAs.

(9) Other identifiers relating to PIIDs and SPIIDs shall be used as follows.

(ii) Modifications to Contracts, Agreements and Orders

(A) When an existing contract whose document number beginning with "DTCG" requires a contract modification no change is needed to the existing document number. However, the identifier "A" or "P" must be included in the numbering of modifications. For example, contract DTCG88-03-C-000001 was awarded in July 2003, and modified for the first time as DTCG88-03-C-000001 Mod00001, prior to implementation of [HSAM](#) and CGAP Subchapter 3004.605(a)(9). The second modification, which occurred after implementation of [HSAM 3004.605\(a\)\(9\)\(ii\)](#), will be numbered DTCG88-03-C-000001 ModA00002.

(B) If multiple modifications to task orders previously awarded using a number beginning with "DTCG" are expected, do NOT change the instrument code or identified procuring agency (i.e., alphanumeric characters one through four within the PIID). Simply incorporate modification numbers containing a "P" or "A", depending on whether the principal procuring office retains authority for contract administration ("P"), or administration is delegated to a separate contract administration office ("A").

(C) In the case of modifications to Coast Guard orders against GSA Schedules or other agency contractual instruments, the rule in subparagraph (B), above, will apply in determining whether the modification number contains a “P” or “A”. If the office that created the order issues a modification to it, the modification number will begin with “P”. If another office administers the order, the modification number will begin with “A”.

CGAP SUBCHAPTER 3004.670 Acquisition related reporting requirements.

Contracting offices shall comply with all respective CGAP Part and Chapter due dates and submission requirements.

CGAP SUBCHAPTER 3004.8 GOVERNMENT CONTRACT FILES

CGAP SUCHAPTER 3004.802 Contract files.

(a) [Contract File Content Checklist-Preaward Contract File, CG-4788](#), shall be used for organizing the pre-award portion of the contract files. It may also be used for modifications.

(c)(5) Contract file documents created and entered into the file after the fact must be dated after the fact and annotated with rationale explaining why they were not completed in a timely manner.

CGAP SUBCHAPTER 3004.804 Closeout of contract files.

CGAP SUBCHAPTER 3004.804-1 Closeout by the office administering the contract.

(b) In accordance with [FAR 4.804-1](#), the Quick Closeout Procedures authorized under [FAR 42.708](#) shall be used, where appropriate, in the settlement of indirect costs without limitation as to the total estimated value of the contract.

CGAP SUBCHAPTER 3004.11 CENTRAL CONTRACTOR REGISTRATION

CGAP SUBCHAPTER 3004.1102 Policy

(RESERVED)

CGAP SUBCHAPTER 3004.13 PERSONAL IDENTITY VERIFICATION

CGAP SUBCHAPTER 3004.1301 Policy

Homeland Security Presidential Directive (HSPD)-12 mandates a Federal standard for secure and reliable forms of identification for Federal employees and contractor employees. The Common Access Card (CAC) is a personal identification card for the Department of Defense/Uniformed Services that complies with HSPD-12. The Coast Guard has adopted the

CAC as its HSPD-12 compliant personal identification card for contractor and subcontractor employees who are required to access a Coast Guard, Department of Defense (DOD), or other federally-controlled computer information system and/or facility, or need public key infrastructure (PKI) authentication to perform their duties. The Contractor Verification System (CVS) is an automated application process for obtaining a CAC for such employees. CVS is the only DOD approved system to provide contractor information through an authoritative data feed to the Defense Eligibility Enrollment System (DEERS) which generates the CAC. Therefore, CVS must be used to obtain the required CAC.

CGAP SUBCHAPTER 3004.1301-90 Contract clause.

Contracting Officers shall insert the following clause in all existing and future solicitations and contracts when a contractor or subcontractor employee is required to access a Coast Guard, Department of Defense, or other federally-controlled computer information system, or needs public key infrastructure (PKI) authentication to perform his/her contractual duties.

COMMON ACCESS CARDS (CAC) FOR CONTRACTORS: CONTRACTOR VERIFICATION SYSTEM (CVS)

(a) "Contractor employee" means an employee of a firm, or an individual, under contract or subcontract to the Coast Guard to provide services and who requires physical and/or logical access to information systems and/or facilities.

(b) Homeland Security Presidential Directive (HSPD)-12 mandates a Federal standard for secure and reliable forms of identification for Federal employees and contractor employees. The Common Access Card (CAC) is a personal identification card for the Department of Defense/Uniformed Services and complies with HSPD-12. The Coast Guard has instituted the CAC as its HSPD-12 compliant personal identification card for contractor and subcontractor employees who are required to access a Coast Guard, Department of Defense (DOD), or other federally-controlled computer information system and/or facility, or need public key infrastructure (PKI) authentication to perform their contractual duties. The Contractor Verification System (CVS) is the automated application process for obtaining a CAC.

(c) Contractor and subcontractor employees working pursuant to this contract who are required to access a Coast Guard, DOD, or other federally-controlled computer information system and/or facility, or need PKI authentication to perform their contractual duties shall use CVS to obtain a CAC.

(d) The Contracting Officer Technical Representative (COTR) shall serve as the CVS Trusted Agent and is responsible for creating contractor accounts in the CVS; approving, returning, or rejecting CAC applications (as applicable); re-verifying assigned contractors every six months; revoking contractor and employee eligibility for a CAC; and confiscating a CAC when the contract expires or when a contractor or subcontractor employee stops working under the contract.

(e) Current standards require a favorable fingerprint check and verification of an initiated or completed investigation for all incoming Coast Guard contractor personnel before CAC issuance. The COTR shall ensure that contractor personnel satisfy the security requirements for CAC issuance, and that completed fingerprint cards and electronic questionnaires for investigation processing are submitted to the U.S. Coast Guard Security Center (SECCEN).

(f) The COTR or Contracting Officer shall provide such forms to, or request such information from, contractor employees that may be necessary for obtaining a CAC via the CVS. Completed forms and information shall be submitted as directed by the COTR or Contracting Officer. Contractors are responsible for the accuracy and completeness of the information submitted and for any liability resulting from the Government's reliance on inaccurate or incomplete information.

(g) Contractor or subcontractor employees who are declined a CAC via the CVS are ineligible to perform work under this contract. When an employee with a CAC is no longer performing work under this contract, the employee must return the CAC to the COTR or Contracting Officer on the same day the employee stops working.

(h) The contractor shall insert this clause in all subcontracts when a subcontractor's employee is required to access a Coast Guard, DOD, or other federally-controlled computer information system and/or facility, or need PKI authentication to perform contractual duties.

(End of clause)

CGAP SUBCHAPTER 3004.70 REVIEW AND APPROVAL OF PROPOSED CONTRACT ACTIONS

CGAP SUBCHAPTER 3004.7000 Scope

See CGAP Subchapter 3037.103(c) regarding review requirements for acquisitions, (solicitations, contracts and task orders) where performance based contracting methods are not used for services.

CGAP SUBCHAPTER 3004.7001 Definitions

(b) Level Above Approval

(1) Level Above Approval means approval after a review of a procurement action by a procurement professional at least one supervisory level above the Contracting Officer responsible for the action. For purposes of approval of such procurement actions, the person authorized to render such an approval shall be a warranted Contracting Officer with sufficient warrant authority (dollar level and contract type) as may be needed for award of the procurement action under consideration.

(2) When the supervisory level immediately above the Contracting Officer responsible for an action is the Chief of the Contracting Office (COCO), the COCO may

delegate to another Contracting Officer of equal warrant authority as that of the Contracting Officer responsible for the action (dollar level and contract type) the authority to conduct an Independent Review of such action, and the authority to serve on behalf of the COCO as the Level Above Approval.

(3) In instances where a COCO has drafted documents subject to review, or is the Contracting Officer responsible for an action, review requirements may be accomplished through an Independent Review by another procurement professional of equal or higher grade, or another Contracting Officer of equal warrant authority (dollar level and contract type). For purposes of approval of such actions, Level Above Approval authority shall only be delegated to a warranted individual of equal or greater warrant authority (dollar level and contract type) as the COCO, and shall be based on the results of this prior Independent Review.

(4) Should a conflict of interest preclude a Coast Guard employee from performing the duties necessary for Level Above Approval, that employee shall be recused, and the task reassigned to another procurement professional of equal or higher grade.

(c) Review

(1) "Independent Review" means the review by a procurement professional(s) other than the drafter of the document being reviewed or the Contracting Officer responsible for the action (e.g., a review board, a member of the policy staff, another Contracting Officer of an equal or higher organizational equivalent).

CGAP SUBCHAPTER 3004.7003 Legal review.

(a) Basic Rule for Legal Review

All contracting units shall conduct reviews of proposed solicitations and contractual actions for legal sufficiency. This review requirement does not apply to modifications where the sole purpose is to extend the term of the contract or orders where the basic contract was reviewed by legal counsel.

(1) Legal counsel shall review Headquarters proposed solicitations and contractual actions expected to exceed \$500,000 (including options). However, in the case of Coast Guard field contracting activities, the mandatory review level is \$100,000, rather than the \$500,000 level cited under [HSAM Subchapter 3004.7003\(a\)](#). This review level may be raised by the head of the reviewing legal office up to \$500,000, only after obtaining Commandant (CG-913) concurrence. Correspondence regarding legal review increases must be routed via Commandant (CG-0949).

(2) Legal counsel shall review all letter contracts and Undefined Contract Actions (UCAs).

(3) Legal review is recommended at any value where the acquisition approach, industry comments, procurement history, or other factors indicate a likelihood of legal issues

arising. Legal review is recommended for any actions where offerors are excluded prior to award in negotiated procurements.

(4) Legal counsel shall review and sign all J&As for requirements with an estimated value greater than \$650,000.

CGAP SUBCHAPTER 3004.7005 Periodic compliance reviews.

[COMDTINST 4200.30C](#), Procurement Management Internal Control Program, addresses Coast Guard policies and procedures for compliance reviews of its contracting offices. Additional information on Internal Control Plan/Self Assessment activities is also available through the program's Point of Contact listed at:
<http://cgweb2.comdt.uscg.mil/CGDirectives/Welcome.htm>

CGAP SUBCHAPTER 3004.91 USE OF PROCUREMENT INSTRUMENT IDENTIFICATION (PII) NUMBERS FOR COAST GUARD INVENTORY CONTROL POINT MATERIAL PROCUREMENTS

CGAP SUBCHAPTER 3004.9100 Scope of CGAP subchapter.

This CGAP Subchapter prescribes procedures to be used by contracting offices when procuring material for a Coast Guard Inventory Control Point with the consignee of the material being a Department of Defense Inventory Control Point.

CGAP SUBCHAPTER 3004.9101 Definitions

A Uniform Procurement Instrument Identification Number (PII Number) consists of 13 alphanumeric characters assigned by the Department of Defense (DoD) to its solicitations, contracts, and related procurement instruments pursuant to DoD FAR Supplement (DFARS) [Subpart 204.70](#).

When ordering material for a Coast Guard Inventory Control Point where the consignee of the material is a DoD Inventory Control Point, it is necessary that the DoD facility be able to properly identify and process the Coast Guard material. In such instances, contracting offices shall include a DoD PII Number, as prescribed in this CGAP Subchapter to accomplish effective material handling.

CGAP SUBCHAPTER 3004.9102 Policy

CGAP SUBCHAPTER 3004.9103 Procedure

(a) Coast Guard contracts and purchase orders relating to material orders through a DoD Inventory Control Point shall contain a DoD PII number in addition to, and immediately above, the document's Coast Guard contract or purchase order number (i.e., the Coast Guard Procurement Instrument Identification number (PIID) described in [HSAM 3004.602-71](#) and

CGAP Subchapter 3004.602-71). The DoD PII number shall be immediately preceded by the phrase: "PII Number"; and shall be created by converting the Coast Guard's PIID to a corresponding thirteen-character PII number using the numbering conventions specified in [DFARS 204.7002](#).

(b) In addition, the contract or purchase order shall stipulate that all shipping containers and contractor documentation must contain the DoD "PII number"; and a copy of it shall be forwarded to the applicable DoD and Coast Guard Inventory Control points to ensure proper coordination.

CGAP CHAPTER 3005 PUBLICIZING CONTRACT ACTIONS

CGAP SUBCHAPTER 3005.002 Policy

CGAP SUBCHAPTER 3005.002-90 Politically sensitive contract awards.

Any pending contract award that is politically sensitive should be brought to the attention of Commandant (CG-91d) before submitting any formal contract award notification.

CGAP SUBCHAPTER 3005.2 SYNOPSES OF PROPOSED CONTRACTS ACTIONS

CGAP SUBCHAPTER 3005.202 Exceptions

(b) The Contracting Officer shall submit the written determination required under [Federal Acquisition Regulation \(FAR\) subparagraph 5.202\(b\)](#) and [Homeland Security Acquisition Manual \(HSAM\) Subchapter 3005.202\(b\)](#) to the Small Business Program Officer (Commandant (CG-9131)) and Commandant (CG-9132). The written determination shall state the rationale for the requested exception to the synopsis requirement. Commandant (CG-9132) shall forward the written determination to the Department of Homeland Security (DHS) Chief Procurement Officer (CPO), who will approve it after consultation with the Office of Federal Procurement Policy (OFPP) and the Small Business Administration (SBA). When the CPO has approved the written determination, the Contracting Officer may proceed with the procurement action after documenting the contract file accordingly.

CGAP SUBCHAPTER 3005.3 SYNOPSES OF CONTRACT AWARDS

CGAP SUBCHAPTER 3005.303 Announcement of contract awards.

(a) Public Announcement. The Contracting Officer shall submit [DHS Form 2140-01](#), Contract Award Notification, directly to the DHS Office of Legislative Affairs, with a complimentary copy to Commandant (CG-91D), via electronic mail to Contracts@dhs.gov. The Contracting Officer also shall supply an electronic copy of the [DHS Form 2140-01](#) concurrently to the Coast Guard Office of Congressional Affairs (Commandant (CG-0921)). The Contracting Officer shall complete [DHS Form 2140-01](#) to announce contract awards in excess of \$1,000,000 in accordance with [HSAM Subchapter 3005.303-70, Congressional Notification of Contract Awards](#). The Contracting Officer shall submit this form to the office of DHS Legislative Affairs at least five full business days prior to planned award of the contract, or issuance of an order under a DHS multiple award contract using FY 2010 or later appropriated funds. The business day begins at 9:00 a.m. Eastern Time (ET). For notifications received after 9:00 a.m. ET, the first full business day will be the day following receipt. For example, if a contract or order is to be awarded on a Friday, [DHS Form 2140-01](#) must have been received by the DHS Office of Legislative Affairs no later than 9:00 a.m. the previous Friday. The Contracting Officer shall note the anticipated date of award with the transmission of [DHS Form 2140-01](#) (i.e., in the body of the email message), which shall be at least five full business days after [DHS Form 2140-01](#) is transmitted to Contracts@dhs.gov. The Contracting Officer who transmitted [DHS Form 2140-01](#) will receive confirmation that notification has been made and may proceed with awarding of

COMDTINST M4200.19J

the contract or issuing of the order and posting to FedBizOpps and, when applicable, public announcement.

CGAP SUBCHAPTER 3005.4 RELEASE OF INFORMATION

CGAP SUBCHAPTER 3005.401 General

After consultation with legal counsel, the Contracting Officer shall document in the contract file the rationale for withholding information other than that permitted to be withheld under [\(FAR\) 48 CFR 5.401\(b\)](#). Refer to [COMDTINST M5260.3 \(series\), Coast Guard Freedom of Information \(FOIA\) and Privacy Manual](#), when preparing a response that would result in disclosure of business confidential information.

CGAP SUBCHAPTER 3005.5 PAID ADVERTISEMENTS

CGAP SUBCHAPTER 3005.504 Use of advertising agencies.

(RESERVED)

CGAP SUBCHAPTER 3005.590 Advertising for recruiting purposes.

(RESERVED)

CGAP CHAPTER 3006 COMPETITION REQUIREMENTS**CGAP SUBCHAPTER 3006.3 OTHER THAN FULL AND OPEN COMPETITION****CGAP SUBCHAPTER 3006.302 Circumstances permitting other than full and open competition.****CGAP SUBCHAPTER 3006.302-190 Only one responsible source and no other supplies or services will satisfy agency requirements.**

(b)(4) To successfully carry out assigned missions, the Coast Guard has established a Standardization Program to maintain a high state of readiness throughout its cutters, aircraft, and other assets. Standardization usually, but not always, supports this need by providing for lower life-cycle costs associated with maintenance, repair, and operation of resources. Increased populations of standardized items promote economies of scale and increased supportability over an item's service life. The previous Commandant Instruction 4200.38 (series), Coast Guard Standardization Program, has been cancelled, and the Program incorporated entirely within this Manual, as indicated below.

(i) Acquisition Considerations.

(A) Equipment to become standard shall be chosen from items already supported in Government inventory and systems under production, on a scale representative of the population to be standardized, whenever such items will fulfill Coast Guard requirements.

(B) Where equipment or systems already in Government inventory will not satisfy new requirements, procurement of equipment and systems to satisfy these requirements shall be open to competition to the maximum extent practicable.

(C) The equipment and/or system to be standardized shall have been previously determined, through official documentation such as requirements documents from the Office of the Assistant Commandant for Capabilities (Commandant (CG-37)), to be the best solution for the Coast Guard and shall be justified accordingly.

(D) The initial procurement of such items shall be supported by a Justification and Approval for Other Than Full and Open Competition (J&A) required by [Federal Acquisition Regulation \(FAR\) Section 6.302-1](#) when the selection of an item or system to be standardized is not the result of full and open competition. In this situation, the Standardization Program cannot be used as the basis for the source selection. To use the Standardization Program as the basis for the source selection the item or system must be the result of full and open competition resulting in quantities that are representative of the population to be standardized.

(E) Follow-on procurements of items or systems determined to be Coast Guard standard items shall be supported by a J&A required by [FAR 6.302-1](#). For major acquisitions, the solicitation shall include an optional line item for the re-procurement data of all

equipment unique to Coast Guard. This data enables the Coast Guard to competitively buy spare parts after a major system becomes operational. Re-procurement data packages are to include production and testing methods and detailed specifications. Due to the relatively high cost of obtaining the data, the decision to exercise an option for re-procurement data shall be based on a fully supportable business case analysis. The analysis shall include, but not be limited to, the life expectancy of the equipment and anticipated future replacement quantity demands. Documentation supporting a decision not to buy re-procurement data shall be submitted to the Coast Guard Competition Advocate, with ample time for review prior to expiration of the option period for its acquisition.

(ii) Standardization Process.

(A) The responsible program office shall submit a written request to the Headquarters Procuring Activity Competition Advocate (HQ PACA) (Commandant (CG-9131)) for all items of equipment for which standardization is sought. This request shall provide general information regarding the scope, number of units, total estimated dollar value, and service life of the proposed equipment or system. The HQ PACA will then decide if standardization applies, and if so, will provide the program office with any subsequent guidance that may be needed. It is recommended that the responsible program office obtain initial senior management concurrence (e.g., Flag level) in order to minimize the number of signature iterations required during this process.

(B) If, as a result of (A), above, standardization is deemed appropriate, then the determination required by [FAR 6.302-1\(b\)\(4\)](#) shall be prepared by the program office in conjunction with the Office of Procurement Policy and Oversight (Commandant (CG-913)). The findings upon which the determination is based shall be included in the form of a Determination and Findings (D&F) and shall address the cost savings factors listed in paragraph (iii), below. The responsible program office shall provide all requirements documents, pertinent technical and cost data, including cost savings, displayed in supportable dollar figures. A separate determination shall be written for each specific piece of equipment. The D&F must include the signature of the Flag Officer/Senior Executive Service member with immediate oversight of the program for which standardization is sought. Once approved, the determination shall be used to support all procurements for the specified equipment while the effective period of the determination is still valid. Subsequent J&As based on the previously approved D&F shall be signed by the program office technical staff member serving as the standardization program's sponsor.

(iii) Areas of Consideration for Potential Cost Savings Resulting from Standardization.

- (A) Design Costs
- (B) Provisioning Costs
- (C) Training Costs
- (D) Inventory Costs
- (E) Repair Facility Costs
- (F) Administration and Management Support Costs

(iv) Enclosure (2) of this Manual provides a sample format for a Coast Guard Standardization Program Determination and Findings.

(c) Acquisitions containing one or more brand name descriptions incidental to a requirement are not sole source acquisitions, provided that the total value of such incidental items is not greater than 50% of the total value of the primary product or service being purchased. However, the use of such incidental brand name requirements shall be justified and approved in accordance with [FAR 6.303 and 6.304](#), as supplemented by CGAP Subchapters 3006.303 and 3006.304. In those cases where a J&A is required to cover incidental items, the estimated value of the incidental items determines the approval level of the J&A.

CGAP SUBCHAPTER 3006.302-290 Unusual and compelling urgency.

(c)(1)(i) Procurement actions requiring approval by the Coast Guard Competition Advocate, Head of the Contracting Activity (HCA) (Commandant (CG-91)), or the Department of Homeland Security (DHS) Chief Procurement Officer (CPO) under the authority of "unusual and compelling urgency," shall not be processed PRIOR to initiation of the following:

(A) Immediate verbal notification with follow up e-mail on the urgency to the requester's designated Procuring Activity Competition Advocate (PACA).

(B) Submission to the unit's designated PACA of an ADVANCE justification and supporting rationale (including reference to the normal procurement lead time vs. an expedited lead time; why circumstances are NOT attributable to a lack of planning; and a description/quantification of what harm the Government will experience if normal procurement lead times are met).

(C) Receipt of preliminary authorization to proceed from the unit's designated PACA.

(D) Within 10 calendar days after issuance of a contract that has been awarded pursuant to preliminary authorization, a formal written request for approval as required by [FAR Part 6](#) shall be submitted to the Office of Procurement Policy and Oversight (Commandant (CG-913)). The formal justification shall be written in the past tense, describing what took place, rather than what was proposed, and shall include the date that preliminary authorization was granted. In addition, if contract award and approval of the formal justification cannot be accomplished within 30 calendar days after preliminary authorization to proceed, the Contracting Officer shall notify Commandant (CG-913).

(c)(1)(ii) For purposes of natural disaster preparation, recovery, and restoration, advance planning is paramount in promoting and maximizing competition. Contracting Officers are encouraged to establish in advance competitive agreements and contracts with vendors for known disaster recovery supplies and services. However, if valid circumstances do not permit full and open competition, the Contracting Officer shall justify his/her action using the sample J&A template shown in Enclosure (3) of this Manual. In order to use this justification the

specific region/area affected must be identified, and either of the following conditions must be met:

(A) Declaration of a major disaster or emergency area by the President or by the Department of Homeland Security or, if no disaster or significant incident declaration was made,

(B) Resulting loss of life, human suffering, loss of income, and property loss and damage.

Additionally, to use this justification, the contract period of performance shall be limited to the minimum period necessary and shall not exceed 150 days unless exceptional circumstances apply and a justification is approved by the Head of the Contracting Activity.

CGAP SUBCHAPTER 3006.302-7 Public interest.

(c)(1)(ii) Requests for a Secretarial determination under the authority of Homeland Security Acquisition Regulation (HSAR) 48 CFR 306.302-7 shall be submitted to the Head of the Contracting Activity (HCA) via the Office of Procurement Policy and Oversight (Commandant (CG-913)).

CGAP SUBCHAPTER 3006.303 Justifications

CGAP SUBCHAPTER 3006.303-1 Requirements

(c) Coast Guard class justifications shall be written in coordination with the appropriate contracting office and the Office of Procurement Policy and Oversight (Commandant (CG-913)), and will normally apply to the conditions cited in CGAP Subchapter 3006.302-190(b) (4). Contracting offices that identify a need for class justifications shall contact Commandant (CG-913). Legal counsel shall review and sign all justifications for requirements with an estimated value greater than \$650,000.

CGAP SUCHAPTER 3006.303-2 Content

(a) Enclosure (4) provides a sample format for a Justification and Approval for Other Than Full and Open Competition (J&A). Additional instructions and guidance are available in [HSAM Appendix G](#).

(a)(6)(i) Unless an exception under [FAR 5.202](#) applies or the proposed acquisition includes brand name specifications, a Justification and Approval for Other Than Full and Open Competition (J&A) requiring approval per CGAP Subchapter 3006.304(a), shall be:

(A) Signed and dated by the Contracting Officer at least 15 days after the synopsis publication date;

(B) Submitted after complete resolution of all inquiries resulting from synopsis notices and/or other legitimate inquiries; and,

(C) Accompanied by the notice aforementioned synopsis notice.

(a)(6)(ii) For brand name acquisitions, as described in [FAR 11.104\(b\)](#), since the J&A is required to be included with a Request for Quotation/Request for Proposals (RFQ/RFP) in Federal Business Opportunities (FBO) or GSA E-Buy, per [FAR 5.102\(a\)\(6\)](#), the synopsis requirements under Subchapter (a)(6)(i), above, are not applicable prior to submission of the J&A. However in completing the justification, when describing market research conducted and efforts made to solicit as many sources as practicable to promote full and open competition, the Contracting Officer may use any available means (e.g., sources sought notice, exhaustive internet search, participation in industry trade shows, surveys) to perform such actions.

CGAP SUBCHAPTER 3006.304 Approval of the justification.

(a) J&As shall be approved at the authority levels listed below.

Value of Action	Approving Authority
\$650,000 or Less	Contracting Officer
Over \$650,000 to \$1 Million	Designated PACA per CGAP Subchapter 3006.501*
Over \$1 Million to \$12.5 Million	Commandant (CG-913) for Headquarters units and field units with requirements over \$1 million* **
Other Actions Up to \$85.5 Million	Coast Guard Competition Advocate*
Actions Over \$85.5 Million	Coast Guard Competition Advocate, Head of the Contracting Activity (Commandant (CG-91)), and the Chief Procurement Officer of DHS*

* Legal counsel shall review and sign all justifications for requirements with an estimated value greater than \$650,000.

** For justifications over \$10 million the approved Acquisition Plan (AP) associated with the procurement shall be included when submitting the J&A.

CGAP SUBCHAPTER 3006.305 Availability of the justification.

CGAP SUBCHAPTER 3006.305-90 Justification copies and reviews

(a) Approved J&As for procurements not exceeding \$650,000 shall be retained by the COCO, with signed copies to Commandant (CG-913), and are subject to review upon request by Commandant (CG-913) at any time.

(b) All J&As requiring approval by the USCG Competition Advocate, Head of the Contracting Activity (HCA), or the DHS Chief Procurement Officer shall first be submitted to Commandant (CG-913), with a copy of the synopsis or the waiver of synopsis.

CGAP SUBCHAPTER 3006.5 COMPETITION ADVOCATES

CGAP SUBCHAPTER 3006.501 Requirement

The Coast Guard Competition Advocate is the Deputy Assistant Commandant for Acquisition. The respective designated competition advocates for the following procuring activities, also referred to as Procuring Activity Competition Advocates (PACAs), are:

Headquarters PACA: Office of Procurement Policy and Oversight, Commandant (CG-9131)

Field PACA: Shore Infrastructure Logistics Center (SILC) Deputy Commanding Officer

CGAP SUBCHAPTER 3006.502 Duties and responsibilities.

CGAP SUBCHAPTER 3006.502-90 Duties and responsibilities of the coast guard competition advocate.

In addition to the duties of the Competition Advocate listed under [FAR 6.502](#), the Coast Guard Competition Advocate shall review and approve or disapprove written decisions not to exercise options for re-procurement data (see CGAP Subchapter 3017.291).

CGAP SUBCHAPTER 3006.502-91 Duties and responsibilities of the procuring activity competition advocates (PACA).

Each PACA shall be responsible for those duties listed under [FAR 6.502](#), and the PACA's individual appointment letter issued by the Head of the Contracting Activity (HCA).

CGAP SUBCHAPTER 3006.502-92 Duties and responsibilities of the chief of the contracting office (COCO) under the competition advocate program.

(a) COCOs shall review and identify programs and make recommendations to the Coast Guard Competition Advocate regarding improvements to full and open competition for their offices. Each COCO is responsible for the prompt implementation of agency directives and compliance with reporting requirements.

(b) Every October 15, to support the Coast Guard's annual Competition Advocate Report, the COCO shall provide information to Commandant (CG-913) on programs, procedures, and innovations that units within their area of responsibility had implemented to enhance and promote competition.

(c) COCOs shall ensure that all mandatory and non-mandatory competition-related information in the Federal Procurement Data System (FPDS) is completely and accurately captured.

(d) All contracting offices shall direct correspondence and inquiries concerning the Coast Guard Competition Advocate Program to their respective PACA, as described in Subchapter 3006.501. Correspondence or inquiries to the Coast Guard Competition Advocate shall be addressed to Commandant (CG-913).

CGAP SUBCHAPTER 3006.570 Competition advocates for the procuring activity.

(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3007 ACQUISITION PLANNING

CGAP SUBCHAPTER 3007.1 ACQUISITION PLANS

CGAP SUBCHAPTER 3007.101 Definitions

“Acquisitions,” as used in this chapter, means acquiring by contract, including orders under task or delivery order contracts (e.g., Federal supply Schedules contracts, (Government Wide Acquisition Contracts (GWACs)). “Acquisition” also includes interagency and intra-agency acquisitions.

CGAP SUBCHAPTER 3007.101-70 Applicability

(RESERVED)

CGAP SUBCHAPTER 3007.102 Policy

(RESERVED)

CGAP SUBCHAPTER 3007.103 Agency-head responsibilities.

(d)(2)(i) In addition to procurement forecasting and Advance Acquisition Plans, an Acquisition Plan contains a plan of action, which at minimum contains milestones for the acquisition cycle, is required to satisfy the acquisition planning requirements of the [Federal Acquisition Regulation \(FAR\) Part 7](#) and [Homeland Security Acquisition Manual \(HSAM\) Part 3007](#). Entries in the Advanced Acquisition Plan (AAP) data base will suffice for acquisitions over the simplified acquisition threshold to \$10 million. However, acquisitions exceeding \$10 million require in addition to the AAP entry a formal written Acquisition Plan following the DHS Acquisition Planning Guide. Evidence of AAP entries shall be maintained by each procurement organization (centrally or within each contract file). All Purchase Requests for acquisitions exceeding \$100,000 shall reference the AAP number within the description block.

(d)(2)(iii) [DHS’ Acquisition Planning Guide](#) is located at [HSAM Appendix H](#).

(h)(1)(ii) All Acquisition Plans exceeding \$10 million shall be forwarded through the Office of Procurement Policy and Oversight (Commandant (CG-913)) to the Head of the Contracting Activity (HCA) (Commandant (CG-91)) for review. The HCA shall approve Acquisition Plans valued between \$10 million and \$300 million. Acquisition Plans with a value greater than or equal to \$300 million, and acquisition plans for services with annual expenditures greater than or equal to \$100 million, will be forwarded via CG-913 to the Office of the Chief Procurement Officer for DHS (DHS OCPO) for approval by the CPO. All Acquisition Plans, regardless of value shall reference the AAP number on the cover sheet of the Acquisition Plan. A copy of the approved Acquisition Plan shall be maintained within each contract file.

(h)(4) Acquisition Plans are to be reviewed annually and annotated as an addendum to the original Acquisition Plan. The Program Manager shall submit a memo to Commandant (CG-

9131) for all Acquisition Plans not requiring revisions stating that there are no revisions or updates to the Acquisition Plan. This memo shall identify the Acquisition Plan number, contracting unit, title of the requirement, date the Acquisition Plan was approved, and if applicable, the date the Acquisition Plan was last revised. Commandant (CG-9131) will maintain a suspense and remind offices when the annual review is required.

CGAP SUBCHAPTER 3007.103-70 Other official's responsibilities.

(d) When Other than Full and Open Competition procedures are used, the U.S. Coast Guard Competition Advocate shall review and endorse acquisition plans before they are submitted to the HCA and/or CPO for approval.

CGAP SUBCHAPTER 3007.171 Update, approval, and distribution procedures for streamlined acquisition plans.

RESERVED

CGAP SUBCHAPTER 3007.172 Advance Acquisition Plans.

(a)(3) The due date for annual entries of Advance Acquisition Plans (AAPs) to Commandant (CG-913) is 31 August. AAPs shall also be entered after this date for all new requirements that meet the criteria for completion of an AAP. As a minimum, the AAPs shall be reviewed and updated on a semi-annual basis, i.e., no later than March 1 of the subsequent calendar year. The Primary Coast Guard Advance Acquisition Plan (AAP) Coordinator is located within Commandant (CG-913) and is responsible for implementing the specifics of AAP data collection and coordination as required by DHS.

CGAP SUBCHAPTER 3007.2 PLANNING FOR THE PURCHASE OF SUPPLIES IN ECONOMIC QUANTITIES

CGAP SUBCHAPTER 3007.270-1 Scope of subchapter.

(RESERVED)

CGAP SUBCHAPTER 3007.270-5 Waiver procedures.

(RESERVED)

CGAP SUBCHAPTER 3007.271 DHS-wide agency contracts.

CGAP SUBCHAPTER 3007.271-1 General requirements.

Obtaining written approval by the Chief Procurement Officer (CPO) of DHS shall be coordinated through Commandant (CG-913).

CGAP SUBCHAPTER 3007.271-2 Post-Award Notification.

In addition to the required Congressional notification under [HSAM Subchapter 3005.303](#) and CGAP Subchapter 3005.303 (a) the Contracting Officer shall coordinate post-award notification through Commandant (CG-913). Post-award notifications should be made no later than 7 days after contract award in order to allow timely dissemination to DHS.

This page is intentionally left blank

CGAP CHAPTER 3008 REQUIRED SOURCES OF SUPPLIES AND SERVICES**CGAP SUBCHAPTER 3008.000-90 Strategically sourced commodities.**

This Subchapter addresses policies and procedures relating to the Department of Homeland Security (DHS) Strategically Sourced Commodities program.

(a) An acquisition should be made from a DHS wide contract vehicle (Indefinite-Delivery Indefinite-Quantity (IDIQ) contract or Blanket Purchase Agreement (BPA)) before considering other commercial sources of supply. If a DHS wide contract vehicle is available, but not used, the Contracting Officer shall document the basis for the decision in the contract file. Specific policies and procedures are set forth in [DHS Management Directive \(MD\) 0731, Strategically Sourced Commodities Policies and Procedures](#), and the [Coast Guard Simplified Acquisition Procedures Handbook, COMDTINST M4200.13 \(series\)](#). Additional information on the various DHS Enterprise-Wide Contracts is available at [DHS Online](#).

(b) The DHS E-Mall Program is no longer a mandatory source when ordering office supplies. However, contracting offices and purchase card holders must use DHS-wide Blanket Purchase Agreements (BPAs) for office supplies. When purchasing office supplies under these BPAs, contracting offices and purchase card holders may seek further price reductions from the BPA vendor(s) considered to offer the best value to the Coast Guard. Additional information on these BPAs (ordering guidance, vendor points of contact, etc.) may be found on the DHS Strategic Sourcing Portal at <http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/oss/Pages/StrategicSourcing.aspx>.

(c) When acquiring information technology (IT) requirements, Contracting Officers are required to first consider satisfying their needs from or through the Enterprise Acquisition Gateway for Leading-Edge Solutions (EAGLE) contract for services and the FirstSource contract for supplies. Additional information for both of these IDIQ contracts is available on the [DHS Strategic Sourcing \(SS\) Portal](#). DHS shall review and approve all IT acquisitions of \$2.5M or more. This includes any IT elements(s) of \$2.5M or above that may be contained within a “non-IT” acquisition. CGAP Subchapter 3039 and [COMDTINST 5230.77 \(series\)](#) provide further guidance on the Acquisition of Information Technology.

(d) When acquiring new black and white multi-function equipment (e.g., copiers) and associated maintenance services, Contracting Officers shall use the DHS-wide contracts, link identified at CGAP Subchapter 3008.000-90(a), above, to the maximum extent practicable, considering the particular need in terms of function/performance required, time of delivery or performance, etc.

(1) Coast Guard units and commands not located in the continental United States, District of Columbia, Alaska, or Hawaii, and all vessels, cutters and boats (non-shore units), are not required to use the DHS-wide contracts for multi-function equipment.

(2) Sources other than the DHS copier contracts may be used for acquiring copiers or copier services provided that the particular need cannot be met by one of the

DHS copier contracts. In order to be exempt from using a DHS copier contract a Coast Guard element requiring equipment not covered by such a contract must submit to Commandant (CG-842), the Coast Guard's representative on DHS' Commodity Council, [DHS Form 511, Request for a Copier](#). All copier requests require submission of [DHS Form 511](#). Commandant (CG-842) will review the [DHS Form 511](#) and will determine whether to approve the Request. If the Request is approved the requiring element may proceed by submitting a properly funded Purchase Request and the [DHS Form 511](#) to the Contracting Officer. The Contracting Officer shall include in the contract file documentation supporting why another source is more advantageous in meeting the requisitioner's needs.

CGAP SUBCHAPTER 3008.002-90 Priorities for use of Government supply sources.

(a) Policies and procedures are set forth in [COMDTINST M4400.19 \(series\), Supply Policy and Procedures Manual \(SPPM\)](#), of the Office of Logistics (Commandant (CG-44)).

CGAP SUBCHAPTER 3008.1 EXCESS PERSONAL PROPERTY

CGAP SUBCHAPTER 3008.101 Definition

(RESERVED)

CGAP SUBCHAPTER 3008.102 Policy

Policies and procedures concerning the use of excess personal property are set forth in [DHS Management Directive 0565, Personal Property Management Directive](#), and the [Property Management Manual, COMDTINST M4500.5 \(series\)](#). All excess personal property determinations previously performed by the Office of Financial Policy and Systems, Division of Internal Control and Asset Management (Commandant (CG-842)) are now processed directly by DHS.

CGAP SUBCHAPTER 3008.4 FEDERAL SUPPLY SCHEDULES

CGAP SUBCHAPTER 3008.405 Ordering procedures for federal supply schedules.

While the amount and content of supporting documentation within contract files will vary with the nature and complexity of a particular procurement, Contracting Officers must ensure that all contract files include appropriate documentation supporting the basis for all contract award decisions subject to [FAR Subpart 8.4](#). In addition to the minimum requirements of [FAR 8.405-1\(e\)](#) and [8.405-2\(e\)](#), each contract file must clearly support the Government's acquisition strategy, its process for conduction communications/discussions with offerors, the results thereof, and any other considerations or decisions necessary to fully understand the relevant issues and outcomes of a particular procurement.

CGAP SUBCHAPTER 3008.405-6 Limited sources justification and approval.

(a)(2) When an order for a Federal Supply Schedule (FSS) item contains brand name specifications, ordering activities and ordering officials shall coordinate the written justification or documentation required with the ordering activity Contracting Officer for further processing and approval as indicated in Subchapter (h), below. The ordering activity Contracting Officer for the action shall ensure that the request for quotation (RFQ) is posted with the approved brand name justification or documentation in “e-Buy” as required by [FAR 8.402\(d\)](#) and [8.405-6](#).

(h) The justification and approval for the use of brand names and limited sources for FSS, as described in [FAR Subsection 8.405-6](#), shall be submitted using the procedures outlined in CGAP Subchapters 3006.303-2, and 3006.304, and the format set forth in Enclosure (5), Sample Limited Source Justification (FAR Part 8).

CGAP SUBCHAPTER 3008.7 ACQUISITION FROM NONPROFIT AGENCIES EMPLOYING PEOPLE WHO ARE BLIND OR SEVERELY DISABLED

CGAP SUBCHAPTER 3008.702-90 Contracting opportunities for AbilityOne (formerly JWOD) participating nonprofit agencies employing people who are blind or severely disabled.

(a) Scope. This Subchapter provides policies and procedures to support Public Law 92-28, the Javits-Wagner-O’Day (JWOD) Act. The program implementing the Act provides employment opportunities for people who are blind or have other severe disabilities in the manufacture and delivery of products and services to the Federal Government. The President’s Committee for Purchase from the Blind and Other Severely Disabled (CPBOSD) has designated two Central Nonprofit Agencies (CNAs), National Industries for the Blind (NIB) and National Industries for the Severely Handicapped (NISH), serving people with a wide range of disabilities, to provide technical and financial assistance to qualified nonprofit agencies nationwide. These qualified nonprofit agencies employ the blind or severely disabled in the fulfillment of product and service requirements deemed suitable by the Committee and placed on its Procurement List.

(b) Policy. As required by [FAR 7.105\(b\)](#) and [FAR 8.002](#), Contracting Officers shall first satisfy their needs from and through required Government supply sources, which includes CPBOSD’s procurement lists of supplies/services available at: <http://www.abilityone.gov/index.html>. In supporting the JWOD Act, Contracting Officers shall respond promptly to requests from AbilityOne agencies for procurement data.

(c) The Office of Procurement Policy and Oversight (Commandant (CG-913)) is responsible for implementing the AbilityOne Program for the U.S. Coast Guard.

CGAP SUBCHAPTER 3008.8 ACQUISITION OF PRINTING AND RELATED SUPPLIES

CGAP SUBCHAPTER 3008.802 Policy

(a) Policies and procedures for the purchase of printing-related services are set forth in [COMDTINST M4200.13 \(series\)](#), [Simplified Acquisition Procedures Handbook](#), and [COMDTINST M5600.6 \(series\)](#), [Printing and Binding Regulations](#) published by the Office of Information Management (Commandant (CG-612)).

CGAP SUBCHAPTER 3008-870 Acquisition of DHS employee business cards.

(a) Coast Guard policy and procedures on the purchase of employee business cards are set forth in the [Financial Resource Management Manual \(FRMM\)](#), [COMDTINST M7100.3 \(series\)](#), the [Simplified Acquisition Procedures Handbook](#), [COMDTINST M4200.13 \(series\)](#), and [DHS Management Directive 0570, Acquisition of Department of Homeland Security Employee Business Cards](#).

CGAP SUBCHAPTER 3008.11 LEASING OF MOTOR VEHICLES

CGAP SUBCHAPTER 3008.1100 Scope of subchapter.

Coast Guard policies and procedures for the purchase and leasing of motor vehicles are set forth in the [Motor Vehicle Manual](#), [COMDTINST M11240.9 \(series\)](#) and [Simplified Acquisition Procedures Handbook](#), [COMDTINST M4200.13 \(series\)](#). Pursuant to [COMDTINST M11240.9](#), all procurement requests for passenger vehicles submitted to Contracting Officers shall contain an authorization approval from Commandant (CG-43).

CGAP SUBCHAPTER 3008.1102 Presolicitation requirements.

CGAP SUBCHAPTER 3008.1102-90 Prior approval of vehicle purchases and leases.

(a) Annual Coast Guard Appropriations Acts limit the number of passenger vehicles that can be purchased each fiscal year. For purposes of these laws a purchase includes the outright buying of vehicles, property transfers from another Government entity (e.g. General Services Administration excess property or the Defense Reutilization Management Office (DRMO)), and all commercial leases/rentals of 60 days or more.

(b) The only type of acquisition not included in this legal restriction is a GSA Fleet Lease (a/k/a Interagency Fleet Lease). Interagency Fleet Leases also include Category I MIPRs and other agreements that provide vehicle services or loans from another government agency (such as the Navy) without transfer of property to the Coast Guard inventory. MIPRs must specify "Category I" in the text and funding must be transferred to the other government agency (use of an Other Government Agency contract does not constitute an Interagency Fleet Lease).

(c) Purchase by the Coast Guard of passenger vehicles in excess of the total number permitted by law in a given fiscal year is a violation of the Anti Deficiency Act. In order to prevent such purchases from creating Anti Deficiency Act violations, all planned acquisitions of passenger vehicles must receive the prior approval of Commandant (CG-43) before Coast Guard funds can be committed for this purpose. Passenger vehicle acquisitions are for replacement of owned or commercially leased vehicles currently in the Coast Guard inventory. Acquisition of

one passenger vehicle without the retirement of one passenger vehicle will create an immediate Anti Deficiency Act violation.

CGAP CHAPTER 3009 CONTRACTOR QUALIFICATIONS**CGAP SUBCHAPTER 3009.1 RESPONSIBLE PROSPECTIVE CONTRACTORS****CGAP SUBCHAPTER 3009.104 Standards****CGAP SUBCHAPTER 3009.104-6 Federal awardee performance and integrity information system.****CGAP SUBCHAPTER 3009.104-690 Certification regarding debarment, suspension, proposed debarment, and other responsibility matters.**

COCOs shall notify Commandant (CG-913) when an offeror, in compliance with the provision at [FAR 52.209-5, Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters](#), indicates an indictment, charge, conviction, or civil judgment. COCOs shall submit a copy of the offeror's certification for the provision at [FAR 52.209-5](#), the Contracting Officer's written determination of the offeror's responsibility, and legal counsel's concurrence to Commandant (CG-913) for coordination with the Coast Guard's debarring/suspending official.

CGAP SUBCHAPTER 3009.105-2 Determinations and documentation.

The Contracting Officer shall document within the Remarks section on Department of Homeland Security (DHS) [Form 700-12](#), Determination of Prospective Contractor Responsibility, whether or not the prospective contractor is in the web-based [Excluded Parties List System \(EPLS\)](#).

CGAP SUBCHAPTER 3009.2 QUALIFICATIONS REQUIREMENTS**CGAP SUBCHAPTER 3009.202 Policy**

Pursuant to [FAR Paragraphs 9.202\(a\), \(b\), \(e\)](#) and [HSAM Subchapter 3009.202](#) the Contracting Officer shall submit the required justification/waiver request to Commandant (CG-913) for coordination with the Coast Guard Competition Advocate and approval by the Head of the Contracting Activity (HCA) (Commandant (CG-91)).

CGAP SUBCHAPTER 3009.206 Acquisitions subject to qualification requirements.**CGAP SUBCHAPTER 3009.206-1 General**

(b) Pursuant to [FAR Paragraph 9.206-1\(b\)](#) and [HSAM Subchapter 3009.206-1\(b\)](#) the Contracting Officer shall submit the required determination to Commandant (CG-913) for coordination with the Coast Guard Competition Advocate and the HCA.

CGAP SUBCHAPTER 3009.4 DEBARMENT, SUSPENSION, AND INELIGIBILITY

CGAP SUBCHAPTER 3009.404 Excluded parties list system.

(RESERVED)

CGAP SUBCHAPTER 3009.405 Effect of listing.

CGAP SUBCHAPTER 3009.405-1 Continuation of current contracts.

The COCO shall prepare for HCA review and coordination the request for Chief Procurement Officer (CPO) determination so that it identifies the compelling reasons and adequately justifies the circumstances that constitute them as compelling.

CGAP SUBCHAPTER 3009.406 Debarment

CGAP SUBCHAPTER 3009.406-1 General

(c) The COCO shall submit a written justification through Commandant (CG-913) for HCA review and coordination that provides the compelling reasons to justify CPO approval of continued business dealings with a contractor that is debarred or proposed for debarment.

CGAP SUBCHAPTER 3009.406-3 Procedures

(a) Investigation and referral. The COCO shall prepare in coordination with the cognizant Senior Field Contracting Officer the investigation and referral report required by [HSAM 3009.406-3](#). Commandant (CG-0949) shall endorse the investigation and referral report required per [HSAM 3009.406-3](#) prior to the COCO submitting it through Commandant (CG-913) for review and consideration. When the report provides sufficient evidence to consider debarment, Commandant (CG-913) will prepare a memorandum that forwards the report to the Head of the Contracting Activity (HCA) (Commandant (CG-91)), the Coast Guard's debarring official, and provides background information, the basis for debarment, and a recommendation with regard to proposing debarment. If the debarring official approves a recommendation to propose debarment, a notice of proposed debarment shall be issued in accordance to [FAR 9.406-3\(c\)](#). The absence of an investigation, referral, or any information required by [HSAM 3009.406-3](#) to be in the report will not preclude the debarring official from making a finding that the administrative record contains sufficient evidence of one or more causes for debarment.

(b) Decision making process. Commandant (CG-913) will serve as custodian of the administrative record and will coordinate meetings or fact-finding proceedings and obtain additional information that will assist in and contribute to the decision making process.

(2) In any action not based upon a conviction or civil judgment, the debarring official will determine if the contractor's information and argument in opposition raises a genuine dispute over the material facts.

(i) Commandant (CG-913) will conduct or coordinate fact-finding proceedings within 45 days after receiving any information and argument in opposition that raises a genuine dispute over the material facts.

(c) Notice of proposal to debar. As the Coast Guard's debarring official, the HCA shall prepare and coordinate with legal counsel (Commandant (CG-0949)) a written notice of proposed debarment. Commandant (CG-0949) shall concur with the written notice prior to the debarring official signing it. Commandant (CG-913) will provide a copy of the signed notice to the COCO.

(4) The notice shall advise that if a contractor, or any named affiliate, decides to submit information and argument in person or through a representative, then any written material must be delivered to Commandant (CG-913) at least 5 working days prior to the presentation.

(d)(2)(i) Commandant (CG-913) will prepare the findings of fact memorandum for the debarring official.

(e) Notice of debarring official's decision. Commandant (CG-913) will distribute the copies of the debarring official decision to the offices required at [HSAM 3009.406-3\(e\)](#).

CGAP SUBCHAPTER 3009.407 Suspension

CGAP SUBCHAPTER 3009.407-1 General

(d) The COCO shall submit to Commandant (CG-913) a written justification for approval by the HCA, the Coast Guard's suspending official, providing the compelling reasons to justify continued business dealings with a suspended contractor.

CGAP SUBCHAPTER 3009.407-3 Procedures

(a) Investigation and referral. The investigation and referral report of a proposed suspension pursuant to [HSAM 3009.407-3](#) shall be endorsed by Commandant (G-0949) prior to the COCO submitting it to Commandant (CG-913) for review and consideration. When the COCO report provides sufficient evidence to consider suspension, Commandant (CG-913) will prepare a memorandum that forwards the report to the suspending official and provides background information, the basis for suspension, and a recommendation with regard to suspending. If the suspending official approves a recommendation to suspend, a notice of suspension shall be issued in accordance to [FAR 9.407-3\(c\)](#). The absence of an investigation, referral, or any information required by [HSAM 9.407-3](#) to be in the report will not preclude the suspending official from making a finding that the administrative record contains sufficient evidence of one or more causes for suspension.

(b) Decision making process. Commandant (CG-913) will serve as custodian of the administrative record and will coordinate meetings or fact-finding proceedings and obtain additional information that will assist in and contribute to the decision making process.

(2) In any action not based on an indictment, the suspending official will determine if the contractor's information and argument in opposition raises a genuine dispute over the material facts.

(i) Commandant (CG-913) will conduct or coordinate fact-finding proceedings within 45 days after receiving any information and argument in opposition that raises a genuine dispute over the material facts.

(c) Notice of suspension. Commandant (G-0949) shall concur with the written notice prior to the suspending official signing it; Commandant (CG-913) will provide a copy of the signed notice to the COCO.

(5) The notice shall advise that if a contractor, or any named affiliate, decides to submit information and argument in person or through a representative, then any written material must be delivered to Commandant (CG-913) at least 5 working days prior to the presentation.

(d) Suspending official's decision. Commandant (CG-913) will distribute the copies of the suspending official's decision to the offices required at [HSAM 3009.407-3\(e\)](#).

CGAP CHAPTER 3010 MARKET RESEARCH

CGAP SUBCHAPTER 3010.002 Procedures

(b)(2)(i) Technical and contracting personnel should contact the activity Small Business Specialist/Assistant Small Business Specialist (SBS/ASBS) who can assist in market research and the identification of potential small business sources. Results of the market research shall be summarized and submitted with [DHS Form 700-22, Small Business Review Form](#). (See CGAP Subchapter 3019.501(b).)

CGAP SUBCHAPTER 3010.002-90 Use of products on a trial basis.

Hardware and software vendors will often offer the Government use of their product(s) on a trial basis. Properly handled, these product demonstrations or "test drives" of a product are a good way to determine if a commercial or non-developmental item can satisfy Government requirements. Two problems typically arise under these product demonstrations. First, vendors often think that they have entered into an implicit agreement with the Government to buy the product if it works. Secondly, Government employees assume that a successful product demonstration is a justification to buy it from the vendor who offered it for a test. (The requirements of [FAR Part 6](#) relative to competition still apply). To avoid these problems, enter into a written licensing agreement with the vendor to address the trial use of its products. Use the Sample Licensing Agreement in [Appendix A](#) as a format in such situations; and prior to signing such an agreement obtain legal review. For trials of larger, unlicensed type items, similar terms may be used in a "bailment" agreement. Drafting assistance from the requiring unit's local servicing legal office is recommended.

This page is intentionally left blank

CGAP CHAPTER 3011 DESCRIBING AGENCY NEEDS

CGAP SUBCHAPTER 3011.002 Policy

(b) See [COMDTINST 5711.2 \(series\)](#), CG Transition to the Metric System, for the Coast Guard's requirements regarding metrics.

(c) Customers (program offices, requiring activities, etc.) are responsible for determining the sensitivity of their requirements documents (for example, specifications, standards, related drawing and diagrams, schedules, etc.) for the purpose of posting these documents on the Internet (See [FAR 5.102](#)). Procurement request packages shall indicate those requirements documents that are sensitive; lack of any such indication presumes the documents to be not sensitive in nature. Contracting Officers will safeguard sensitive procurement related information in a manner commensurate with the sensitivity indicated by the customer.

CGAP SUBCHAPTER 3011.5 LIQUIDATED DAMAGES

CGAP SUBCHAPTER 3011.502 Procedures

If a liquidated damages clause is to be used in a contract, the Contracting Officer shall document the contract file addressing the reasons for including a liquidated damages clause and the basis for determining the rate of liquidated damages. The Contracting Officer should obtain the advice of legal counsel. See CGAP Subchapter 3014.201-91 for liquidated damages under ship repair contracts.

CGAP SUBCHAPTER 3011.6 PRIORITIES AND ALLOCATIONS

CGAP SUBCHAPTER 3011.603 Procedures

(e) and (f) The Contracting Officer shall contact Commandant (CG-913) immediately upon identifying a need to assign a DX rating to any document, and prior to any such assignment. The website for the Defense Priorities Allocations System is <http://www.bis.doc.gov/dpas/> or <http://guidebook.dcma.mil/38/dpas.htm>.

(g) The designated point of contact to assist contracting offices with requests for Special Priorities Assistance (SPA) is Office of Procurement Policy and Oversight (Commandant (CG-913)). Upon receipt of a [Form BIS-999, Request for Special Priorities and Assistance](#), the Contracting Officer shall ensure that it is complete and the information on it is accurate. If the Contracting Officer cannot resolve the request for assistance, the Contracting Officer shall forward the completed package to Commandant (CG-913) for further action.

(h) The Contracting Officer shall provide a written report of any violations of the Defense Priorities and Allocations System (DPAS) to Commandant (CG-913) for review and forwarding to the Department of Commerce.

CGAP CHAPTER 3012
ACQUISITION OF COMMERCIAL ITEMS
(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3013 SIMPLIFIED ACQUISITION PROCEDURES

CGAP SUBCHAPTER 3013.000 Scope of subchapter.

The Coast Guard [Simplified Acquisition Procedures Handbook, COMDTINST M4200.13 \(series\)](#), prescribes policies, procedures, and provides guidance for the acquisition of supplies, services, and construction when the aggregate value of the acquisition is below the Simplified Acquisition Threshold. Copies of this manual may be ordered per the instructions in the [Directives, Publications, Reports Index \(DPRI\), COMDTNOTE 5600](#). [COMDTINST M4200.13 \(series\)](#) is also available in electronic format on the Coast Guard's Directives and Publications Division (Commandant (CG-612)) website (<http://www.uscg.mil/directives/cim.asp>), and the U.S. Coast Guard Directives System web page (<http://cgweb2.comdt.uscg.mil/CGDirectives/Welcome.htm>) For those contracting offices with simplified acquisition procedure authority, the reporting requirements required for all awards and modifications are listed at CGAP Subchapter 3004.603.

CGAP SUBCHAPTER 3013.003 Policy

(h)(4) When acquiring training services or advance education programs, either a designated training officer or a Contracting Officer will process the requirement according to the following procedures.

(i) For training services or advanced education programs below the Simplified Acquisition Threshold (SAT) that are commercial off-the-shelf (COTS) and of a fixed price nature, a training officer, properly trained and delegated the authority by the local servicing procurement office, may use [Standard Form \(SF\) 182, Authorization, Agreement and Certification of Training](#), to procure the services.

(ii) For advanced degree programs where the Coast Guard does not control the course content, a training officer may use the [SF-182](#) to pay for each semester the employee is enrolled, assuming the dollar threshold is within the training officer's delegated authority, and the cost is only for tuition (e.g., no travel). Otherwise, if the educational institution requires their advance degree programs to be obligated and paid in aggregate, then a Contracting Officer is required to award a contract accordingly. The [SF-182](#) is not authorized. In such circumstances, the Contracting Officer may limit competition and submit a justification for approval in accordance with the [Federal Acquisition Regulation \(FAR\)](#) and CGAP Subchapter 3006.303-2.

(iii) For training services that are either over the SAT, not COTS, or the Coast Guard has control over the course content, a Contracting Officer shall comply with the procedures in the [FAR](#). In this case, [SF-182](#) is not authorized.

CGAP SUBCHAPTER 3013.5 TEST PROGRAM FOR CERTAIN COMMERCIAL

ITEMS

CGAP SUBCHAPTER 3013.501 Special documentation requirements.

(a)(2)(ii) The approval levels for sole source justifications under [FAR 13.501\(a\)\(2\)\(ii\)](#) are the same as those detailed in CGAP Subchapter 3006.304(a).

CGAP CHAPTER 3014 SEALED BIDDING**CGAP SUBCHAPTER 3014.2 SOLICITATION OF BIDS****CGAP SUBCHAPTER 3014.201 Preparation of invitations for bids.****CGAP SUBCHAPTER 3014.201-8 Price related factors.****CGAP SUBCHAPTER 3014.201-890 Price related factors in the award of vessel repair contracts.**

(a) Foreseeable costs in connection with the differences of shipyard locations in the award of any vessel repair contract conducted away from the vessel's home pier shall be evaluated in all solicitations for contracts exceeding \$100,000. At the Contracting Officer's discretion, all or part of the following list of commonly occurring foreseeable costs shall be evaluated, if applicable, based on the circumstances of each acquisition:

- (1) Travel and per diem.
- (2) Berthing and/or messing shipboard personnel.
- (3) Minimal messing facilities as a contractual requirement.
- (4) Family Separation allowance, U.S. Coast Guard Pay Manual, , Chapter 3, Section G.
- (5) Transportation during repairs away from homeport (Joint Federal Travel Regulations, Chapter 5, Part C, paragraph U5222 and Chapter 7, Part F1, paragraph U7115).
- (6) Costs related to moving vessels. Operating costs shall be included in all solicitations where work will not be accomplished at the vessel's home pier. For vessels 65' in length or greater with a dedicated crew, use the standard rates posted at the following Commandant (CG-832) link: <http://cgweb.comdt.uscg.mil/CG8/CG83/CG832/SCT/Index.htm>. For those vessels that do not have a standard rate, the Contracting Officer shall develop a rate for movement of the vessel, which includes at a minimum the cost of fuel. Personnel crew cost is excluded. Documentation in the evaluation of foreseeable cost shall reference each different geographical area (city and state) in which solicited contractors are located. Documentation shall also identify the basis for the foreseeable costs. Mileage shall be calculated in accordance with applicable unit Standard Operating Procedures (SOPs). Any deviation from approved SOPs shall be approved by the Head of the Contracting Activity (HCA) Commandant (CG-91) in advance of any solicitation being issued.

(b) Contracting Officers shall include the following provisions under Sections K and M, respectively, in certain commercial vessel repair solicitations meeting the threshold in subparagraph (a) of this Subchapter:

LOCATION OF OFFEROR'S COMMERCIAL SHIPYARD

In order for the Contracting Officer to evaluate certain foreseeable costs to the Coast Guard that will vary with the location of the commercial shipyard to be used by the offeror as further defined in Section M, Evaluation Factors for Award, the offeror is required to provide in the space below the exact location of the shipyard to be used to perform the services required under this solicitation. The offeror is cautioned that its failure to provide the location of its commercial shipyard in the space provided above may result in its bid being declared nonresponsive under the provisions of an Invitation for Bids or its proposal being declared deficient under the terms of a Request for Proposal.

(End of provision)

FORESEEABLE COST FACTORS PERTAINING TO DIFFERENT SHIPYARD LOCATIONS

In addition to other evaluation factors for award that may be listed in this solicitation, the Contracting Officer will evaluate certain foreseeable costs to the Coast Guard that will vary with the location of the commercial shipyard to be used by offerors. Costs will be calculated based on the offeror's shipyard location and these costs will be added, for the purposes of evaluation only, to the offeror's overall bid price or price proposal. These elements of foreseeable costs consist of the following: (Contracting Officer shall list those applicable foreseeable cost elements as detailed under CGAP 3014.201-890, in addition to any others that may apply to the acquisition).

(End of provision)

CGAP SUBCHAPTER 3014.201-90 Contingent items for ship repair.

The inclusion of contingent line items in solicitations for ship repair is prohibited.

CGAP SUBCHAPTER 3014.201-91 Liquidated damages for ship repair.

Prior to including a liquidated damages clause for damages in excess of \$500 per day in any solicitation or contract for ship repair, the Contracting Officer shall obtain local legal counsel approval of the amount and specific method of determining such amount.

CGAP SUBCHAPTER 3014.201-92 Prohibition on foreign ship repair for ships home ported in the United States.

Any overhaul, repair, or maintenance of a Coast Guard vessel, the homeport of which is in a state of the United States, shall be accomplished within the United States. However, an exception for emergency voyage repairs outside the United States may be permitted if approved in advance by the HCA. In such a case, the appropriate COCO shall submit the written justification for a determination that there are compelling reasons permitting performance of emergency voyage repairs outside the United States to the HCA (Commandant (CG-91)).

CGAP SUBCHAPTER 3014.213-90 Annual submission of representations and certifications.

(a) Contracting Officers are authorized to use annual representations and certifications submission procedures for sealed bidding provided that the requirements of subparagraph (b) below are met.

(b) The COCO shall establish procedures and assign responsibility for centrally requesting, receiving, storing, verifying and updating offerors' annual representations and certifications, if any.

CGAP SUBCHAPTER 3014.290 Geographical restriction for vessel repair contracts.

(a) Solicitations (Invitations for Bids (IFBs) and Requests for Proposals (RFPs)) may require that contract performance be restricted to a specific geographical area when the Contracting Officer determines in writing that adequate competition exists (two or more responsive, responsible offerors), or when a Justification and Approval for Other Than Full and Open Competition (J&A) supporting the decision to award a contract on a sole source basis is prepared and approved, and one of the following conditions is satisfied:

(1) The Commander with operational control of the vessel determines in writing that such a restriction is necessary, with respect to the instant availability, to allow the vessel to meet its operational requirements as promulgated by Cutter Employment Standards, [COMDTINST 3100.5 \(series\)](#);

(2) The Commander determines in writing that the physical condition of the vessel requires such a restriction for safety reasons;

(3) The Commander with operational control of the vessel determines in writing that such a restriction is necessary, with respect to the instant availability, because of specific mission requirements, and describes the requirements in detail; or

(4) The Commander determines, in writing, that one or more class restrictions are necessary for one or more of the reasons in (a)(1), (a)(2), and/or (a)(3) above. Any such class restriction shall be revalidated at least annually.

(b) A copy of any such class restriction shall be forwarded to the HQ Procuring Activity Competition Advocate (Commandant (CG-9131)).

(c) The Contracting Officer shall insure that the file contains the proper documentation prior to publicizing or issuing any solicitation restricting performance to a specific geographical area.

CGAP SUBCHAPTER 3014.4 OPENING OF BIDS AND AWARD OF CONTRACT**CGAP SUBCHAPTER 3014.401 Receipt and safeguarding of bids.**

(a) Contracting Officers shall properly identify and deposit unopened bids in the bid box. Bid envelopes received by mail shall be time-stamped and checked for identification prior to deposit in the bid box. Bid samples should receive the same degree of security as bids, and accounted for by the maintenance of local records. Bid samples shall not be given away, loaned, diverted, or used for any purpose other than that intended.

CGAP SUBCHAPTER 3014.407 Mistakes in bids.

CGAP SUBCHAPTER 3014.407-3 Other mistakes disclosed before award.

(i) The Contracting Officer shall coordinate with the appropriate legal office before submitting doubtful cases to the Comptroller General for an advance decision.

CGAP SUBCHAPTER 3014.407-4 Mistakes after award.

(b) The determination authorized under this subsection shall be in writing, signed by the Contracting Officer, and included in the contract file.

(d) The coordination of the determination made under this subsection shall be conducted in accordance with Coast Guard procedures implementing [\(FAR\) 48 CFR 1.700](#). Evidence of legal counsel coordination shall also be included in the contract file

(e) The Contracting Officer shall follow procedures in CGAP Subchapter 3033.2 upon a contractor's appeal to any contracting office's final decision that denies the adjustment or entitlement after contract award.

CGAP SUBCHAPTER 3014.408 Award

CGAP SUBCHAPTER 3014.408-2 Responsible bidder--reasonableness of price.

(a) The determination required by this subsection shall be in writing and included in the contract file.

CGAP SUBCHAPTER 3014.409 Information to bidders.

CGAP SUBCHAPTER 3014.409-2 Award of classified contracts.

Disposition actions for classified information furnished or created in connection with a solicitation shall be in accordance with the National Industrial Program (See [\(FAR\) 48 CFR 4.4](#)).

CGAP SUBCHAPTER 3014.470 Revalidation of requirements.

If a procurement action has been in process for over 1 year from the date an adequate procurement request was received, the Contracting Officer shall revalidate the request to ensure a

valid requirement still exists before the bid opening date. The revalidation shall be documented in the contract file.

This page is intentionally left blank

CGAP CHAPTER 3015 CONTRACTING BY NEGOTIATION**CGAP SUBCHAPTER 3015.2 SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION****CGAP SUBCHAPTER 3015.201-90 Exchange with industry before receipt of proposals.**

Any changes to a solicitation resulting from a preproposal conference must be specifically addressed in an amendment to the solicitation. While all prospective offerors should receive a copy of the minutes of the preproposal conference, the minutes shall not be used as a means to amend the solicitation.

CGAP SUBCHAPTER 3015.204 Contract format.**CGAP SUBCHAPTER 3015.204-1 Uniform contract format.****CGAP SUBCHAPTER 3015.204-2 Part I—the schedule.****CGAP SUBCHAPTER 3015.204-290 Identification of real and personal property assets.**

(a) Real or personal property is defined as tangible assets that have an estimated useful life of two or more years; are not intended for sale in the ordinary course of business; and are intended to be used by or be available to the entity.

(b) In accordance with Paragraphs 9.A. and 9.B.3.e.2 of the [Financial Resources Management Manual \(FRMM\)](#), [COMDTINST M7100.3\(series\)](#), the Contracting Officer shall ensure that all solicitations and contracts for the procurement of real or personal property assets identify separate contract line numbers (CLINs), with separate accounting information, whenever the contract will procure different types of real or personal property assets under the same procurement instrument, i.e., each type of real or personal property asset procured will have a unique funding source.

(c) In order to ensure effective capitalization of developed and delivered assets, it is Coast Guard policy that all Statements of Work (SOWs) for the procurement of real or personal property assets must clearly identify each real or personal property asset to be procured.

CGAP SUBCHAPTER 3015.3 SOURCE SELECTION**CGAP SUBCHAPTER 3015.300 Scope of subchapter.**

The DHS [Practical Guide to Source Selection](#) is the current guidance within the Coast Guard for source selection procedures, and should be used as applicable during the source selection process. While use of this Guide is not mandatory, the more formalized procedures addressed in the Guide (e.g., use of a Source Selection Advisory Council) should be consulted for source selections over \$50 million. Users should also note that the various elements of the Guide can be tailored to meet specific acquisition objectives.

The [Source Selection Guide](http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/paw/Pages/AcquisitionPolicyLegislation(APL).aspx) is available on the DHS Acquisition Policy and Legislation (APL) website at:
[http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/paw/Pages/AcquisitionPolicyLegislation\(APL\).aspx](http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/paw/Pages/AcquisitionPolicyLegislation(APL).aspx).

CGAP SUBCHAPTER 3015.303 Responsibilities

(a) For acquisitions that are specifically designated as a major system acquisition, the Head of the Contracting Activity (HCA) is designated the source selection authority. On a case-by-case basis, the HCA may appoint another individual as the source selection authority for a particular major system acquisition.

CGAP SUBCHAPTER 3015.304 Evaluation factors and significant subfactors.

(d) The relative importance of evaluation factors and subfactors is usually established by comparative descriptions, order of importance, adjectival ratings, or a combination of these. Establishing numerical weights (e.g., past performance–50%; personnel qualifications–30%; price–20%) to define the relative importance of the evaluation factors shall not be utilized in the solicitation or in the comparative trade-off analysis. Instead, the relative weights or importance of the criteria must be expressed in terms of comparative descriptions to convey the relative importance of the evaluation factors and subfactors. For example:

Past Performance is the most important evaluation factor.

Personnel Qualifications are less important than Past Performance.

Price is slightly less important than Personnel Qualifications.

Or:

“The following technical evaluation criteria shall be evaluated in descending order of importance: (a) Technical Approach, (b) Personnel ...”

Methods that rate or score cost or price and combine it with ratings or assessments for other evaluation factors are prohibited; that is, cost or price shall not be rated or scored.

(1) Rating Method. Numerical rating methods are prohibited for rating or scoring proposals.

CGAP SUBCHAPTER 3015.306 Exchanges with offerors after receipt of proposals.

(a) The Source Selection Authority shall concur with and endorse an award without discussions if appropriate.

(c) The Source Selection Authority shall concur with and endorse the competitive range determination, or any decision to eliminate an offeror's proposal from the competitive range.

CGAP SUBCHAPTER 3015.4 CONTRACT PRICING

CGAP SUBCHAPTER 3015.403 Obtaining cost or pricing data.

CGAP SUBCHAPTER 3015.403-4 Requiring cost or pricing data (10U.S.C. 2306a and 41U.S.C. 254b).

When determining whether or not to require cost or pricing data, the estimated amount of options shall be included when calculating the total estimated amount of a proposed action.

CGAP SUBCHAPTER 3015.403-570 Instructions for submission of cost or pricing data or information other than cost or pricing data.

(RESERVED)

CGAP SUBCHAPTER 3015.404 Proposal analysis.

CGAP SUBCHAPTER 3015.404-2 Information to support proposal analysis.

CGAP SUBCHAPTER 3015.404-290 Requesting and handling audits or other field pricing reports.

(a) Procedures for requesting and handling audits or other field pricing reports can be found at CGAP Subchapter 3042.101.

(b) Pursuant to the current Memorandum of Understanding (MOU) between the Defense Audit Agency (DCAA) and U. S. Department of Homeland Security Office of the Chief Procurement Officer (OCPO), Contracting Officers shall request audit services directly from the cognizant DCAA Office. When requesting DCAA audit services, Coast Guard contracting professionals shall follow the procedures outlined in the MOU. A copy of the MOU is incorporated at [HSAM Appendix U, Contract Audit Services Memorandum of Understanding](#). When requesting contract audit services the following procedures apply:

(1) For each audit report that is received, the Contracting Officer shall provide the applicable DCAA office a copy of the price negotiation memorandum promptly after contract award. If the contractor for which the audit was provided is not the awardee, the Contracting Officer shall notify DCAA in writing of this fact. The price negotiation memorandum and/or the notification serve as the basis for DCAA disposition of the audit findings.

(2) Copies of Audit Reports. Contracting Officers shall provide a copy of the audit report to OCPO for the following reviews:

(i) Contractor System Reviews (accounting system reviews, estimating system reviews, compensation reviews, etc.).

(ii) Audits of Compliance with Cost Accounting Standards-Audits of Cost Impact of Cost Accounting Standards (changes in cost accounting practice and/or non-compliances).

(iii) Defective Pricing Audits (Reviews for Compliance with the Truth in Negotiation Act TINA)).

CGAP SUBCHAPTER 3015.404-4 Profit

(b)(1)(ii) For awards (including modifications) valued over the Micro-purchase Threshold and less than the Simplified Acquisition Threshold, the structured approach at [HSAM 3015.404-4\(b\)](#) is not required for determining profit or fee prenegotiation objectives. However, the basis for determining profit or fee must be documented.

CGAP SUBCHAPTER 3015.406 Documentation

CGAP SUBCHAPTER 3015.406-170 Prenegotiation objectives.

(a) COCOs shall establish and maintain uniform methods for meeting the requirements in [FAR 15.406-1](#), and [HSAM 3015.406-170](#) for documenting prenegotiation objectives.

(b) Unless otherwise directed by the HCA (Commandant (CG-91)), the review and approval levels for Prenegotiation Memoranda within the Approving Authority's warrant limitations are as follows:

Value of Action	Approving Authority
Under \$1 Million	Contracting Officer
\$1 Million to Less Than \$10 Million	Supervisory Contracting Officer
\$10 Million to Less Than \$20 Million	Chief of the Contracting Office (COCO)
\$20 Million to Less Than \$50 Million	Commandant (CG-913)
\$50 Million and Over	Head of the Contracting Activity (HCA)

CGAP SUBCHAPTER 3015.406-370 Documenting the negotiation.

(a) For acquisitions (including modifications) at any value, the elements required for documenting the negotiation per [FAR 15.406-3](#) must be fully addressed and met.

(b) Unless otherwise directed by the HCA, the review and approval levels for Post Negotiation Memoranda within the Approving Authority's warrant limitations are the same as set forth in Subchapter 3015.405-170, above, for Pre-negotiation Objectives.

CGAP SUBCHAPTER 3015.6 UNSOLICITED PROPOSALS**CGAP SUBCHAPTER 3015.604 Agency points of contact.**

(a) The COCO shall establish preliminary Points of Contact (POC) that are responsible for disseminating the information identified at [FAR 15.604\(a\)](#).

CGAP SUBCHAPTER 3015.606 Agency procedures.

(a) The COCO shall maintain a procedure for receiving, handling, evaluating, and disposing of unsolicited proposals. This procedure shall track each unsolicited proposal received and processed.

(b) The COCO is designated as the point of contact within the contracting office that is responsible for ensuring proper receipt, handling, evaluation and timely disposition of unsolicited proposals.

(c) Information received from a submitter that states it is an unsolicited proposal, or otherwise appears to be an unsolicited proposal as defined in [FAR 15.603](#), shall not be copied or retained by anyone other than the designated point of contact within the COCO.

(1) If the material is received in hardcopy, all materials shall be forwarded, which shall include the original packaging showing the date the information was sent by the submitter, the addressee, and the date it was received by the addressee.

(2) If the material is received in electronic format via email, the recipient shall forward the electronic copy to the designated POC.

(3) Whether submitted in hardcopy or electronically, the unsolicited proposal recipient(s) shall treat the material as proprietary in accordance with [FAR 15.608](#) and not disclose restrictively marked information contained therein (See [FAR 3.104](#) and [15.609](#)).

(d) Marketing or advertising materials, product catalogs, or commercial item offers submitted either on the initiative of a vendor or at the request of an employee conducting market research are not unsolicited proposals.

CGAP SUBCHAPTER 3015.606-1 Receipt and initial review.

(a) Within seven (7) calendar days of receipt of an unsolicited proposal, the designated agency point of contact will conduct an initial review in accordance with [FAR 15.606-1\(a\)](#) to determine if it is a valid proposal.

(b) Within three (3) calendar days after the initial review completion, the POC must advise the submitter of rejection with reasons, or acceptance with a general timeframe for completing a comprehensive evaluation in accordance with [FAR 15.606-2](#).

(c) Within sixty (60) calendar days of receipt of a valid proposal, a comprehensive evaluation shall be completed by the responsible Coast Guard program office. The POC must advise the submitter of rejection with reasons, or tentative acceptance of the proposal with a timeline for contract negotiations.

CGAP SUBCHAPTER 3015.606-2 Evaluations

(a) When the comprehensive evaluation is complete, the evaluators shall prepare an evaluation report that documents their findings with respect to the factors at [FAR 15.606-2\(a\)](#). Additionally, the evaluation report must address the availability of the supplies or services from other sources, the need for the proposed supplies or services, the availability of funds, and any other factor(s) deemed appropriate by the contracting office.

CGAP SUBCHAPTER 3015.607 Criteria for acceptance and negotiation of an unsolicited proposal.

(a) A favorable comprehensive evaluation of an unsolicited proposal does not necessarily justify awarding a contract without providing for full and open competition.

(b) Based on the evaluation results, which typically includes input from the program office, Point of Contact and team members, the Contracting Officer should proceed with negotiations, or reject and notify the submitter with the reasons for rejection.

(c) The Contracting Officer may commence with negotiations on a sole source basis only when the requirements of [FAR 15.607\(b\)](#) are met. The Contracting Officer must ensure compliance with all applicable procurement laws and regulations.

(d) The responsible program office must ensure funds are available and committed, and an approved requisition is provided to the Contracting Officer.

CGAP CHAPTER 3016 TYPES OF CONTRACTS**CGAP SUBCHAPTER 3016.5 INDEFINITE DELIVERY CONTRACTS****CGAP SUBCHAPTER 3016.505 Ordering**

(b)(5) Decision Documentation for Orders. When awarding task orders and delivery orders under multiple award contracts contract files must be documented to support the basis for any exception to the Fair Opportunity Process ([FAR 16.505\(b\)\(1\)](#)) authorized by [FAR 16.505\(b\)\(2\)](#). Prior approval for such exceptions shall be obtained as follows:

<u>Value of Task Order/Delivery Order</u>	<u>Authorized Approving Official</u>
\$650,000 or Less	Contracting Officer
Over \$650,000 to \$12,500,000	Chief of the Contracting Office (COCO)
Over \$12,500,000	U.S. Coast Guard Competition Advocate

(b)(6) Task-Order and Delivery-Order Ombudsman. The Headquarters Procuring Activity Competition Advocate (Commandant (CG-9131)) is the Coast Guard's Task-Order and Delivery-Order Ombudsman.

This page is intentionally left blank

CGAP CHAPTER 3017 SPECIAL CONTRACTING METHODS**CGAP SUBCHAPTER 3017.1 MULTI-YEAR CONTRACTING****CGAP SUBCHAPTER 3017.105 Policy****CGAP SUBCHAPTER 3017.105-1 Uses**

(b) Each approval request must address paragraphs (1) through (5) at [FAR 17.105-1\(b\)](#). All proposed multi-year initiatives shall be coordinated between Commandant (CG-8), Commandant (CG-9), and Commandant (CG-0949).

CGAP SUBCHAPTER 3017.2 OPTIONS**CGAP SUBCHAPTER 3017.204 Contracts**

(e) (1) (ii) While task or delivery order contracts exceeding the five year limitation of [HSAM Subchapter 3017.204\(e\)\(1\)\(i\)](#) may be necessary under certain circumstances, the Coast Guard must ensure that such contracts receive appropriate scrutiny, are fully justifiable, and their use is consistent with its ongoing responsibility to thoroughly plan and compete its requirements.

(A) Unless otherwise directed by the Head of the Contracting Activity (HCA) (Commandant (CG-91)), prior authorization by the HCA is required before the Contracting Officer may issue any task or delivery order solicitation, or exercise any option under any task or delivery order contract or contract modification issued pursuant to [10 U.S.C. 2304a](#) that will have the effect of extending the total period of contract performance beyond five years.

(B) To obtain HCA approval to exceed the five year limitation specified in [HSAM Subchapter 3017.204\(e\)\(1\)\(i\)](#) the Chief of the Contracting Office (COCO) shall submit a written request providing, at minimum, the following information:

(1) Solicitation/contract and Coast Guard elements covered by the request.

(2) Support for the need and reasonableness of a contract duration in excess of five years, considering such factors as:

- Results of market research
- Stability of the requirement(s)
- Benefits to the Government
- Use of a performance based contracting approach (as applicable)
- Customary commercial practice
- Mechanisms to adjust for economic fluctuations
- Methods for determining price reasonableness

(C) For all task or delivery order contracts over five years authorized by Subchapters 3017.204(e) (1)(ii) (A) and (B), above, the Contracting Officer shall submit for

approval by Commandant (CG-9131) the written Determination required by [FAR 17.207\(c\)](#), in the format shown in [Appendix B](#), prior to the exercise of any option extending the duration of the contract beyond five years.

(e)(1)(iii) The policy set forth in CGAP Subchapter 3017.204(e)(1)(ii), above, also applies to information technology task or delivery order solicitations and contracts.

CGAP SUBCHAPTER 3017.291 Options for re-procurement data.

Solicitations for the initial buy or subsequent buys for equipment or systems requiring spare parts, shall, at a minimum, contain optional provisions for acquiring re-procurement data to perform follow-on competitive acquisitions. If at any time during the acquisition cycle, a decision is made not to exercise an option for re-procurement data, a copy of that decision and supporting data shall be forwarded to the Coast Guard Competition Advocate, through the Office of Procurement Policy and Oversight (Commandant (CG-913)). The data should be submitted in time to allow for review and approval or disapproval before the date in which the option must be exercised expires. This requirement does not apply to acquisitions below the simplified acquisition threshold, purchases under Federal Supply Schedules, and purchases of equipment for which spare parts are available competitively in the open market.

CGAP SUBCHAPTER 3017.5 INTERAGENCY ACQUISITIONS UNDER THE ECONOMY ACT

3017.500 Scope of subchapter.

This Subchapter establishes Coast Guard policy and procedures to ensure the appropriate and consistent use of interagency acquisitions under the Economy Act (31 U.S.C. 1535), as prescribed by [FAR Subpart 17.5](#), [DHS Directive 125-02, Interagency Agreements](#), and [DHS Instruction 125-02-001, Instruction Guide on Interagency Agreements](#), apply to all Coast Guard interagency agreements as specified therein. In addition, the [Office of Federal Procurement Policy Guide, Interagency Acquisitions](#), is mandatory guidance applicable to all DHS components, especially for Assisted Acquisitions. This OFPP Guidance for Improving the Management and Use of Interagency Acquisitions is also available at: http://www.whitehouse.gov/omb/procurement/index_memo.html.

CGAP SUBCHAPTER 3017.501 Definition

“Contracting Officer” as used in this Subchapter, means a Coast Guard warranted Contracting Officer.

“Interservice Support Agreement (ISSA),” “Memorandum of Understanding (MOU),” “Memorandum of Agreement (MOA),” “Interagency Agreements (IAA),” and “Military Interdepartmental Purchase Request (MIPR)” are legal instruments used to support interagency acquisitions under the Economy Act and other statutory authority. These legal instruments must be signed by a Contracting Officer—

(1) Whether or not the Coast Guard is the requesting agency or the servicing agency; and

(2) Whenever an exchange of funds or property is expected during the effective period, even when such an exchange does not occur at the time the instrument is initially executed.

A Contracting Officer also must sign legal instruments that encompass a contingent liability, such as damage to bailed property.

The Contracting Officer signing the instrument shall have the signature authority that meets or exceeds the estimate/dollar amount of the legal instrument involved.

The following transactions are not subject to the FAR and do not require the approval/signature of a warranted Contracting Officer: leases, utility payments under host/tenant agreements, host/tenant agreements or other related support agreements, and any real estate transaction effected under the Federal Property Management Regulations or the Uniform Relocation Assistance and Real Property Acquisition Regulations.

CGAP SUBCHAPTER 3017.502 General

(a) Specific policies and procedures regarding Interagency Agreements are set forth in [DHS Directive Number 125-02](#) and companion [DHS Instruction Number 125-02-001](#).

(c) [COMDTINST 5224.3 \(series\), Performance of Commercial Activities](#), contains Coast Guard guidance with respect to OMB Circular A-76 and the use of Interservice Support Agreements (ISSA's).

CGAP SUBCHAPTER 3017.502-90 Continuing resolutions and annual apportionments.

(a) During a Continuing Resolution or annual apportionment period, the Availability of Funds clause ([FAR 52.232-18](#)) cannot be applied to Category I and II MIPRs for new initiatives. However, Category I and Category II MIPRs may be funded prior to apportionment, for continuation of ongoing mission critical functions, up to the amount of funds available if the MIPR (Category I and Category II) meets the following criteria:

(1) The Contracting Officer obtains written assurance from a responsible fiscal authority that adequate funds are available--an approved Purchase Request is sufficient; and

(2) The MIPR agreement includes [FAR Clause 52.232-18, Availability of Funds](#), in the contract in accordance with [FAR 32.703-2](#).

(b) Once funds apportionment is completed, the Contracting Officer shall issue a MIPR modification to fund the remaining periods of performance.

CGAP SUBCHAPTER 3017.503 Determinations and findings requirements.

The determination shall be prepared in the format shown in [DHS Instruction Number 125-02-001, Instruction Guide on Interagency Agreements](#).

CGAP SUBCHAPTER 3017.504-90 Ordering procedures.

(a) An interagency acquisition is defined as a procedure by which an agency (the requesting agency) obtains supplies or services from another agency (the servicing agency). A Military Interdepartmental Purchase Request (MIPR) normally accomplishes interagency acquisitions for the Coast Guard. A [MIPR](#) is a document ([DD Form 448](#)) that is used to place an order for supplies or services with a military servicing agency or a civilian-servicing agency if acceptable to that civilian agency. Enclosure (6), Military Interdepartmental Purchase Request (MIPRs), sets forth the procedures that must be followed to place orders for supplies and non-personal services with a military servicing agency or a civilian servicing agency.

(b) Procedures in this Subchapter and Enclosure (6) allow servicing agencies to either pay costs from their own funds (subject to reimbursement via an interagency billing process) or to arrange for its contractors to bill the Coast Guard directly. The reimbursement method is generally known as a Category I MIPR and the direct fund citation method is identified as Category II. (For a fuller explanation see Enclosure (6).) Both contracting and technical personnel should be aware that Department of Defense (DoD) billing delays can be quite lengthy and initial DoD billing may lack specific information needed to properly charge costs to the correct appropriation, Allotment Fund Codes (AFCs), or projects. Category I MIPRs, therefore, are the least advantageous from a funds management perspective and may cause considerable difficulty for the technical or project office. Category I MIPRs should be carefully considered for projects using Acquisition Construction and Improvement (AC&I) funds, AFC 41, AFC 42, AFC 43, or AFC 45, or involving the delivery of services over more than a single fiscal year. Where the servicing agency will not accept a Category II MIPR, explicit instructions concerning billing information shall be included on the MIPR form (block (a)) or in an attached statement of work.

CGAP SUBCHAPTER 3017.570 Signature authority.

Contracting Officers shall have the signature authority, which meets or exceeds the estimate/dollar amount of the interagency agreement.

**CGAP SUBCHAPTER 3017.90 ACQUISITION OF PRODUCTS/SERVICES WITH
SPECIAL COAST GUARD CONSIDERATIONS**

(RESERVED)

**CGAP SUBCHAPTER 3017.91 COAST GUARD PROCEDURES FOR SPECIAL
CONTRACTING REQUIREMENTS**

CGAP SUBCHAPTER 3017.9100 Contracting for quarters.

Guidelines for rates for contract quarters are contained in Appendix B of the Joint Travel Regulation for temporary duty outside the continental United States. Appendix D of the Joint Travel Regulation contains the rates for temporary duty within the continental United States. These rates are subject to change monthly so every effort should be made to obtain the most recent information possible.

CGAP SUBCHAPTER 3017.9101 Contracting for subsistence services.

When Government dining facilities are unavailable (temporarily suspended), Contracting Officers are authorized to contract for subsistence services to include both facilities and meal catering. Guidelines on authorization for subsistence support of Coast Guard Dining Facilities and Private Messes Afloat are in Coast Guard Food Service Manual, [COMDTINST M4061.5 \(series\)](#).

CGAP SUBCHAPTER 3017.9102 Contracting for meals and refreshments.

Approval of the COCO shall be obtained when expected amounts for contracted meals exceed 150% of the fixed daily allowance provided in the Federal Travel Regulations (FTR) and Joint Federal Travel Regulation (JFTR).

CGAP SUBCHAPTER 3017.9103 Contracting for copiers and copier services.

(a) DHS-wide contracts for black and white multi-function equipment (e.g., copiers and associated copier maintenance services) shall be used to the maximum extent practicable, considering the particular need in terms of function/performance required, time of delivery or performance, etc.

(b) The following are exempt from using the DHS-wide contracts for copiers and associated maintenance on a mandatory basis:

(1) Coast Guard units, commands, etc. not located in the continental United States, District of Columbia, Alaska, and Hawaii.

(2) All vessels, cutters and boats (non-shore units).

(c) Options may be exercised to extend maintenance services or leases provided that exercising the option is the best value (See [FAR 17.207\(c\)\(3\)](#)). Factors to be considered under [FAR 17.207\(c\)\(3\)](#) should take into account the Government's need for continuity of operations and potential costs of disrupting operations.

(d) Sources other than the DHS copier contracts may be used for acquiring copiers or copier services provided that the particular need cannot be met by one of the DHS copier contracts. The Contracting Officer shall document why another source is more advantageous for fulfilling the need, considering price, performance, delivery, and continuity of operations. A request to be exempt from utilizing the DHS-wide copier contracts must be submitted to the Financial Reporting & Asset Management Division (Commandant (CG-842)).

(1) For a lease or service maintenance agreement, the term of the contract shall not exceed 12 months.

(e) Lease-to-own plans and multi-year agreements or contracts which are ongoing may continue until their expiration. "Multi-year contract" means a contract for the purchase of supplies or services for more than one, but not more than five, program years. The key distinguishing difference between multi-year contracts and multiple year contracts is that multi-year contracts buy more than one year's requirement (of a product or service) without establishing and having to exercise an option for each program year after the first.

CGAP SUBCHAPTER 3017.92 CONTRACTING FOR CONTAINMENT AND CLEAN-UP OF OIL AND HAZARDOUS SUBSTANCE SPILLS

CGAP SUBCHAPTER 3017.9200 Scope of subchapter.

The Coast Guard responsibilities for the removal of oil and hazardous substances in waterways and adjoining shorelines are specified in the National Contingency Plan, 40 CFR 300, the Federal Water Pollution Control Act of 1971, as amended, the Comprehensive Environmental Response Cleanup and Liability Act of 1980, as amended, and the Oil Pollution Act of 1990.

CGAP SUBCHAPTER 3017.9201 General

In order to expedite the processing of contracts for containment and clean-up of oil and hazardous substance spills, the preferred Coast Guard method of contracting is through the placement of orders against Basic Ordering Agreements (BOAs) as defined in [FAR 16.703](#), using a time and materials pricing arrangement. However, other methods of contracting can be used when appropriate.

CGAP SUBCHAPTER 3017.9202

(RESERVED)

CGAP SUBCHAPTER 3017.9203 Competition

(a) Contracting for containment and clean-up of oil and hazardous substances poses unique challenges when attempting to obtain full and open competition. However, competition shall be obtained to the maximum extent possible as governed by the response time needed in any given emergency. These conditions are documented by Commandant (CG-913) in a Class Justification for Other Than Full and Open Competition which Coast Guard Contracting Officers can use for all contracts and orders for oil and hazardous substance clean-up services.

(b) Market Surveys. Cognizant Contracting Officers shall conduct market surveys for additional sources every three years, using synopses and other appropriate techniques. Any sources expressing an interest in a BOA in the interim shall be provided a solicitation.

(c) Service Contract Act wage determinations. Cognizant Contracting Officers shall request wage determinations on an annual basis, or as required, from the Department of Labor (DOL). If possible, the DOL should be requested to make the wage determinations applicable to all contracts for oil and hazardous substance containment and cleanup services in the same geographic areas.

(d) Competition Documentation for each Incident. Orders against BOAs shall not be awarded on a rotational basis among qualified contractors without pricing considerations. Orders shall be awarded to the contractor who offers the lowest price for those response times determined adequate considering the circumstances involved. Contracting Officers (including On-Scene Coordinators (OSCs)) shall document the following information, which shall be included in each order file:

(1) The action(s) taken to obtain competition or the reasons(s) why competition was not feasible.

(2) The name(s) and point(s) of contact for the contractor(s) contacted.

(3) The rationale for awarding an order to the successful offeror.

(4) A written determination that the Service Contract Act applies if the incident is for services and exceeds \$2,500. If the incident requires construction that exceeds \$2,000, the OSC shall contact the cognizant Contracting Officer to determine whether the Davis Bacon Act has been incorporated into the BOA. If the Davis Bacon Act has been incorporated into the BOA, provide a written determination that the Davis Bacon Act applies. If the Davis Bacon act has not been incorporated into the BOA, and the incident requires construction that exceeds \$2,000, the cognizant Contracting Officer must contract for the required construction.

CGAP SUBCHAPTER 3017.9204 Authorization to proceed.

(a) Coast Guard OSCs shall issue a written Authorization to Proceed (ATP) when it becomes necessary to authorize a contractor to commence performance of oil or hazardous substance clean-up services against existing BOAs. ATPs shall not exceed \$50,000 per incident. During the initial stages of an incident, OSCs may verbally authorize a contractor to commence performance, provided an ATP is issued within 24 hours confirming the verbal authorization. At minimum the ATP shall include reference to: (1) the Federal Project Number; (2) the BOA number; (3) maximum dollar value of the commitment; (4) cognizant point of contact; (5) accounting office address; (6) contractor's name, address, point of contact, and signature; and (7) name and signature of the OSC.

(b) The Coast Guard OSC shall notify the cognizant contracting office by message and/or forward a copy of the ATP by commercial carrier (FedEx or UPS) overnight express or FAX within 24 hours after issuance of the ATP.

(c) The Coast Guard OSC shall prepare all competition documentation required by CGAP Subchapter 3017.9203 and provide it, along with a copy of the ATP, to the cognizant contracting office within 3 days after issuance of the ATP.

(d) This Subchapter is also not mandatory for Coast Guard OSCs if all of the following conditions apply: the COCO of the cognizant contracting office authorizes the applicable OSC to prepare and distribute the BOA order; the incident is \$50,000 or less; and the OSC forwards a copy of the BOA order and the supporting competition documentation required by CGAP Subchapter 3017.9203 to the cognizant contracting office within 3 days of the incident.

CGAP SUBCHAPTER 3017.9205 Issuing orders against BOAs.

The cognizant Contracting Officer shall review the ATP issued by the OSC and issue the confirming BOA order, except see CGAP Subchapter 3017.9204(d) and (e) above. The cognizant Contracting Officer shall distribute the order to the Coast Guard Finance Center within 7 working days of an incident for the purpose of documenting and recording the obligation of funds. All invoices will be paid by the Coast Guard Finance Center.

CGAP SUBCHAPTER 3017.9206 BOA order number.

The BOA order number (delivery order or task order) consists of the BOA contract number plus the individual order number. The individual order number shall be consistent with the procedure set forth at CGAP Subchapter 3004.602-7203. If additional identification is needed, i.e., FPN, MSO port code, number of orders per incident, the identification shall be placed on the order in such a location as to separate it from the order number.

CGAP SUBCHAPTER 3017.9207 BOA order, file documentation, and file maintenance.

Issuance of the BOA order, file documentation, and file maintenance is the responsibility of the cognizant contracting office, except see CGAP Subchapter 3017.9204(d) and (e), above. The following minimum file documentation must be maintained for each order issued against a BOA: (1) a copy of the Ceiling and Number Assignment Processing System (CANAPS) generated message that assigns a Federal Project Number (FPN) and fund ceiling (this normally includes evidence of funds availability); (2) a record of the sources contacted or, if only one source was contacted, the reasons why competition was not feasible and why the particular contractor was selected (this record should include dates, names of individuals, companies, and factors influencing choice); (3) a copy of the ATP issued by the OSC and all competition documentation required by CGAP Subchapter 3017.9203; (4) a copy of the order issued on an [OF-347, Order for Supplies and Services](#); (5) modifications, if any, to the order issued on an [SF-30, Amendment of Solicitation/Modification of Contract](#); and (6) copies of invoices certified by the OSC together with supporting documentation.

CGAP SUBCHAPTER 3017.9208 Non-BOA purchases of supplies/services.

When supplies or services are required that are not covered under an existing BOA, the requirement shall be referred to the cognizant Contracting Officer.

(a) Contracting Authority (Other than OSC). If the cognizant Contracting Officer agrees, a field contracting activity may elect to issue purchase orders for non-BOA supplies or services if the requirement is within, and is not likely to exceed at some future date, the field activities' contracting authority.

(b) OSC Contracting Authority. If the cognizant Contracting Officer cannot be contacted in a timely manner, Coast Guard OSCs are authorized to issue purchase orders for non-BOA supplies or services, on an emergency basis only, not to exceed \$50,000 per incident. The OSC must contact the cognizant Contracting Officer by message and/or forward a copy of the purchase order and competition documentation required by CGAP Subchapter 3017.9203 by commercial carrier (FedEx or UPS) overnight express or FAX within 24 hours after exercising this authority. If a message is used to notify the cognizant Contracting Officer, all information contained in the purchase order and the competition documentation must be summarized in the message. The OSC, in his/her Contracting Officer capacity, is required to advise the contractor, when any purchase order for services exceeding \$2,500 is issued, that the Service Contract Act of 1965, as amended, is applicable.

CGAP SUBCHAPTER 3017.9209 Disposal of salvageable products.

OSCs shall keep an accurate record of the quantity of recovered product suitable for reclamation or sale. The General Services Administration has declined to take custody of any recovered oil since they do not have appropriate storage facilities. The Contracting Officer may initiate action for sale of the recovered oil, with the proceeds being applied as a credit to the clean-up costs.

CGAP CHAPTER 3018

(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3019 SMALL BUSINESS PROGRAMS

CGAP SUBCHAPTER 3019.2 POLICIES

CGAP SUBCHAPTER 3019.201 General policy.

The Coast Guard's Small Business Program Manager is Commandant (CG-9131); and shall be appointed by the Head of the Contracting Activity (HCA) (Commandant CG-91)) as the Small Business Specialist (SBS) for the Coast Guard. Additional SBSs shall be appointed by the HCA as delegated by [HSAM 3019.201\(d\)](#). The SBSs shall be responsible for the tasks outlined in [HSAM 3019.201\(e\)](#). Tasks may be further delegated by the SBS to designated Assistant Small Business Specialists (ASBSs) in coordination with Commandant (CG-9131).

CGAP SUBCHAPTER 3019.202 Specific policies.

CGAP SUBCHAPTER 3019.202-270 Procurement forecast.

Procurement forecast information is now collected in conjunction with the Advance Acquisition Plans updates. Refer to CGAP Subchapter 3007.172, Advance Acquisition Plans, for further guidance.

CGAP SUBCHAPTER 3019.202-5 Data collection and reporting requirements.

(RESERVED)

CGAP SUBCHAPTER 3019.5 SET-ASIDES FOR SMALL BUSINESS

CGAP SUBCHAPTER 3019.501 General

(b) Prior to issuing a solicitation or synopsis (when a synopsis is required), the Contracting Officer shall submit to the assigned Small Business Specialist (SBS) or designee the purchase request package, including the results of market research in accordance with [FAR Part 10](#), as an attachment to the [Small Business Review Form, DHS Form 700-22](#). The SBS or designee, as appropriate, shall review and identify procurements suited for the 8(a) program, the HUBZone program or Service-Disabled Veteran-Owned Small Business Program (SDVOSB) before considering a small business set-aside. If a small business set-aside cannot be identified, then the procurement will become an unrestricted competitive procurement.

All acquisition strategies for solicitations above the simplified acquisition threshold involving a cascading order of small business set aside precedence require prior review and approval by the HCA. Coast Guard acquisition policy prohibits this practice without the prior authorization of the HCA.

Actions requiring Procurement Center Representative (PCR) review and concurrence shall be submitted electronically to Commandant (CG-9131) for processing. Normally a PCR review will be obtained in two working days and an approved [DHS Form 700-22](#) will be returned to the

requesting office. The results of the review shall be reflected on the [DHS Form 700-22](#). All applicable entries shall be completed and the form shall be kept in the solicitation/contract file.

CGAP SUBCHAPTER 3019.501-90 Precedence of directed sources of supply.

Coast Guard responsibility to make purchases mandated by [FAR Part 8](#) takes precedence over the small business programs detailed in [FAR Part 19](#).

CGAP SUBCHAPTER 3019.6 CERTIFICATES OF COMPETENCY AND DETERMINATIONS OF ELIGIBILITY

CGAP SUBCHAPTER 3019.602 Procedures

CGAP SUBCHAPTER 3019.602-1 Referral

a. (2) In addition to the requirements of HSAM 3019.602-1, the Contracting Officer shall send a copy of the determination concurrently to Commandant (CG-9131).

CGAP SUBCHAPTER 3019.602-3 Resolving differences between the agency and the small business administration.

(c) A draft copy of a formal appeal requesting reconsideration of a Certificate of Competency after its issuance shall be submitted to Commandant (CG-9131) for review prior to submission of the appeal by the Chief of the Contracting Office (COCO) to the Small Business Administration's (SBA) Headquarters Office.

CGAP SUBCHAPTER 3019.7 THE SMALL BUSINESS SUB CONTRACTING PROGRAM

CGAP SUBCHAPTER 3019.704 Subcontracting plan requirements.

CGAP SUBCHAPTER 3019.704-70 Reporting requirements.

(RESERVED)

CGAP SUBCHAPTER 3019.705 Responsibilities of the contracting officer under the subcontracting assistance program.

CGAP SUBCHAPTER 3019.705-2 Determining the need for a subcontracting plan.

The Contracting Officer shall send a copy of his/her approved determination that there are no subcontracting opportunities to Commandant (CG-9131) as well as to the Director, Office of Small and Disadvantaged Business Utilization (OSDBU), DHS.

CGAP SUBCHAPTER 3019.705-490 Reviewing the subcontracting plan.

All subcontracting plans required by [FAR 19.702](#) shall be reviewed by the Contracting Officer, Logistics/Service Center Small Business Specialist (SBS), and the Small Business Administration Procurement Center Representative (SBA PCR). The approval authority for the subcontracting plan is the Contracting Officer, with the SBS and the SBA PCR providing support in advisory and assistance roles in accordance with [FAR 19.705-4\(d\)\(7\)](#). In accordance with [HSAM 3019.705-470](#), [DHS Form 700-23](#) shall be initiated by the SBS and approved by the SBS before being forwarded to the SBA PCR for review. The SBA PCR will return a signed copy to the SBS for Contracting Officer approval. The final copy of the subcontracting plan with SBS, PCR, and Contracting Officer signatures shall be placed in the contract file and an electronic copy provided to the Small Business Program Manager (SBPM) at Commandant (CG-9131).

CGAP SUBCHAPTER 3019.705-6 Postaward responsibilities of the contracting officer.

Upon award, the Contracting Officer shall send one copy of the final approved subcontracting plan that was incorporated into the contract, clearly annotated with the resultant contract number, to the Small Business Program Manager (Commandant (CG-9131)), and one copy shall be forwarded to Director, OSDDBU.

CGAP SUBCHAPTER 3019.8 CONTRACTING WITH THE SMALL BUSINESS ADMINISTRATION (THE 8(a) PROGRAM)

CGAP SUBCHAPTER 3019.803 Selecting acquisitions for the 8(a) program.

Only general information regarding upcoming requirements may be released to 8(a) firms. Technical offices, contracting personnel, and SBS or designees shall not review or accept Statements of Work prepared by 8(a) firms, nor shall they give detailed information about their planned actions/requirements. This includes the release of draft SOWs and SOWs to any 8(a) firm prior to receiving an acceptance letter from the SBA. Exception: Sole source 8(a) simplified acquisition requirements (i.e., at or below the Simplified Acquisition Threshold) processed under the DHS/SBA Partnership Agreement. The current DHS and SBA Partnership Agreement is located at [DHS Online](#).

CGAP SUBCHAPTER 3019.804 Evaluation, offering, and acceptance.

CGAP SUBCHAPTER 3019.804-4 Repetitive acquisitions.

For any requirement which was previously procured through the 8(a) program, but which is now being proposed for re-procurement outside of the program, a written determination must be submitted to Commandant (CG-9131) for review and approval. Commandant (CG-9131) will forward approved determinations to the Director, OSDDBU for approval. This clearance must be obtained prior to proceeding with any public notice or solicitation effort. The determination should address all pertinent facts related to the acquisition, including the incumbent 8(a) firm's name, impact on the 8(a) firm's business, and whether SBA has been advised of the Contracting Officer's determination. Commandant (CG-9131) shall review all determinations within five working days of their receipt. Once a determination has been approved by Commandant (CG-

COMDTINST M4200.19J

9131), Commandant (CG-9131) shall forward the determination to the Director, OSDDBU. OSDDBU approval is not required for actions governed by statute, such as NIB/NISH awards (41 CFR Chapter 51) or the Randolph-Sheppard Act (20 USC 107-107e). However, contracting offices with any such action shall provide Commandant (CG-9131) notification 30 days prior to contract award.

CGAP SUBCHAPTER 3019.891 Superfund minority contractors utilization report.

(RESERVED)

CGAP CHAPTER 3020/3021

(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3022 APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS

CGAP SUBCHAPTER 3022.1 BASIC LABOR POLICIES

CGAP SUBCHAPTER 3022.101 Labor relations.

CGAP SUBCHAPTER 3022.101-70 Admittance of union representatives to DHS installations.

(b) Contracting offices shall submit the written report to Commandant (CG-913) who is the designated labor advisor for Coast Guard acquisition matters.

CGAP SUBCHAPTER 3022.101-170 DHS procurement labor advisor.

(b) The labor advisor for the Coast Guard is Commandant (CG-913).

CGAP SUBCHAPTER 3022.4 LABOR STANDARDS FOR CONTRACTS INVOLVING CONSTRUCTION

CGAP SUBCHAPTER 3022.406 Administration and enforcement.

CGAP SUBCHAPTER 3022.406-13 Semiannual enforcement reports.

As required by [HSAM 3022.406-13](#), contracting offices shall submit a semi-annual report on compliance with enforcement of the labor provisions of the Davis-Bacon Act and Contract Work Hours and Safety Standards Act. This Semi-Annual Enforcement Report is required by Section 5.7b, Part 5, Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction. Appendix B of HSAM provides the format and instructions for this report. Contracting offices shall submit one original copy to Commandant (CG-913) seven days prior to the 25 April and 25 October due dates. Negative reports are required.

CGAP SUBCHAPTER 3022.6 WALSH-HEALY PUBLIC CONTRACTS ACT

CGAP SUBCHAPTER 3022.608 Procedures

(b) Breach of Stipulation. Contracting Officers shall send a copy of the information to Commandant (CG-913).

CGAP SUBCHAPTER 3022.8 EQUAL EMPLOYMENT OPPORTUNITY

CGAP SUBCHAPTER 3022.807 Exemptions

(c) Submit justifications for exemptions under [FAR 22.807\(a\) \(2\)](#) and [22.807\(b\) \(5\)](#) from the requirements of [Executive Order 11246](#) relating to Equal Employment Opportunity to Commandant (CG-913) in the format provided in [HSAM Appendix N](#). Commandant (CG-913) will forward these justifications to the DHS CPO via the HCA.

CGAP SUBCHAPTER 3022.10 SERVICE CONTRACT ACT OF 1965, AS AMENDED

CGAP SUBCHAPTER 3022.1008 Procedures for obtaining wage determinations.

CGAP SUBCHAPTER 3022.1008-1 Obtaining wage determinations.

Wage determinations are available from the DOL at www.WDOL.gov. Contracting Officers may use the e98 request form for any Service Contract Act covered action.

CGAP SUBCHAPTER 3022.13 SPECIAL DISABLED VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS

CGAP SUBCHAPTER 3022.1305 Waivers

Submit waiver requests, as prescribed in [HSAM 3022.1305\(c\)](#), to Commandant (CG-913) for approval or forwarding to the DHS CPO via the HCA, as necessary.

CGAP SUBCHAPTER 3022.14 EMPLOYMENT OF WORKERS WITH DISABILITIES

CGAP SUBCHAPTER 3022.1403 Waivers

(c) Submit waiver requests, as prescribed in [HSAM 3022.1403\(c\)](#), to Commandant (CG-913) for approval or forwarding to the DHS CPO via the HCA, as necessary.

**CGAP CHAPTER 3023 ENVIRONMENT, ENERGY AND WATER EFFICIENCY,
RENEWABLE ENERGY TECHNOLOGIES,
OCCUPATIONAL SAFETY, AND DRUG FREE WORKPLACE**

**CGAP SUBCHAPTER 3023.2 ENERGY AND WATER EFFICIENCY AND
RENEWABLE ENERGY**

CGAP SUBCHAPTER 3023.201 Authorities

CGAP SUBCHAPTER 3023.201-90 Prohibition on purchase of incandescent lamps.

In accordance with Section 522 of the Energy Independence and Security Act of 2007 ([Public Law 110-140](#)), effective January 1, 2009, a general service incandescent lamp shall not be purchased or installed in a Coast Guard facility (does not include a vessel or aircraft) by or on behalf of the Coast Guard, except when its purchase or installation is: (1) necessary due to purpose or design, including medical, security, and industrial applications; (2) reasonable due to the architectural or historical value of a light fixture installed before January 1, 2009; or (3) the Commandant determines that operational requirements necessitate the use of a general service incandescent lamp.

**CGAP SUBCHAPTER 3023.4 USE OF RECOVERED MATERIALS AND BIOBASED
PRODUCTS**

CGAP SUBCHAPTER 3023.402 Authorities

(c) The Office of Environmental Management (Commandant (CG-443)), within the Engineering and Logistic Directorate, is the Pollution Prevention and Recycling Program Manager.

CGAP SUBCHAPTER 3023.405 Procedures

(a) Procurement sites shall report total annual purchases of items covered under the DHS Affirmative Procurement Program (APP) to the Chief of the Contracting Office (COCO). Each COCO or its designated unit site representative will consolidate the responses within their areas of responsibility and forward the report to the Acquisition Directorate, Office of Procurement Policy and Oversight (Commandant (CG-913)). Commandant (CG-913) will compile these responses and forward to Commandant (CG-443) to consolidate and transmit this information to DHS on behalf of the Coast Guard. These procedures apply to all Coast Guard acquisitions including purchases at or below the micro-purchase threshold.

Contracting Officers are strongly encouraged to acquire products that contain recovered material or services that could include the use of products that contain recovered material; and supplies that contain biobased material or services that could include supplies that contain biobased material. See the list of designated items in the following website:

Recovered Materials. <http://www.epa.gov/cpg/products.htm>

Biobased Products. <http://www.biopreferred.gov/DesignationItemList.aspx>

(b) Program offices shall use for recording purposes the format or one substantially the same as that shown in [HSAM Appendix Q, Attachment 1, Recovered Materials Determination Form](#). To request a waiver, requirements or program offices and Contracting Officers shall use the format or substantially the same format as shown in Attachment 2, of [HSAM Appendix Q](#). The approved document(s) shall be maintained in the contract file.

CGAP SUBCHAPTER 3023.490 Contracting for containment and clean-up of oil and hazardous substances spills.

(a) Proposed actions under this Subchapter must be coordinated with Commandant (CG-913).

(b) Contracting Officers shall include the following clause under Section H of all solicitations and contractual documents for the containment and cleanup of oil spills. Additional paragraphs may be added to the clause to include specific instructions, if appropriate.

SALVAGEABLE PRODUCTS

Salvageable products, and the proceeds derived from them, shall become the property of the Government. If the substances recovered from cleanup and containment operations are salvageable, the Government may elect to have the contractor transport such recovered substances to a Government-specified storage site or directly to a commercial salvage company. If the Government elects to have the contractor deliver the recovered substances to a commercial salvage company, the contractor shall obtain receipts for payment and these payments shall be applied as a credit to the contract. If the balance of allowable contracts costs is less than the credit for recovered substances, the contractor shall reimburse the Government for the difference.

(End of clause)

CGAP SUBCHAPTER 3023.7 CONTRACTING FOR ENVIRONMENTALLY PREFERABLE PRODUCTS AND SERVICES

Contracting officers shall ensure that Electronic Product Environmental Assessment Tool (EPEAT)-registered electronic products are purchased. See the list of EPEAT-registered products at www.epeat.net. A justification is required and shall be made part of the contract file if the Contracting Officer determines that: (1) no EPEAT-registered products meet agency requirements, or (2) the EPEAT-registered products will not be cost effective over the life of the product. Before granting an exception, the Contracting Officer shall coordinate the justification with the Coast Guard Office of Information Systems and Infrastructure, Commandant (CG-631).

CGAP SUBCHAPTER 3023.8 OZONE-DEPLETING SUBSTANCES

CGAP SUBCHAPTER 3023.803 Policy

(b)(2) Effective December 31, 2010, Coast Guard assets, ashore, or afloat, shall not procure or otherwise obtain from the Defense Logistics Agency or on the open market any Class I Ozone Depleting Substances, except for mission critical uses.

CGAP CHAPTER 3024
PROTECTION OF PRIVACY AND FREEDOM OF INFORMATION
(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3025 FOREIGN ACQUISITION

**CGAP SUBCHAPTER 3025.11 SOLICITATION PROVISIONS AND CONTRACT
CLAUSES**

CGAP SUBCHAPTER 3025.1101 Acquisition of supplies.

(e) Before inserting the clause at [FAR 52.225-8](#), Duty-Free Entry, which requires a list of supplies in the contract schedule to be accorded duty-free entry, the Contracting Officer shall review the circumstances with legal counsel to ascertain whether the supplies may qualify for duty-free entry.

This page is intentionally left blank

CGAP CHAPTER 3026
OTHER SOCIOECONOMIC PROGRAMS
(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3027 PATENTS, DATA, AND COPYRIGHTS

**CGAP SUBCHAPTER 3027.3 PATENT RIGHTS UNDER GOVERNMENT
CONTRACTS**

CGAP SUBCHAPTER 3027.303 Contract clauses.

With respect to the applicability of [FAR 27.303 \(b\)\(3\)](#), [27.303\(e\)\(4\)\(ii\)](#), [27.303\(e\)\(5\)](#), and [27.303 \(e\)\(1\)\(ii\)](#), concurrence of legal counsel is mandatory.

CGAP SUBCHAPTER 3027.304 Procedures

CGAP SUBCHAPTER 3027.304-1 General

(b)(2) The Chief of the Contracting Office (COCO) is delegated the authority for administrative reviews under [FAR 27.301-1\(b\) \(2\)](#) after coordination with legal counsel. Legal concurrence in such reviews is mandatory.

CGAP SUBCHAPTER 3027.305 Administration of patent rights clauses.

CGAP SUBCHAPTER 3027.305-4 Protection of invention disclosures.

(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3028 BONDS AND INSURANCE

CGAP SUBCHAPTER 3028.1 BONDS AND OTHER FINANCIAL PROTECTIONS

CGAP SUBCHAPTER 3028.101-1 Policy on use.

(c) A class waiver approval for construction contracts to be performed overseas is provided. Delegation is hereby made to the COCO, for authorizations of waiver of bid guarantee requirements for construction contracts to be performed overseas. Each waiver authorization must be made in writing and shall include a determination that bid guarantee requirements are not in the best interest of the Government.

CGAP SUBCHAPTER 3028.101-90 Annual bid bonds.

Annual bid bonds shall be submitted for review to local legal counsel or through the Commandant (CG-0949) to determine legal sufficiency.

CGAP SUBCHAPTER 3028.101-290 Solicitation provision or contract clause.

Sealed Bids for construction shall contain a statement that a bid guarantee is not required for bids totaling \$150,000 or less.

CGAP SUBCHAPTER 3028.105 Other types of bonds.

(a) Obtaining the advice of legal counsel is mandatory.

CGAP SUBCHAPTER 3028.106 Administration

CGAP SUBCHAPTER 3028.106-2 Substitution of surety bonds.

(a) Review of new surety bonds by legal counsel is mandatory.

CGAP SUBCHAPTER 3028.106-6 Furnishing information.

(RESERVED)

CGAP SUBCHAPTER 3028.106-90 Review and approval.

The Contracting Officer shall examine the bond as to form, sufficiency of surety, and authority of the agent executing the bond.

CGAP SUBCHAPTER 3028.2 SURETIES AND OTHER SECURITY FOR BONDS

CGAP SUBCHAPTER 3028.203 Acceptability of individual sureties.

(RESERVED)

CGAP SUBCHAPTER 3028.203-7 Exclusion of individual sureties.

(d) The Contracting Officer shall forward all justifications under [FAR 28.203-7\(d\)](#) to the Commandant (CG-9131) Suspension/Debarment coordinator.

CGAP SUBBCHAPTER 3028.204 Alternatives in lieu of corporate or individual sureties.

(a) The Contracting Officer shall retain securities furnished in lieu of surety or sureties on bonds in a secured environment until it is appropriate to return them to the contractor.

CGAP SUBBCHAPTER 3028.204-3 Irrevocable letter of credit (ILC).

(RESERVED)

CGAP SUBCHAPTER 3028.3 INSURANCE

CGAP SUBCHAPTER 3028.390 Evidence of insurance.

(a) The Contracting Officer shall require the contractor to furnish a certificate(s) of insurance prior to commencing work as evidence that the contractor has insurance coverage sufficient to meet the requirements of the contract. The certificate(s) shall be executed by an officer or employee of the insurer authorized to execute such certificate(s). Certificate(s) shall contain an expiration date and the endorsement required by [FAR 28.302](#), Notice of Cancellation or Change.

(b) Insurance requirements shall be adequate, just, and reasonable, and will be predicted on potential loss or damage (not necessarily on value of the contract). The determination as to type of insurance, amount, and related insurance requirements, if different from the FAR, shall be made by the Contracting Officer with the advice of legal counsel.

(c) Insurance policies and endorsements thereto (or copies) submitted as evidence of insurance (in lieu of a certificate of insurance) shall be reviewed by legal counsel for legal sufficiency.

CGAP SUBCHAPTER 3028.90 PERFORMANCE AND PAYMENT BONDS FOR CERTAIN COAST GUARD CONTRACTS

CGAP SUBCHAPTER 3028.9001 Waiver

(a) Pursuant to the authority vested in the Secretary of Homeland Security, the requirements of [40 U.S.C. 3131 through 3133](#) are waived to the extent authorized in [40 U.S.C. 3134](#) with respect to cost-plus-fixed fee and other cost-type contracts for the construction, alteration, or repair of any public building or public work of the Federal Government, and with respect to contracts for manufacturing, producing, furnishing, constructing, altering, repairing, processing or assembling vessels, aircraft, munitions, materiel, or supplies for the Coast Guard regardless of the terms of the contracts as to payment or title.

(b) The requirements of the Miller Act ([40 U.S.C. 3131 through 3134](#)) for contract surety bonds on Federal construction projects are not generally necessary with respect to the classes of contracts described under CGAP Subchapter 3028.9001(a) to protect the public, including the Government, material, men and laborers. Because the Government would directly or indirectly bear the burden of premiums for performance and payment bonds obtained in connection with such contracts, waiving the requirement that they be obtained can generate substantial savings for the Government. However, unusual circumstances may arise in which either payment or performance bonds, or both, will be advantageous in connection with certain such contracts.

CGAP SUBCHAPTER 3028.9002 Exception

A performance and payment bond for the contracts described under CGAP Subchapter 3028.9001(a) may be advantageous in view of unusual circumstances arising in connection with such contracts. Requests for the authority to include the requirement for either a performance or payment bond (or both) in the contracts described under CGAP Subchapter 3028.9001(a) shall be submitted by the Contracting Officer to the HCA for approval, before a solicitation is issued.

This page is intentionally left blank

CGAP CHAPTER 3029 TAXES - (RESERVED)

CGAP CHAPTER 3029 TAXES

CGAP SUBCHAPTER 3029.1 GENERAL

CGAP SUBCHAPTER 3029.101 Resolving tax problems.

(a) Due to the technical nature of the subject, all submissions requesting assistance for resolving tax problems, as discussed in [HSAM Subchapter 3029.101](#), shall be forwarded to Commandant (CG-0949) for legal assistance.

CGAP SUBCHAPTER 3029.2 FEDERAL EXCISE TAXES

CGAP SUBCHAPTER 3029.202 General exemptions.

No tax may be imposed on the sale or transfer of firearms, shells, or cartridges when such articles are purchased with Coast Guard appropriated funds ([14 U.S.C. 655](#)).

CGAP SUBCHAPTER 3029.3 STATE AND LOCAL TAXES

CGAP SUBCHAPTER 3029.304 Matters requiring special consideration.

Contract terms described in [FAR 29.304\(a\) and \(b\)](#) shall only be used with the prior approval of Commandant (CG-0949). Requests for approval shall include the justification for use of any special tax contract clause.

This page is intentionally left blank

CGAP CHAPTER 3030
COST ACCOUNTING STANDARDS ADMINISTRATION
(RESERVED)

CGAP CHAPTER 3031
CONTRACT COST PRINCIPLES AND PROCEDURES
(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3032 CONTRACT FINANCING**CGAP SUBCHAPTER 3032.2 COMMERCIAL ITEM PURCHASE FINANCING****CGAP SUBCHAPTER 3032.201 Statutory authority.**

The authority of the agency head under [FAR 48 CFR 32.201](#) to determine appropriate or customary terms and conditions regarding payment of commercial items is retained at the DHS level.

CGAP SUBCHAPTER 3032.206 Solicitation provisions and contract clauses.

(g) and (g)(2) On a case-by-case basis, requests for approval by the Head of the Contracting Activity (HCA) (Commandant (CG-91)) for installment payment financing arrangements and rates for commercial purchases shall be submitted through the Office of Procurement Policy and Oversight (Commandant (CG-913)) for coordination with the Division of Financial Policy and Internal Resources, Office of Financial Policy and Systems (Commandant (CG-843)) and the Office of Procurement Law (Commandant (CG-0949)).

CGAP SUBCHAPTER 3032.4 ADVANCE PAYMENT FOR NON-COMMERCIAL ITEM**CGAP SUBCHAPTER 3032.402 General**

(e)(2) When the Contracting Officer proposes to provide advance payments to a contractor, the Contracting Officer shall consult with the requisitioning office, legal counsel, and finance office prior to preparing a Determination and Findings (D&F) as required by [FAR 32.402\(c\)\(1\)\(iii\)](#). The D&F shall be written in the format of [FAR 32.410](#) and forwarded via the Chief of the Contracting Office (COCO) through Commandant (CG-913) to the HCA (Commandant (CG-91)) for final determination. When forwarding the D&F, the COCO shall include a written recommendation to the HCA for approval or disapproval.

CGAP SUBCHAPTER 3032.409 Contracting officer action.

Recommendations relating to the approval of advance payments for non-commercial items shall be submitted through the COCO to Commandant (CG-913), who will coordinate their review by Commandant (CG-0949) prior to HCA approval. Evidence of compliance with [HSAM Subchapter 3032.402\(e\) \(2\)](#) must be included with the documentation supporting such recommendations.

CGAP SUBCHAPTER 3032.6 CONTRACT DEBTS**CGAP SUBCHAPTER 3032.601 General**

The Contracting Officer shall consult with the Coast Guard Finance Center (FINCEN), Receivables and Collection Section (OGR), for guidance on administering the collection of contract debts and applicable interest.

CGAP SUBCHAPTER 3032.7 CONTRACT FUNDING

CGAP SUBCHAPTER 3032.702 Policy

CGAP SUBCHAPTER 3032.702-70 Procurement requests.

(a)(1)(i) The funds manager, allotment fund control (AFC) manager, or the appropriation manager (funds certification official) is the responsible fiscal authority for funds certification. Commands will designate funds certification personnel in writing to the Coast Guard Finance Center (FINCEN).

(a)(1)(ii) The Contracting Officer shall accept certified funds submitted electronically via Finance Procurement Desktop (FPD). The Contracting Officer may require a hardcopy procurement request only from units exempt from the use of FPD, as promulgated in the Financial Resource Management Manual (FRMM), [COMDTINST M7100.3 \(series\)](#).

(a)(1)(iii) When funds certification is made “subject to the availability of funds,” the Contracting Officer shall obtain a change to the procurement request, which provides funds certification when funds become available. The Contracting Officer shall also obtain a new procurement request, which provides funds certification whenever a change is made to the accounting or appropriation data.

(4) Procurement requests for equipment or systems requiring spare parts, either in the initial solicitation or subsequent buys, shall not be processed without optional provisions for acquiring re-procurement data to perform follow-on competitive acquisitions. This requirement does not apply to simplified acquisitions, purchases under Federal Supply Schedules, and purchases for which spare parts are available competitively in the open market.

CGAP 3032.702-90 Assignment of departmental accounting and financial information system numbers to contract instruments.

Once a Coast Guard Oracle Financial (CGOF) system number is assigned to a Document Type 24 (Contract) or Document Type 28 (Interservice Support Agreement (ISSA)/Military Interdepartmental Purchase Request (MIPR) or UNICOR/Federal Prison Industries Purchase), it should remain unchanged for the life of the contract instrument. A CGOF number for a Delivery Order or Task Order shall be different from the CGOF number assigned to the basic contract. For further clarification, see the Coast Guard Finance Center Standard Operating Procedures, [FINCENSTFINST M7000.1 \(series\)](#).

CGAP SUBCHAPTER 3032.702-91 Operating restrictions and authorities associated with continuing resolutions and new fiscal year apportionments.

(a) When operating under a Continuing Resolution the Contracting Officer shall adhere to the following guidance.

(1) [FAR 32.702](#) states that no officer or employee of the Government may create or authorize an obligation in excess of the funds available, or in advance of appropriations (Anti-Deficiency Act, 31 USC 1341), unless otherwise authorized by law.

(2) Under a Continuing Resolution a Contracting Officer may fund the continuation of on-going mission critical functions, if funds are available, but not new initiatives. Before executing any contract or modification, the Contracting Officer shall:

(i) Obtain written assurance from a responsible fiscal authority that adequate funds are available; or

(ii) Expressly condition the contract upon the availability of funds in accordance with [FAR 32.703-2](#) and include clause [FAR 52.232-18, Availability of Funds](#), in the contract.

(3) In addition to obtaining the written or electronic assurance from a responsible fiscal authority that adequate funds are available, a written determination should also be obtained from a responsible individual (generally at the Division Chief level) at the program office stating that the services/supplies are needed for the continuation of on-going mission critical functions. A contract may be executed using the Availability of Funds Clause ([FAR 52.232-18](#)) only in appropriate circumstances. These circumstances include:

(i) Necessary for normal operations; and

(ii) For which the Congress previously and consistently appropriated funds. Some activities which fit the foregoing definition include: dining facilities, trash removal, and on-going maintenance of critical information technology systems.

(4) Pursuant to [FAR 32.703-2\(c\)](#), the Government shall not accept supplies or services under a contract conditioned upon the availability of funds until the Contracting Officer has given the contractor notice, to be confirmed in writing, that funds are available. For existing contracts or contracts effective October 1 of the Fiscal Year (FY), the Contracting Officer should notify the contractor immediately that funds are available only for the period of time covering the Continuing Resolution, and then issue a modification to the contract that is consistent with the Continuing Resolution.

(5) An Interagency Acquisition (IA) or Military Interdepartmental Purchase Request (MIPR) involves two agencies, and either or both may be impacted by the Continuing Resolution. The Availability of Funds clause is for use for specified contracts, not obligations between agencies. Therefore, where an IA or MIPR is not in an accepted status and relevant funding is impacted, refrain from issuing administrative amendments until funding is fully secured.

(b) Where the Coast Guard's appropriation has been passed and signed by the President but funding for obligations is limited until such time as the Office of Management and Budget has apportioned funding, the Contracting Officer shall adhere to the following guidance.

(1) Contracting Officers should fund the continuation of on-going mission critical functions if funds are available, but should refrain from funding new initiatives. New start restrictions apply to the execution of new investment items not funded for production in the previous fiscal year. Items for which funding was provided in the previous year, or for which funding was provided in prior years and is still available for obligation (e.g., procurement items funded one or two years prior to the current fiscal year) are not considered new starts.

(2) Prior to apportionment and before executing any contract or modification, the Contracting Officer shall:

(i) Obtain written assurance from a responsible fiscal authority that adequate funds are available – an approved Purchase Request is sufficient; or

(ii) Include [FAR Clause 52.232-18, Availability of Funds](#), in the contract in accordance with [FAR 32.703-2](#).

(3) Fully Funded Contracts. When sufficient funding is available prior to apportionment, a Contracting Officer may fully fund a requirement. In accordance with [FAR 32.703](#), when contracts are fully funded, funds shall be obligated to cover the price or target price of a fixed-price type contract or the estimated cost and any fee of a cost-reimbursement contract.

(4) Contracts Subject to the Availability of Funds. A contract may be executed before funds are available providing the contract includes the clause at [FAR 52-232-18, Availability of Funds](#). The authority may be used only for operation and maintenance and continuing services necessary for normal operations for which Congress previously and consistently appropriated funds. Activities which fit the foregoing definition include: dining facilities, trash removal, and on-going maintenance of critical information technology systems.

(5) Under the Availability of Funds clause a Contracting Officer may award the contract for its entire term. However performance may be funded only to the extent funds are available prior to apportionment or up to the amount of funds available. After apportionment, the Contracting Officer shall issue a modification to fund the remaining period of performance.

(6) Once the Coast Guard's funding is apportioned, and after notification from the program office, the Contracting Officer shall issue a final modification to fund the remaining work during the established period of performance. Contracting Officers should attempt to seek full funding from their customers as soon as possible.

(c) Category I and Category II Military Interdepartmental Procurement Requests (MIPRs). During a continuing resolution or annual apportionment period, the Availability of

Funds Clause ([FAR 52-232-18](#)) cannot be applied to Category I and Category II MIPRs for new initiatives. However, Category I and Category II MIPRs may be funded prior to apportionment, for continuation of ongoing mission critical functions, up to the amount of funds available, if the MIPR (Category I and II) meets the criteria stated in paragraphs (a)(2) and (b)(2), above. Once funds apportionment is completed, the Contracting Officer shall issue a MIPR modification to fund the remaining periods of performance.

(d) If the limits of the authorities or restrictions that may be applicable to a particular contract action are not clear, the Contracting Officer shall contact the local legal counsel prior to taking any action that would obligate the Government.

CGAP SUBCHAPTER 3032.703 Contract funding requirements.

CGAP SUBCHAPTER 3032.703-90 Antecedent liabilities.

(a) Severable service contracts moved off a fiscal year basis should normally be those where obligations can be reliably estimated and the stream of services provided is not subject to frequent modifications (e.g., security or janitorial service contracts). Dining facility contracts based on the number of meals served, or base support contracts with variable costs should normally be kept on a fiscal years basis. The Contracting Officer should give special consideration to Department of Labor increases in wage determinations or similar situations. The Contracting Officer should identify such situations to the funds manager, and recommend that funds be committed or left un-obligated at year-end if any subsequent contract modification to increase funds is expected to occur after the fiscal year has closed.

(b) If a within scope modification is required after the fiscal year in which the contract is funded, the Contracting Officer must ensure that the funds manager certifies the availability of funds for the original fiscal year, not the current fiscal year. Additionally, the Contracting Officer should be aware that the Financial Resource Management Manual, [COMDTINST M7100.3 \(series\)](#), has a very specific procedure for approval of antecedent liabilities in Chapter 5. Generally the unit will not be authorized to certify that expired funds are available, even if the unit has an available funds balance for the prior fiscal year. The unit will have to seek that certification from the Administrative Target Unit (ATU) Budget Officer or Headquarters funds manager.

CGAP SUBCHAPTER 3032.703-91 Issuance of construction and ship repair solicitations in advance of funding.

(a) Except in unusual circumstances, it is not the policy of the Coast Guard to issue solicitations until the Contracting Officer obtains certification that funds are available. However, there is often a considerable lead-time when construction projects are being considered for areas with short working seasons (e.g., Kodiak, AK), or short availability (e.g., ship repair). The Coast Guard must provide continuity of needed projects through the transition from one fiscal year to the next, prevent wasteful year-end spending, and at the same time provide sound fiscal responsibility in the management of our shore unit program appropriations.

COCOs may approve the issuance of solicitations in the fourth quarter of a fiscal year for award in the first quarter of the next fiscal year, subject to the availability of funds, provided that there is a memorandum from the responsible funds manager stating that there is a reasonable expectation such funds will be made available by the anticipated award date. The COCO may also use this authority to issue the solicitation in the first quarter of the fiscal year, before the first quarter's funds have been distributed. Solicitations issued under this authority for which bids or offers are received in the fourth quarter may be awarded in the fourth quarter in the event additional funds become available. The COCO's approval must be in writing and must reside in the official contract file.

In addition to the COCO's approval, the following restrictions apply.

(i) Bidders/offerors are notified that funds are not presently available (see Notice to Bidders/Offerors under Subchapter 3032.703-92, below).

(ii) Units may solicit only up to 100% of their first quarter budgets, based on the Government estimates for the project involved.

(iii) The Commanding Officer of the Coast Guard unit soliciting construction or ship repair shall certify in writing that the project has a high priority, is intended to be funded in the upcoming fiscal year, and there is no reasonable expectation for the requirement to be cancelled when the next fiscal year's funds become available (or if used in the first quarter of a fiscal year, when the first quarter's funds have been distributed). In addition, this authority should not be used for a project for which funding is in doubt based on the current status of Congressional review of the administration's funding request.

(b) The notice set forth in Subchapter 3032.703-92, below, shall be included in all solicitations described above which have been issued in advance of funding.

(c) Prior to issuing such a solicitation, the Contracting Officer shall obtain a certificate from the Commanding Officer with budgetary control over the project as follows:

I certify that this project is a high priority for funding in Fiscal Year ____; that it is budgeted for award in the first quarter of the fiscal year; that this project has priority over unsolicited requirements; and that there is no known reason to expect that this project will be cancelled for lack of funding.

Name/Title

Date

CGAP SUBCHAPTER 3032.703-92 Solicitation provision: Notice to Bidders/Offerors.

Use the provision below for solicitations for construction and ship repair requirements subject to the availability of funds.

NOTICE TO BIDDERS/OFFERORS

Funds are not presently available for this project. No award will be made under this solicitation until funds are available. The Government reserves the right to cancel this solicitation either before or after the bid opening/closing date.

CGAP SUBCHAPTER 3032.7002 Invoice and voucher review and approval.

(a) Contracting Officers are ultimately responsible for the review and approval of each invoice and/or voucher submitted by the contractor. However, the Contracting Officer may delegate to a representative the authority to review and approve invoices submitted for payment under fixed-price, cost-reimbursement, time-and-materials and labor-hour contracts. The Coast Guard Finance Center (OPB3) will accept an invoice or voucher payment request from a Contracting Officer with an active warrant, listed in the Warrant Management System (WMS), or from a Contract Specialist who has delegated approval authority, provided via a signed memorandum, or via electronic mail from the Contracting Officer, or Chief of the Contracting Office. The person delegated this authority must provide a copy of the approved invoice and supporting documents to the Contracting Officer for the contract file. When invoices and vouchers are reviewed, the extent of the review depends on the terms and conditions of the contract. Appropriate use of sampling is encouraged. The following list is representative of the tasks associated with reviewing and approving invoices and vouchers.

(1) Fixed-Price Contracts.

- (i) Ensure that the contractor completes and submits the invoice or voucher in accordance with the contract;
- (ii) Ensure that the invoice or voucher is "proper" as that term is defined in the contract;
- (iii) Ensure that billed costs are allocable to the contract and allowable in accordance with [FAR Part 31](#) and any other terms and conditions of the contract;
- (iv) Ensure that evidence of receipt, inspection, and acceptance of the supplies or services has been received from a Government representative (this may be done electronically);
- (v) Ensure that the contractor's progress under the contract is commensurate with the payment requested (i.e., unliquidated progress payments do not exceed the fair value of the work to be accomplished on the undelivered portion of the contract); and
- (vi) Ensure that the correct amounts are withheld from the invoice or voucher as required by the contract (i.e., progress payment liquidation, percentage of fixed fee, etc.).

(2) Cost-Reimbursement Contracts.

(i) When cost-reimbursement payments will be made under the contract, the Contracting Officer shall obtain the recommendation of Government personnel (i.e., technical representatives, quality assurance inspectors, auditors, etc.) concerning payment of the voucher.

(ii) The responsibility for reviewing and recommending approval of vouchers may be delegated by the Contracting Officer to either the Contracting Officer's Technical Representative (COTR) or to the Defense Contract Audit Agency (DCAA). Circumstances that would support delegating voucher processing to DCAA would include situations where DCAA already audits the contractor. In such cases, it is typically more efficient to use DCAA to process vouchers.

(iii) If the Contracting Officer determines the amount billed is allocable and allowable, he/she shall furnish the designated payment office with written approval of the amount to be paid the contractor (See [HSAM Appendix S](#) for a sample format).

(3) Time-and-Materials and Labor-Hour Contracts.

(i) When processing vouchers for time-and-materials (T&M) or Labor-Hour contracts, appropriate use of sampling is encouraged for verifying the adequacy of supporting information for the voucher. The responsible Government official should verify:

(A) That the employees meet the qualifications for the labor categories to which they are being billed;

(B) That the hourly rates for each category on the voucher match the rates specified in the contract for the period being invoiced;

(C) That the material costs included in the voucher are adequately supported by invoices and/or payment;

(D) The accuracy of the mathematical calculations contained in the voucher; and

(E) The hours worked against the hours billed for the period.

(ii) The responsibility for reviewing and recommending approval of vouchers on T&M and Labor-Hour contracts may be delegated by the Contracting Officer to either the COTR or to the Defense Contract Audit Agency (DCAA). Circumstances that would support delegating the voucher processing to DCAA would include situations where DCAA already audits the contractor. In such cases it is typically more efficient to use DCAA to process vouchers.

(b) Approval of an invoice amount that exceeds the Contracting Officer's warrant threshold.

After determining that the goods and services have been received, inspected, and accepted, any Contracting Officer (and or designee) may approve an invoice for any amount, or up to the delegated amount.

(c) Contracting offices shall use [CG Form 4280, Coast Guard Contract Payment Approval](#), to process payments under contracts which exceed the simplified acquisition threshold under [FAR Part 13](#). The exceptions for use of [CG Form 4280](#) are at Coast Guard Supply Centers and any contracting office where the Workflow Imaging Network System (WINS) is used to process invoices.

(d) All contracting offices shall establish local invoice payment approval procedures which: (i) require all invoices to be date/time stamped on the face of the invoice immediately upon receipt; (ii) allow the Finance Center seven (7) calendar days to enter the invoice payment into Coast Guard Oracle Financials (CGOF); and (iii) allow three calendar days for the scheduling/payment process at CGOF and Treasury. Additional guidance on contract invoice payment may be obtained from the [Finance Center Standard Operating Procedures \(FINCEN SOPs\)](#).

CGAP SUBCHAPTER 3032.9 PROMPT PAYMENT

CGAP SUBCHAPTER 3032.905 Payment documentation and process.

(b) Content of invoices. The Contracting Officer shall ensure that each solicitation and contract for real or personal property assets state the requirement for contractors to identify each real or personal property asset on each invoice submitted for payment. When reviewing such invoices for payment, Contracting Officers shall return invoices to the contractor when this information is not identified; and COTRs shall validate that the proper real or personal property asset is identified. COTRs are also responsible for notifying the Business Manager and/or Accountable Property Officer of the payment amount and associated asset.

This page is intentionally left blank

CGAP CHAPTER 3033 PROTESTS, DISPUTES, AND APPEALS

CGAP SUBCHAPTER 3033.1 PROTESTS

CGAP SUBCHAPTER 3033.103 Protests to the agency.

(a) The Notice for Filing Agency Protests contained in [Appendix C](#) shall be affixed as a cover page in all solicitations for contracts exceeding \$100,000. When using streamlined procedures where the synopsis and the solicitation for a requirement are combined, the Notice for Filing Agency Protests shall be published as part of the synopsis submission.

(d)(4) An agency protest within the meaning of Federal Acquisition Regulation ([FAR](#)) [48 CFR 33.101](#), may be filed at the protester's option either with the Contracting Officer designated in the solicitation for resolution of protests, or the Coast Guard Ombudsman for Agency Protests. The Coast Guard Ombudsman for Agency Protests is the Head of the Contracting Activity (HCA) (Commandant (CG-91)).

(f)(1) The written justification to award a contract prior to resolution of a protest required by Federal Acquisition Regulation ([FAR](#)) [48 CFR 33.103\(f\)\(1\)](#) shall be submitted to Commandant (CG-0949).

(f)(3) Coordination with Commandant (CG-0949) is mandatory. All responses to a protest should address the protester's allegations, the agency's response to the allegations, conclusions, and the Contracting Officer's decision to deny or sustain the protest.

CGAP SUBCHAPTER 3033.103-90 Coast Guard ombudsman program for agency protests.

(a) The Coast Guard Ombudsman Program for Agency Protests (OPAP). OPAP is intended to encourage interested parties to seek resolution of their concerns informally within the Coast Guard as an Alternative Dispute Resolution (ADR) forum, rather than filing a protest with the Government Accountability Office (GAO) or other external forum. It is designed to resolve contractor protests in a faster, less expensive manner than could be accomplished at an external forum. Concerns of interested parties can be resolved through independent, Government binding adjudication taking place outside the procuring activity's chain of command. The Coast Guard Ombudsman for Agency Protests is the Head of the Contracting Activity (HCA).

In accordance with [FAR 33.103\(b\)](#), interested parties must first attempt informal resolution of their concerns with the responsible Contracting Officer. If resolution with the Contracting Officer cannot be achieved, the interested party may, at its option, seek an informal Independent Review by the Coast Guard Ombudsman for Agency Protests. It is highly encouraged that all concerns unresolved by the Contracting Officer be directed to the Ombudsman in the informal forum. If informal resolution is unsuccessful, interested parties may then file a formal agency protest with either the Contracting Officer or the Ombudsman, as referenced in [FAR 33.103\(d\)\(3\) and \(4\)](#), respectively. The Ombudsman for Agency Protests shall make inquiries and take appropriate action to resolve protest issues.

(b) Informal Forum with the Ombudsman. Interested parties who believe that a Coast Guard procurement is unfair or otherwise defective should first direct their concerns to the applicable Contracting Officer. This can be accomplished through informal discussion between the interested party and the Contracting Officer. During the course of such discussions Contracting Officers shall ensure that the Chief of the Contracting Office (COCO) remains informed of all issues and developments as they occur. If the Contracting Officer is unable to satisfy the concerns of the interested party, the interested party is encouraged to contact the Coast Guard Ombudsman for Agency Protest through either the Ombudsman Hotline at (202) 372-3695, or via facsimile at (202) 475-3904. Under this informal process, the agency is not required to suspend contract award or performance. Use of an informal forum does not suspend any time requirements for filing an agency protest or protest with another forum. Interested parties should provide the following information to the Ombudsman in order to ensure a timely response: solicitation/contract number, contracting office, Contracting Officer, and solicitation closing date (if applicable).

(c) Formal Agency Protest with the Ombudsman. Prior to submitting a formal agency protest, protesters must first use their best efforts to resolve concerns through open and frank discussion. If the protester's concerns are unresolved, an Independent Review is available by the Ombudsman. The protester may file a formal agency protest to either the Contracting Officer or the Ombudsman. Agency protests must be filed timely in accordance with [FAR 33.103\(e\)](#). The following information must be provided when filing a formal agency protest with the Ombudsman:

(1) Protest Filing Requirements. A copy of the protest must clearly indicate that it is being filed pursuant to the Coast Guard Ombudsman Program for Agency Protests (OPAP) procedures. The protest must contain all the information as set forth in [FAR 33.103\(d\) \(2\)](#). The protest may be sent via facsimile to (202) 475-3904. Hand delivered copies shall be delivered to the address provided herein. Otherwise, the OPAP protest shall be marked as being filed under OPAP and addressed as follows:

COMMANDANT (CG-9131)
U S COAST GUARD
2100 2ND ST SW STOP 7112
WASHINGTON DC 20593-7112

(2) Time for Filing a Protest. All agency protests shall be filed in accordance with time frames set forth at [FAR 33.103\(e\)](#). The time for filing any document expires at 4:00 P.M., Eastern Standard Time on the last day on which such filing may be made.

(3) Interested Parties. For the purpose of filing an agency protest, an interested party means an actual or prospective bidder or offeror whose direct economic interest would be affected by award of a contract or by failure to award a contract. Federal Government employees, unions or commands are not considered interested parties for the purpose of filing an agency protest, except in the case of A-76 type competitions in which Federal Government employees may be considered interested parties.

(4) Election of Forum. After an interested party protests a Coast Guard procurement to either the Contracting Officer or the Ombudsman, and while the protest is pending, the protester agrees not to file a protest with the GAO or other external forum. If the protest is filed with an external forum, the agency protest will be dismissed.

(5) Protest Decision Authority. The Coast Guard Ombudsman for Agency Protests is the Head of the Contracting Activity (HCA) for the Coast Guard (Commandant (CG-91)). The Office of Procurement Policy and Oversight (Commandant (CG-913)) will serve as point of contact and provide administrative support to the Ombudsman. In such cases where the HCA is the Source Selection Authority (SSA) for a procurement the Deputy Assistant Commandant for Acquisitions shall serve as the Ombudsman for Agency Protests.

(d) Processing Formal Agency Protests under OPAP. The following procedures are set forth to ensure orderly processing of an OPAP protest:

(1) The protester shall provide a copy of the protest to both the Contracting Officer and the Ombudsman.

(2) The Contracting Officer shall prepare an administrative report, in coordination with local legal counsel and concurred in by the COCO, and shall submit it to the Ombudsman for review. The report shall be logically presented, concise, and address all of the protester's concerns. Only pertinent solicitation materials relevant to the protest should be appended to the report.

(3) The Contracting Officer shall provide this administrative report to the Ombudsman 10 working days after receipt of the protest from the interested party. The report may be sent by fax, commercial carrier (FedEx or UPS) overnight express, or hand delivered.

(4) The Ombudsman shall perform a thorough evaluation and take appropriate action to resolve the protest issue.

(5) All protest issues shall be coordinated with the Chief Trial Attorney, Office of Procurement Law, (Commandant (CG-0949)).

(6) The Ombudsman will make every effort to render a written decision within 35 calendar days from the date of filing a protest with the Ombudsman.

(7) Extensions of time for filing the administrative report and/or for the issuance of the written decision may be granted under extenuating circumstances. When an extension is granted, the protester and all interested parties shall be notified within one working day of the decision to grant an extension.

(8) The Contracting Officer's administrative report generally will not be provided to the protester. However, in appropriate cases, to facilitate evidentiary record development, a copy of the report may be provided to the protester. The administrative report may be redacted

as necessary to protect competition sensitive information. In such cases, the protester will be allowed to comment on the report and the time frames set forth above may be extended.

(e) Effect of Protest on Award and Performance.

(1) Protest before Award. When a protest is filed with the agency prior to award, a contract may not be awarded unless authorized by the HCA in accordance with [FAR 33.103](#).

(2) Protests after Award. When a protest is filed with the agency within 10 calendar days after award, or within five calendar days after debriefing for any debriefing that is required by [FAR 15.506\(a\)\(1\)](#), the Contracting Officer shall suspend performance. The HCA may authorize contract performance, notwithstanding the protest, upon a written finding in accordance with [FAR 33.103\(f\)\(3\)](#).

(f) Remedies. The Coast Guard Ombudsman for Agency Protests may direct any one or a combination of the following remedies:

- (1) Terminate the contract;
- (2) Re-compete the requirement;
- (3) Issue an amended or new solicitation;
- (4) Refrain from exercising the options under the contract;
- (5) Award the contract consistent with statute and regulation;
- (6) Pay appropriate costs as stated in [FAR 33.102\(b\)\(2\)](#); and/or
- (7) Direct such other remedies as the Ombudsman determines necessary to correct a defect.

(g) Ombudsman Decision for Agency Protests. A protester or other interested party, if not satisfied with the agency protest decision, may file a subsequent protest at an external forum, to the extent otherwise authorized by law. The Ombudsman decision is binding upon the Coast Guard and its contracting activities unless the protester or other interested party files a subsequent protest on the same matter in another forum.

CGAP SUBCHAPTER 3033.104 Protests to GAO.

(a) General Procedures. The Chief of the Contracting Office (COCO) shall notify Commandant (CG-913) and Commandant (CG-0949) whenever a protest to the Government Accountability Office (GAO) is filed. The Contracting Officer's statement and all of the information required at [FAR 33.104\(a\)\(3\)\(ii\)](#) for the agency report is to be submitted to Commandant (CG-0949) in triplicate within 10 work days of the Contracting Officer's notification of the protest, or within 4 work days in the case of a determination to use the express option. Commandant (CG-0949) trial counsel may assist with this preparation, and will in any

case review and coordinate with the Contracting Officer as necessary, and prepare the agency's legal analysis. Commandant (CG-0949) has the responsibility to provide the information required by [FAR 33.104\(a\)\(7\)](#) to GAO.

(4) The Contracting Officer shall give the notice of protest to the contractor if award has been made, or if no award has been made, to all interested parties. This notice shall be in writing and shall be made a part of the protest file.

(i) The Contracting Officer is responsible for sending copies of the protest report to the protester and any interested parties, unless otherwise agreed upon between the Contracting Officer and Commandant (CG-0949). This should be accomplished simultaneously with the Commandant (CG-0949) submittal of the report to GAO. Copies shall be sent by the fastest means possible (USPS Express Mail, or overnight Express via an authorized DHS Commercial Carrier, i.e. FedEx/UPS). Electronic filings, to the extent permitted by GAO rules, should also be considered. Commandant (CG-0949) shall forward a copy of the transmittal letter to the Contracting Officer for inclusion in the report(s) forwarded, if appropriate.

(b) Protests before award. The determination referenced in HSAM 3033.104(b) shall be signed by the Contracting Officer and forwarded in duplicate to the HCA. The HCA will coordinate the response with Commandant (CG-0949).

(c) Protests after award. The notice from the Government Accountability Office (GAO) referenced in Federal Acquisition Regulation (FAR) [48 CFR 33.104\(c\)](#) shall be submitted in duplicate to the Head of the Contracting Activity ((HCA). The HCA shall coordinate the Coast Guard's response with Commandant (CG-0949).

(g) Notice to GAO. The Contracting Officer shall submit the notice referenced in [FAR 33.104\(g\)](#), regarding proposed noncompliance with GAO recommended action, to Commandant (CG-0949). The Contracting Officer shall also submit a copy of the notice through Commandant (CG-913) to the HCA for approval.

CGAP SUBCHAPTER 3033.2 DISPUTES AND APPEALS

CGAP SUBCHAPTER 3033.203 Applicability

The procedures of CGAP Subchapter 3033.2 apply to all matters set forth in CGAP Subchapter 3001.104 and to disputes and appeals involving leases for military housing.

CGAP SUBCHAPTER 3033.209 Suspected fraudulent claims.

COCOs shall refer such matters under [HSAM 3033.209](#) to the Office of the Inspector General (OIG) only after notification to the HCA.

CGAP SUBCHAPTER 3033.210 Contracting officer's authority.

CGAP SUBCHAPTER 3033.210-90 Settlement after appeal is filed.

The Contracting Officer shall coordinate with the Chief Trial Attorney (Commandant (CG-0949)), prior to settlement, after an appeal is filed.

CGAP SUBCHAPTER 3033.212 Contracting officer's duties upon appeal.

CGAP SUBCHAPTER 3033.212-90 When filed with board of contract appeals.

(a) Contracting Officer's Notification of Appeal. Upon receipt of a notice of appeal, the Contracting Officer shall endorse on the original and copies, the date of mailing or, if otherwise filed, the date of receipt. When notices of appeal are received by mail, the Contracting Officer shall forward the envelope showing the postmark.

(1) If a postmark appears on the envelope, the following information shall be shown directly on the appeal.

Date of Postmark

(s)

JOHN DOE
Contracting Officer

(2) If no postmark appears on the envelope, the following information shall be shown directly on the appeal.

Date of Receipt:

(s)

JOHN DOE
Contracting Officer

The Contracting Officer shall immediately forward the original and one copy of the notice of appeal directly to Commandant (CG-0949) for further processing.

(b) Requirements of the appeal file.

(1) General. The appeal file documents shall be clearly legible. Copies containing approvals, notations, or otherwise marked should not be used. Captions on photographs shall be descriptive and not argumentative. Photographs, videotapes, and audiotapes shall show the date taken or recorded and by whom.

(2) Form.

(i) The appeal file shall be assembled in three-ring loose-leaf binders, each containing no more documents than the binder will hold without impeding its opening and closing. Each document in the file shall be separated by partition and individually numbered and tabbed using sequential numbering (i.e., several documents shall not be grouped within a single tabbed partition unless the document was originally an attachment to that document).

(ii) All documents shall be arranged in chronological order, earliest documents first, and all pages of any exhibit that is over three pages shall be numbered (Bates numbering). Include under separate tabs: (1) the Notice of Appeal, (2) the Contracting Officer's Final Decision, (3) the contractor's claim and (4) the contract. Each tab shall contain only one document (with enclosures, if relevant). The tab containing the contract shall include all of the pages of the contract, including any locally generated sets of general and special provisions, standard forms, etc. The contract shall also include the full text of at least those FAR clauses, which are relevant to the dispute (even though the FAR provisions are normally incorporated by reference).

(iii) Tab numbers shall be neatly printed or typed on the tabs. If the appeal file is voluminous, it shall be divided into two or more volumes. If practicable the individual volumes should not exceed approximately two inches in thickness. Tab numbers on multi-volume appeal files shall be continuous over all volumes, i.e., they shall not begin at "1" for each volume.

(iv) Drawings may be placed in a separate volume. Large drawings shall be inserted in such a manner as to make them easy to remove and refer (e.g., folding and inserting them into envelopes, which are in turn, fastened into the appeal file so that the drawings can be removed from the envelopes without removing the envelopes from the appeal file).

(v) Full sets of drawings, full specifications, and other large items may be bound separately and identified as supplements to the appeal file. They shall be listed as such in the appeal file index. Please note that the Civilian Board of Contract Appeals (CBCA) only requires the inclusion of pertinent specifications, modifications, plans, and drawings.

(vi) The appeal file index shall list each document along with a brief description of the document. In multi-volume appeal files the index shall indicate the division among volumes. The entire index for all volumes shall be placed in each volume.

(3) Multiple Appeals. A separate file shall cover each appeal. If multiple appeals under the same contract are in the hands of the Contracting Officer they shall not be combined in one file without the prior approval of the Chief Trial Attorney, Commandant (CG-0949). In the case of multiple appeals under the same contract, the contract, pertinent plans, specifications, amendments and change orders may only be furnished for the first of the multiple appeals. In the case of multiple appeals, the Contracting Officer should contact the Chief Trial Attorney when the notice(s) of appeal is received.

(c) Distribution of the appeal file. Within 25 calendar days after notice that an appeal has been docketed, the Contracting Officer shall forward the items listed below to Commandant (CG-0949) for distribution.

(1) The original and two copies of the appeal file. (The Contracting Officer shall retain one copy of the appeal file).

(2) The copy of the letter of transmittal for the appellant. The Contracting Officer shall forward the appellant's copy of the transmittal letter including the appellant's copy of the appeal file to Commandant (CG-0949) for mailing to the appellant.

(d) Requirements and procedures of the Chief Trial Attorney.

(1) Comprehensive Report for Chief Trial Attorney (Commandant (CG-0949)). The comprehensive report described below shall not be transmitted to the Civilian Board of Contract Appeals or to the appellant. Prior to, or at the time of, forwarding the appeal file, the Contracting Officer shall be responsible for furnishing to the Chief Trial Attorney a comprehensive report including the following:

(i) The names, titles, addresses and telephone numbers of all potential witnesses for the Government having information concerning the facts in dispute and a summary of their testimony.

(ii) If known, the names and titles of potential witnesses for the contractor.

(iii) Any pertinent information, which would assist the Trial Attorney in understanding the case.

(iv) Settlement position parameters, with history summarizing the actions to settle to date.

(v) Notification of the suit, if applicable.

(2) Appeal Correspondence. After an appeal has been filed with the Civilian Board of Contract Appeals, only the Chief Trial Attorney (Commandant (CG-0949)) or assigned trial attorney may initiate Coast Guard correspondence between the appellant and the Civilian Board of Contract Appeals about the appeal. The Contracting Officer is not authorized to communicate, orally or in writing, with the appellant or Civilian Board of Contract Appeals without prior approval from the Chief Trial Attorney or assigned trial attorney. It is Commandant (CG-0949) policy that the trial attorney assess the potential for settlement in all cases and attempt to resolve disputes through Alternative Dispute Resolution techniques whenever appropriate.

(3) Maintenance of Records. Care must be exercised to prevent premature destruction of records that are involved in contract claims and disputes. Contract files shall not be retired before all claims and disputes have been resolved.

(4) Associated Costs. All costs associated with legal defense (e.g., travel, witness expense, and court reporting) are a cost of the project.

(5) Presentation of the case.

(i) The Chief Trial Attorney (Commandant (CG-0949)), and/or any Trial Attorney designated by Commandant (CG-0949) shall present all Coast Guard cases to the Civilian Board of Contract Appeals. The Chief Trial Attorney and the designated Trial Attorney are authorized to take appropriate action for the presentation of the Government's case including communicating directly by letter or otherwise with any person in or outside the Coast Guard to secure any witnesses, documents, or information considered necessary in representing the Government.

(ii) The Chief Trial Attorney or responsible trial attorney may require the Contracting Officer or others to furnish comments or supplementary material.

(6) Agreement After Appeal is Filed. The Chief Trial Attorney and the Trial Attorney have the authority to effect settlement with an appellant, subject to the concurrence of the Contracting Officer, at any stage of an appeal prior to issuance of a decision by the Board.

(7) Post Settlement Procedure. When the Government and an appellant have reached mutually acceptable terms, a written modification to the contract shall be prepared setting forth the specific terms of the agreement, the contract clause(s) upon which the settlement was made, the consideration, and a requirement for a release by the contractor of all claims arising from the matter disposed of by the settlement agreement. The appellant shall also be required to withdraw the appeal with prejudice by notice thereof directly to the Board. The details of the settlement and the basis therefore will be recorded in a negotiation memorandum to the contract file. If the Contracting Officer was not present when the agreement was reached, the Trial Attorney shall provide the negotiation memorandum to the Contracting Officer for execution of a settlement agreement per the procedures in [FAR 49.109](#).

(8) Decisions of the Board. Decisions of the Civilian Board of Contract Appeals will be transmitted by the Chief Trial Attorney to the appropriate Contracting Officer.

CGAP SUBCHAPTER 3033.212-91 Actions filed in the U. S. court of claims.

When a contractor elects to file an action to the U. S. Court of Claims, rather than to the Civilian Board of Contract Appeals, the U. S. Department of Justice will notify the Chief Counsel, U. S. Coast Guard. Upon receipt of this notification, Commandant (CG-0949) will contact the appropriate Contracting Officer, and request that a litigation report be prepared per instructions that will be provided on a case-by-case basis.

CGAP SUBCHAPTER 3033.290 Monitoring potential contract claims.

Potential claims expected to exceed \$100,000 (i.e., claim amount, not expected recovery liability) must be immediately reported in writing to the Office of Resource Management (Commandant (CG-83)) in order to ensure that adequate funds will be available to cover the claim upon settlement. The notification must include all fund citations on the contract and a statement, if possible, as to whether or not the claim would involve antecedent liability. Note: A

COMDTINST M4200.19J

contract claim is based on antecedent liability if the modification or adjustment is within the general scope of the original contract and is made pursuant to a provision, such as the Changes clause, in the original contract. If complete settlement is not accomplished and a final decision is issued, a copy shall be provided within 3 business days to Commandant (CG-0949) to ensure litigation support for any appeal can be appropriately coordinated.

This page is intentionally left blank

CGAP CHAPTER 3034 MAJOR SYSTEM ACQUISITION

CGAP SUBCHAPTER 3034.0 GENERAL

CGAP SUBCHAPTER 3034.003 Responsibilities

(a) The Major Systems Acquisition Manual (MSAM), [COMDTINST M5000.1 \(series\)](#), contains Coast Guard policies for acquiring major systems. Any conflict or inconsistency between the MSAM and the Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19 (series), shall be resolved by giving precedence to the CGAP. Refer any inconsistency to Commandant (CG-91).

This page is intentionally left blank

CGAP CHAPTER 3035
RESEARCH AND DEVELOPMENT CONTRACTING
(RESERVED)

This page is intentionally left blank

CGAP SUBCHAPTER 3036.1 GENERAL

CGAP SUBCHAPTER 3036.103 Methods of contracting.

(RESERVED)

CGAP SUBCHAPTER 3036.104 Policy

CGAP SUBCHAPTER 3036.104-90 Authority for one-step turnkey design-build contracting for the United States coast guard (USCG).

The Coast Guard may use One-Step Turnkey Design-Build selection procedures to enter into Fixed-Price Design-Build contracts in accordance with [14 U.S.C. 677](#). All contracts awarded under this authority shall be Firm-Fixed Price and use Best Value Continuum selection methods.

CGAP CHAPTER 3036 CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS

CGAP SUBCHAPTER 3036.2 SPECIAL ASPECTS OF CONTRACTING FOR CONSTRUCTION

CGAP SUBCHAPTER 3036.201 Evaluation of contractor performance.

(RESERVED)

CGAP SUBCHAPTER 3036.213 Special procedures of sealed bidding in construction contracting.

CGAP SUBCHAPTER 3036.213-70 Report of proposed federal construction.

(RESERVED)

CGAP SUBCHAPTER 3036.6 ARCHITECT-ENGINEER SERVICES

CGAP SUBCHAPTER 3036.601 Policy

CGAP SUBCHAPTER 3036.601-90 Combining miscellaneous projects for architect-engineer services.

(a) Requirements for miscellaneous architect-engineer projects may be combined under a single contractual instrument. The contract shall be written as an Indefinite-Delivery Indefinite-Quantity contract per the provisions of [FAR 16.5](#) and [36.6](#), except that the following direction applies.

- (1) Pricing considerations.

Labor rates, overhead rates, and profit rates shall be negotiated on the basic contract for the base year including all option(s).

(2) Limitations on Use.

(i) The contract shall state a guaranteed minimum per [FAR 16.504\(a\)\(2\)](#). The contract shall have a guaranteed minimum contract amount and a contract maximum amount, which shall be stated as a dollar amount. The guaranteed minimum shall be obligated at the time of contract award.

(ii) If the Government is not fairly certain that requirements will exceed the stated minimum, an Indefinite-Delivery-Indefinite-Quantity contract shall not be issued, and any individual A-E service project shall be awarded as one individual contract.

(iii) The Contracting Officer must obtain the requester's statement per [HSAM 3016.501-2](#), prior to determining the estimated contract and option amounts. The contract amounts should not be arbitrarily fixed at the maximum authorized amounts, rather the contract amounts should be based on a case-by-case analysis considering the type of work, anticipated workload, effects on competition and, in coordination with the Small Business Specialist at the activity.

(3) Other requirements.

(i) The synopsis for the initial contract requirement shall enumerate any options and the guaranteed minimum amount and the contract maximum amount.

(ii) If options are to be utilized within the contract, up to four one-year option(s) are authorized. The option year amount is limited to the same dollar threshold limitation as the first year. Consideration of the adverse impacts on competition and the continuity of services should both be considered when determining the number of options to be used in a contract.

(iii) The scope of such contracts should be made as specific and non-duplicative as possible to reflect the requirements of specific installations or geographic location, rather than a broad category of architect-engineer services.

CGAP SUBCHAPTER 3036.602-2 Selection of firms for architect-engineer contracts.

The authority to establish an ad hoc architect-engineer evaluation board for each acquisition of A/E Services is delegated to the COCO at the Shore Infrastructure Logistics Center-Construction (SILC-Construction) who may re-delegate this authority to a Senior Field Contracting Officer.

CGAP SUBCHAPTER 3036.602-4 Selection authority.

(a) The selection authority of the COCO under [HSAM Subchapter 3036.602-4](#) to approve or disapprove the written recommendations of each evaluation board may be re-delegated to a Senior Field Contracting Officer.

(b) No contract may be awarded after one year from the response date in the FedBizOpps Synopsis unless justified by the Contracting Officer and approved by the COCO. In making a decision to award after the one year period, the COCO shall (1) consider the selected companies' qualifications and (2) survey the specific A&E market to determine if it is substantially unchanged since the creation of the final selection list.

CGAP SUBCHAPTER 3036.602-5 Short selection process for contracts not to exceed the simplified acquisition threshold.

Only Contracting Officers with architect-engineer services warrant authority are authorized to procure architect-engineer services using the short selection process.

CGAP SUBCHAPTER 3036.603 Collecting data on and appraising firms' qualifications.

Senior Field Contracting Officers within the Shore Infrastructure Logistics Center – Construction (SILC-Construction) shall establish procedures to meet the requirements of [FAR 36.603\(a\)](#). These Senior Field Contracting Officers shall ensure that data received from firms wishing to be considered for Government awards is maintained in a data file.

CGAP SUBCHAPTER 3036.604 Performance evaluation.

CGAP SUBCHAPTER 3036.604-90 Performance evaluation within the coast guard.

(a) Coast Guard procedures for appointing COTRs are set forth in CGAP Subchapter 3042.270.

(b) Contracting offices shall ensure that procedures regarding accessing contractor evaluation reports under FOIAs comply with [FAR 42.1503](#), [HSAM 3042.15 \(series\)](#), and CGAP Subchapter 3042.1503.

CGAP SUBCHAPTER 3036.609 Contract clauses.

CGAP SUBCHAPTER 3036.609-90 Option for quality assurance and inspection services.

(a) Contracting Officers shall release all withheld payments for completed design work after the completion and acceptance of architect-engineer services on the basic contract and prior to the possible exercise of any option for quality assurance and inspection services. This is consistent with paragraph (c), [FAR 52.232-10](#), Payments under Fixed-Price Architect-Engineer Contracts.

(b) When there is a possibility that in-house Government resources will be insufficient to cover the quality assurance and inspection requirements of a construction contract, and specifications for that contract are to be written by an architect-engineer firm on a fixed-price

contract, the Contracting Officer shall consider inclusion of the clause at CGAP Subchapter 3036.691 in the design architect engineer contract. When an option is included, technical specifications for quality assurance and inspection service shall be included as an "Appendix A" to the statement of work, entitled "Quality Assurance and Inspection Services." Contracting Officers shall negotiate prices before award of the basic contract, with the negotiated price set out as a separate optional contract line item.

CGAP SUBCHAPTER 3036.691 Clause

"QUALITY ASSURANCE AND INSPECTION SERVICES"

At any time prior to 10 months after satisfactory completion and acceptance of architect-engineer services in this contract, the Government may exercise its option for architect-engineer performance of quality assurance and inspection services set out as "Appendix A" to the statement of work. The architect-engineer shall proceed with such work and services within thirty (30) days after the option is exercised.

(End of clause)

CGAP CHAPTER 3037 SERVICE CONTRACTING**CGAP SUBCHAPTER 3037.1 SERVICE CONTRACTS - GENERAL****CGAP SUBCHAPTER 3037.103 Contracting officer responsibility.**

(c) When the Contracting Officer determines that performance-based service contracting procedures are not appropriate for a particular procurement, the Contracting Officer shall document the contract file to support the rationale for such a determination. The acquisition plan required for solicitations at [\(FAR\) 48 CFR 7.105\(b\)\(4\)](#) or the additional documentation required for services under Federal Supply Schedules, per [\(FAR\) 48 CFR 8.405-7\(b\)\(4\)\(ii\)](#), may serve as the documentation method to fulfill the requirement of this paragraph.

CGAP SUBCHAPTER 3037.104 Personal services contracts.**CGAP SUBCHAPTER 3037.104-90 Personal services contracts (USCG).**

(c) The authority to procure personal health care services authorized under [10 U.S.C. 1091 \(a\) to \(c\)](#) is delegated to the Shore Infrastructure Logistics Center-Base Support (SILC-Base Support) Contracting Officers at SILC-East and SILC-West.

CGAP SUBCHAPTER 3037.104-91 Personal services contracts with individuals under the authority of 10 U.S.C. 1091.

(RESERVED)

CGAP SUBCHAPTER 3037.104-92 Exemption, prohibition, and limitation.

(RESERVED)

CGAP SUBCHAPTER 3037.112 Government use of private sector temporaries.

(RESERVED)

CGAP SUBCHAPTER 3037.2 ADVISORY AND ASSISTANCE SERVICES**CGAP SUBCHAPTER 3037.205-90 Contracting officer responsibilities.**

(RESERVED)

CGAP SUBCHAPTER 3037.5 MANAGEMENT OVERSIGHT OF SERVICE CONTRACTS**CGAP SUBCHAPTER 3037.503 Agency-head responsibilities.**

(c) In accordance with [5 U.S.C. 3109](#), [FAR 37.104](#), [FAR 7.503](#), and [HSAM Subchapter 3007.504](#), the Head of the Contracting Activity (HCA) must ensure that any award of a contract

or exercise of an option under an existing contract for professional services does not include inherently governmental or nearly inherently governmental requirements, personal service requirements, or requirements that impact core functions which must be performed by Federal employees. Prior to such an award, the Contracting Officer shall complete and forward to the HCA via the Chief of the Contracting Office (COCO) and Commandant (CG-9132) a memorandum, "Review of Contract Awards/Option Exercises with Annual value of \$1M or Greater" detailing all relevant information concerning the procurement. The Director of Contracting and Procurement (Commandant (CG-91)), as HCA for the Coast Guard, shall review all proposed contract awards and options to be exercised with an annual value from \$1 million to \$50 million. The Vice Commandant (Commandant (CG-09)), as Component Acquisition Executive (CAE) for the Coast Guard, shall review, with the concurrence of the Chief Procurement Officer of DHS (OCPO), all proposed contract awards and options over \$50 million.

CGAP SUBCHAPTER 3037.6 PERFORMANCE-BASED ACQUISITION

CGAP SUBCHAPTER 3037.601 General

(RESERVED)

CGAP CHAPTER 3038
FEDERAL SUPPLY SCHEDULE CONTRACTING
(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3039 ACQUISITION OF INFORMATION TECHNOLOGY (IT)**CGAP SUBCHAPTER 3039.001 Applicability****CGAP SUBCHAPTER 3039.001-70 Certification of frequency spectrum support for new communication-electronic systems.**

(a) Section 33.4 of [Office of Management and Budget \(OMB\) Circular A-11, Preparation, Submission, and Execution of the Budget](#), specifies that when an Executive Department or Establishment plans to procure a radio spectrum-dependent communications-electronic system it must obtain a certification from the Department of Commerce's [National Telecommunications and Information Administration \(NTIA\)](#) that the radio frequency needed is available. For major systems where budget requests are required, this certification must be obtained prior to submission of budget estimates "for the development or procurement of major radio spectrum dependent communications-electronic systems (including all systems employing space satellite techniques)." Procedures for obtaining NTIA certification are set forth in Chapter 10 of the [NTIA Manual of Regulations and Procedures for Federal Radio Frequency Management](#).

(b) NTIA certification requirements relate to both commercial and non-commercial radio spectrum dependent communications-electronic systems. System program managers are responsible for obtaining such certifications prior to the budgeting or procurement of any item to which they apply; and Contracting Officers are responsible for ensuring that copies of them are retained in contract files. In cases where NTIA certification may be necessary, program managers must contact as soon as possible the Office of Communications Systems (Commandant (CG-62)) which shall coordinate certification efforts on behalf of the Coast Guard.

(c) Systems and subsystems subject to NTIA certification also may require an Exhibit 300 or an Exhibit 300 Light, depending on dollar value. To determine whether an Exhibit 300 or Exhibit 300 Light is necessary, refer to Department of Homeland Security (DHS) [Management Directive \(MD\) 1400, Investment Review Process](#). Supplementary information also is available in [MD 4200.1, IT Capital Planning and Investment Control \(CPIC\) and Portfolio Management](#).

CGAP SUBCHAPTER 3039.001-90 Policy

(a) The Coast Guard's point of contact for IT policy matters is the Assistant Commandant for Command, Control, Communications, Computers and Information Technology (Commandant (CG-6)). Commandant (CG-6) is the Chief Information Officer (CIO) for the Coast Guard.

(b) When procuring IT, Contracting Officers shall rely on information promulgated via the [Federal Acquisition Regulation \(FAR\)](#); the [Clinger-Cohen Act, as amended](#); [COMDTINST 5230.66 \(series\), Command, Control, Communications, Computers and Information Technology \(C4&IT\) System Development Life Cycle \(SDLC\) Policy](#); and [COMDTINST 5230.77 \(series\), Coast Guard and Department of Homeland Security Chief Information Officer \(CIO\) Review](#)

and Approval of Command, Control, Communications, Computers and Information Technology (C4&IT) Acquisitions.

(1) [COMDTINST 5230.66 \(series\)](#) identifies the authority, roles, responsibilities, and sequence of events for ensuring compliance with enterprise C4&IT policy for the planning, acquisition, production, deployment, support, operation and disposition of major and non-major C4&IT systems. Questions regarding COMDTINST 5230.66 (series) should be directed to the Office of Enterprise System Development Policy (Commandant (CG-69)). Any conflict or inconsistency between COMDTINST 5230.66 (series) and the Coast Guard Acquisition Procedures (COMDTINST M4200.19 (series)) shall be resolved by giving precedence to COMDTINST 5230.66 (series).

(2) [COMDTINST 5230.77 \(series\)](#) implements [DHS Management Directive 0007.1, Information Technology Integration and Management](#), which requires CIO review and approval of all Coast Guard C4&IT acquisitions.

(i) The Coast Guard CIO must review and approve all IT procurements of \$100,000 or more, inclusive of options. In addition, all IT procurements of \$2.5 million and above, inclusive of options, must also receive the approval of the DHS CIO.

(ii) IT acquisitions requiring CIO approval include but are not limited to equipment, software, services, hardware, communications, infrastructure, and programs, acquired under contracts, task orders, delivery orders, interagency agreements, reimbursable agreements, modifications, options, military interdepartmental procurement requests, commodity purchases, and any other contractual activity that includes an obligation for IT assets of \$100,000 or more. IT acquisitions under a DHS-wide contract vehicle (e.g., EAGLE and FirstSource) are NOT exempt from this requirement.

CGAP SUBCHAPTER 3039.2 ELECTRONIC INFORMATION AND TECHNOLOGY

CGAP SUBCHAPTER 3039.203 Applicability

(a) Coast Guard Implementation of the Rehabilitation Act, Section 508, [COMDTINST 5230.60A \(series\)](#), contains the U. S. Coast Guard's policy for procurement of Electronic Information and Technology (EIT), and shall be consulted during budget submission, and acquisition planning by requiring and procurement officials. This instruction includes the certification and determinations required for supplies and services that must meet the applicable accessibility standards at [36 CFR Part 1194](#).

(c)(1) Contracting Officers should draft solicitations in such a way as to permit acceptance of a product or service that partially meets the applicable technical provisions if no product is available that meets all applicable technical provisions. Solicitations should also indicate that products that provide equivalent facilitation will be considered along with those that meet the applicable specific technical provisions (in Subchapter B) of the Access Board's standards. To aid in addressing compliance for EIT, consult the General Services Administration

(GSA) Section 508 website discussion on [Section 508 Universe Training](#) and Frequently Asked Questions (FAQs) at <http://www.section508.gov/>.

CGAP CHAPTER 3040

(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3041 ACQUISITION OF UTILITY SERVICES**CGAP SUBCHAPTER 3041.1 GENERAL****CGAP SUBCHAPTER 3041.103 Statutory and delegated authority.**

(b) Delegated Authority. Commandant (CG-913) is responsible for coordinating on behalf of the Head of the Contracting Activity (HCA) all requests by Coast Guard contracting offices to the General Services Administration (GSA) for delegations of authority for the procurement of utility services. Prior to submitting any request to GSA for such a delegation, the Chief of the Contracting Office (COCO) shall notify the HCA (Commandant (CG-91) through Commandant (CG-913); and, upon receipt of GSA approval of its delegation request, shall notify Commandant (CG-913) accordingly.

(c) Acquiring Agency Certification. Coast Guard contracting offices shall notify the HCA through Commandant (CG-913) of any Individual or Class Certification that may be required as basis for obtaining a delegation of authority from GSA for utility service contracting. The HCA shall submit to the Senior Procurement Executive (SPE) of the Department of Homeland Security, on behalf of the Coast Guard, all requests for Individual and Class Certifications; and, through Commandant (CG-913), shall coordinate their receipt by the contracting offices requesting them.

This page is intentionally left blank

CGAP CHAPTER 3042 CONTRACT ADMINISTRATION

CGAP SUBCHAPTER 3042.1 CONTRACT AUDIT SERVICES

CGAP SUBCHAPTER 3042.101 Contract audit responsibilities.

(b) Pursuant to the current Memorandum of Understanding (MOU) between the Defense Audit Agency (DCAA) and U. S. Department of Homeland Security Office of the Chief Procurement Officer (OCPO), Contracting Officers shall request audit services directly from the cognizant DCAA Office. When requesting DCAA audit services, Coast Guard contracting professionals shall follow the procedures outlined in the MOU. A copy of the MOU is incorporated at [HSAM Notice 08/06](#) and [HSAM Appendix U, Contract Audit Services Memorandum of Understanding](#). When requesting contract audit services the following procedures apply:

(1) When a Contracting Officer determines that an audit is required, the requisitioning office shall obtain funding using a standard purchase request. Audit services will be individually requested and approved by the Contracting Officer on a [Military Interdepartmental Purchase Request \(MIPR\) \(DD Form 448\)](#) (See also <http://cgweb2.comdt.uscg.mil/cgforms/>.) and [Acceptance of MIPR \(DD Form 448-1\)](#). The MIPR shall serve as the funding document supporting the request for audit services. This funding document shall be completed with the appropriate accounting citation, and related audit documents.

(2) The MIPR, MIPR Acceptance, and audit documents shall be forwarded to the applicable DCAA office. A copy shall also be forwarded to the Commandant (CG-913) analyst assigned to FAR Part 42.

(3) For each audit report that is received, the Contracting Officer shall provide the cognizant DCAA office and Commandant (CG-9132) a copy of the price negotiation memorandum promptly after contract award. If the contractor for which the audit was provided is not the awardee, the Contracting Officer shall notify DCAA in writing of this fact. The price negotiation memorandum and/or the notification serve as the basis for DCAA disposition of the audit findings.

(4) Copies of Audit Reports. Contracting Officers shall provide a copy of the audit report to OCPO for the following reviews:

(ii) Audits of Compliance with Cost Accounting Standards-Audits of Cost Impact of Cost Accounting Standards (changes in cost accounting practice and/or non-compliances)

(iii) Defective Pricing Audits (Reviews for Compliance with the Truth in Negotiation Act)

(5) OCPO is responsible for ensuring the following procedures on Contract Audit Follow-up are met on a quarterly basis:

(i) OCPO shall obtain a listing of all open audits from DCAA and provide to the Components.

(ii) The Components shall provide the status of each audit (e.g., disposition with a copy of the price negotiation memorandum, negotiations in process, etc.) to OCPO within 30 days after the list is provided to the Component.

(iii) OCPO shall maintain a listing of all open audits for the quarter.

CGAP SUBCHAPTER 3042.2 CONTRACT ADMINISTRATION SERVICES

CGAP SUBCHAPTER 3042.270 Contracting officer's technical representative (COTR).

CGAP SUBCHAPTER 3042.270-1 Policy

(a) This Subchapter provides policies and procedures for the selection, appointment and training of a Contracting Officer's Technical Representative (COTR) within the Coast Guard.

(b) The Department of Homeland Security policy for COTR selection, appointment, and training is set forth in [DHS Policy No. 064-04-003](#), COTR Certification, Appointment and Termination; and Office of Federal Procurement Policy letter, Federal Acquisition Certification for Contracting Officer Technical Representatives (FAC-COTR), November 26, 2007. (See <http://www.fai.gov/certification/techrep.asp>). The [Coast Guard COTR Community Website](#) provides comprehensive guidance on COTR certification and training requirements.

CGAP SUBCHAPTER 3042.3 CONTRACT ADMINISTRATION OFFICE FUNCTIONS

CGAP SUBCHAPTER 3042.302 Contract administration functions.

(a)(22) In order to sustain the valuation for spare parts in accordance with the Statement of Federal Financial Accounting Standards and to accurately meet the mandatory Inventory Control Point (ICP) system requirements for item receipt in accordance with Federal Financial Management Systems Requirements, JFMIP-SR-03-02, Contracting Officers shall ensure that contracts cite a separate Contract Line Item Number (CLIN) for spare parts at the most specific level of detail manageable. Spare parts can be consumable spares, repairable spares, and repairable systems (e.g. engines, gearboxes).

(i) As specified in CGAP Clause 3042.302-90, Valuation Requirements for the Acquisition of Spare Parts Purchased for Inventory Control Points from HQ Contracts, the Contracting Officer's Technical Representative (COTR) shall furnish a copy of spare parts information provided by the contractor to the Commandant (CG-842) Desk Officer at the following address:

COMMANDANT (CG-842)
 U S COAST GUARD
 ATTN: CG-842 DESK OFFICER
 DIVISION OF INTERNAL CONTROLS AND ASSET MANAGEMENT
 2100 2ND ST SW STOP 7245
 WASHINGTON DC 20593-7245

The Commandant (CG-842) Desk Officer shall be responsible for disseminating this information to the Inventory Control Point (ICP) Commanding Officer, FINCEN, and Acquisition Program Manager (APM).

(ii) If unsupported spare parts are noted, the ICP shall notify and work through the Commandant (CG-842) Desk Officer, Contracting Officer, Contract Specialist, and APM to resolve discrepancies.

(iii) If unsupported spare parts cannot be resolved within fifteen business days of initial notification, the Commandant (CG-842) Desk Officer and APM shall proceed with an alternate valuation method that could result in additional costs to the acquisition project. Valuation of spare parts does not become the responsibility of the ICP until acceptance, and ICPs shall not accept spare parts without acceptable valuation documentation.

(iv) All unsupported spare parts shall be resolved within thirty (30) business days of their receipt at the ICP.

(v) ICPs shall ensure that spare parts receipt transactions are entered into logistics systems in a method that ties the receipt to the contract number and the Capital Project Number (CIP Project Number). The APM shall be responsible for providing the ICP the project number.

CGAP SUBCHAPTER 3042.302-90 Contract clause.

Contracting Officers shall insert the following in all solicitations and contracts where a contractor or subcontractor will furnish spare parts, consumable spares, repairable spares, or repairable systems (e.g. engines, gearboxes) to Coast Guard Inventory Control Points (ICPs).

VALUATION REQUIREMENTS FOR THE ACQUISITION OF SPARE PARTS PURCHASED FOR INVENTORY CONTROL POINTS FROM HEADQUARTERS CONTRACTS

(a) The contractor shall provide to the Contracting Officer and the Contracting Officer's Technical Representative (COTR) a listing of spare parts that will be shipped to Coast Guard Inventory Control Points (ICPs), and other intermediate destinations as specified in the contract. At a minimum, the listing must contain the following information for each spare part:

- (1) Contract number
- (2) Contract Line Item Number (CLIN)

- (3) Noun name
- (4) Manufacturer part number
- (5) National Stock Number (NSN), if available.
- (6) Class of Asset the spare part supports (e.g. Fast Response Cutter (FRC))
- (7) Quantity
- (8) Unit Price
- (9) Extended Price
- (10) Estimated shipping date

(b) The spare parts listing total shall tie to the contract CLIN line item total.

(c) The spare parts listing shall be provided by the contractor to the Contracting Officer and COTR thirty (30) days prior to the first part being shipped. The name of the Contract Specialist and Contracting Officer shall be noted, and the acquisition Project Office will be responsible and coordinate between the contractor and ICP to discuss any details or needs related to the shipment of the parts.

(d) The contractor shall insert this clause in all subcontracts where a subcontractor will be furnishing spare parts to Coast Guard ICPs, and in order to perform contractual duties.

(End of clause)

CGAP SUBCHAPTER 3042.14 TRAFFIC AND TRANSPORTATION MANAGEMENT

(RESERVED)

CGAP SUBCHAPTER 3042.15 CONTRACTOR PERFORMANCE INFORMATION

CGAP SUBCHAPTER 3042.1502 Policy

Each COCO shall establish internal procedures for processing contractor performance evaluations to implement the requirements of the [FAR](#), [HSAM](#), and Coast Guard Standard Operating Procedures.

CGAP SUBCHAPTER 3042.1503 Procedures

(a) On October 1, 2009, the Coast Guard began using the Department of Defense Contractor Performance Assessment Reporting System (CPARS) for all performance evaluations, including architect and engineering services.

(b) All members of the Coast Guard involved in the acquisition process are strongly advised against participating in informal contractor sponsored past performance or customer satisfaction surveys. Contractor generated past performance surveys or evaluations may provide valued feedback, but these unofficial sources of feedback may also be used for a variety of purposes potentially conflicting with the interests of the Government including marketing or negotiations, and potentially increasing the likelihood of legal action or dispute with a contractor. Reliance upon the Government's centralized repositories of contractor past performance information (PIRS (Past Performance Information Retrieval System), CPARS, CPS, etc.) will ensure consistency in the collection, standardization, reporting, and maintenance of contractor past performance information.

Additional information about past performance information systems is available at <http://www.cpars.csd.disa.mil/>.

This page is intentionally left blank

CGAP CHAPTER 3043 CONTRACT MODIFICATIONS**CGAP SUBCHAPTER 3043.1 GENERAL****CGAP SUBCHAPTER 3043.103-90 Types of contract modifications.**

A tripartite contract modification (the type of document preferred by the Small Business Administration offices) may be used to reflect agreements between the Small Business Administration, the Coast Guard, and the 8(a) contractor. The modification shall be placed in the official contract file.

CGAP SUBCHAPTER 3043.70 UNDEFINITIZED CONTRACT ACTIONS**CGAP SUBCHAPTER 3043.7000 Definitions****CGAP SUBCHAPTER 3043.7001 Policy****CGAP SUBCHAPTER 3043.7002 Limitations****CGAP SUBCHAPTER 3043.7003 Administration of UCAs.****CGAP SUBCHAPTER 3043.7004 UCA monitoring system and report.**

(b) The COCO shall establish a monitoring system for Undefinitized Contract Actions (UCAs) that meets the requirements of [HS AM 3043.7004](#), and shall report on their status quarterly to Commandant (CG-913).

This page is intentionally left blank

CGAP CHAPTER 3044
SUBCONTRACTING POLICIES AND PROCEDURES
(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3045 GOVERNMENT PROPERTY

CGAP SUBCHAPTER 3045.1 GENERAL

CGAP SUBCHAPTER 3045.101 Definitions

Government-furnished property” is defined as property owned by or leased to the Government that is a tangible asset (including Commercial Off-the-Shelf (COTS) software), regardless of dollar value, in the possession of the contractor or subcontractor. It also includes contractor held assets that are obtained by the Government under the terms of a contract. As used here and [FAR Section 45.101](#), Government-furnished property is not considered to be in the possession of the contractor until the contractor has signed a Government transfer document (e.g., [DD Form 1149, Requisition and Invoice/Shipping Document](#)) accepting responsibility for the property.

CGAP SUBCHAPTER 3045.102 Policy

(b) The Contracting Officer shall establish written internal controls setting forth procedures for managing Government furnished property where applicable.

CGAP SUBCHAPTER 3045.105 Contractor’s property management system compliance.

(a) The Contracting Officer shall require the contractor to maintain all official records of Government property in its possession or control, including Government property at subcontractor facilities, on [DHS Form 0700-05](#), Contractor Report of Government Property, unless the Contracting Officer determines that the Government shall maintain the official property records. Contractor property records must identify all Government property and provide a complete, current, auditable record of all property transactions regardless of the dollar value. The contractor's property control records shall constitute the Government's official property records unless the Government maintains its own property records. If the Government maintains its own property records, DHS Form 0700-05 is not required.

CGAP SUBCHAPTER 3045.105-90 Designation of property administrator.

The Contracting Officer may designate a property administrator to administer the Government furnished property for a particular contract. The designation shall be in writing and shall identify the role and responsibilities of the administrator. A copy of the designation shall be maintained in the contract file. The property administrator’s duties include, but are not limited to, review and approval of the contractor’s property control system; conducting physical inventories; initiating reports of survey; and complying with property reporting requirements.

CGAP SUBCHAPTER 3045.3 AUTHORIZING THE USE AND RENTAL OF GOVERNMENT PROPERTY

CGAP SUBCHAPTER 3045.3-90 Acquiring special test equipment.

The Contracting Officer shall coordinate with the Office of Procurement Policy and Oversight (Commandant (CG-913)) when acquiring special test equipment.

CGAP SUBCHAPTER 3045.6 REPORTING, REUTILIZATION, AND DISPOSAL

CGAP SUBCHAPTER 3045.602 Reutilization of Government Property.

The Contracting Officer shall approve the transfer and disposition of Government furnished property upon contract completion. The Contracting Officer shall ensure that a copy of the Contractor Inventory Report and transfer/disposition of property documentation is provided to the Unit Property Officer.

CGAP SUBCHAPTER 3045.602-3 Screening

The Contracting Officer shall coordinate agency standard screening and agency special item screening with Commandant (CG-842).

CGAP SUBCHAPTER 3045.603 Abandonment, destruction or donation of excess personal property.

The Property Management Manual, [COMDTINST M4500.5 \(series\)](#), provides guidance on the sale and disposal of Government-owned personal property. Contracting offices shall contact the local property office or Division of Internal Controls and Asset Management (Commandant (CG-842)) for assistance regarding property disposal.

This page is intentionally left blank

CGAP CHAPTER 3046 QUALITY ASSURANCE

CGAP SUBCHARTER 3046.6 MATERIAL INSPECTION AND RECEIVING REPORTS

CGAP SUBCHAPTER 3046.601 General

Material Inspection and Receiving Report (MIRR), DD Form 250 (Series) found at <http://cgweb2.comdt.uscg.mil/cgforms/> is authorized for Coast Guard use to document contract quality assurance, acceptance of supplies and services, and shipments. MIRRs shall not be used for:

- (a) Shipments by subcontractors where direct shipment is not made to the Government;
- or
- (b) Shipment of contractor inventory.

CGAP SUBCHAPTER 3046.601-90 Acceptance of capitalized assets.

(a) There are two types of capitalized assets: real property and personal property. Real property assets include the procurement of land, building and structure. These assets may require construction, refurbishing, assembly or similar effort. Personal property assets include the procurement of aircraft, boats, electronic systems, electronic test equipment, general purpose property (GPP), vehicles, vessels and industrial equipment managed in two designated fixed asset applications, Oracle and Naval & Electronic Supply Support System (NESS).

(b) In accordance with Paragraphs 9.A. and 9.B.3.e.3 of the [Financial Resources Management Manual \(FRMM\), COMDTINST M7100.3\(series\)](#), it is Coast Guard policy that every contract for the development or delivery of capital assets valued at \$50,000 or more shall be supported by a signed acceptance report, such as DD Form 250, Material Inspection and Receiving Report, DHS Form 700-21, Material Inspection and Receiving Report, Standard Form (SF) 1449, Solicitation/Contract/Order for Commercial Items, or Optional Form (OF) 347, Order for Supplies and Services, in order to document the date of acceptance and valuation of Coast Guard capital assets. Such reports documenting receipt and acceptance of capital assets by the Coast Guard shall be signed by a Contracting Officer as acknowledgement that the asset has been received and satisfies the terms of the contract under which it was procured with respect to price, quantity, and quality.

CGAP SUBCHAPTER 3046.7 WARRANTIES

CGAP SUBCHAPTER 3046.702 General

(c) Written summary of the procedures to trace and enforce contract warranty provisions is required within 10 calendar days from date of request. As a minimum, the summary shall include in the order listed: the (1) contract number, (2) contractor's name, (3) description of warranted item, (4) warranty cost (from the contract), (5) costs associated with warranty enforcement, (transportation, travel, etc.), and (6) summary of warranty enforcement experience

(to include, but not limited to, disposition of warranted items, other considerations obtained, and dates warranty action initiated and completed).

CGAP SUBCHAPTER 3046.706 Warranty terms and conditions.

(b) For enforcement of major system acquisition warranty provisions, all major system acquisition contracts shall require written notice of warranty be attached to or furnished with the warranted item at time of delivery. Such written notice of warranty shall state (i) existence and substance of warranty, (ii) duration of warranty period, and (iii) contractor's point of contact (to be contacted only upon determination by the warranty manager that warranty enforcement is necessary).

CGAP SUBCHAPTER 3046.706-90 Waiver and notification procedures (USCG).

(b) Requests for waiver shall be signed by the Head of the Contracting Activity and shall be submitted through the COCO with supporting documentation to Commandant (CG-913) for processing to the HCA at least 60 days prior to the anticipated award date. Contract award will not be made until the waiver is approved and Congressional notification is completed.

CGAP CHAPTER 3047 TRANSPORTATION**CGAP SUBCHAPTER 3047.1 GENERAL****CGAP SUBCHAPTER 3047.104 Government rate tenders under section 10721 and 13712 of the Interstate Commerce Act (49 U.S.C. 10721 and 13712).****CGAP SUBCHAPTER 3047.104-1 Government rate tender procedures.**

(b) Negotiation of [49 U.S.C. 10721 and 13712](#) rates by transportation officers does not require a Contracting Officer's warrant (see [\(FAR\) 48 CFR 47.104-1\(b\)](#)). However, the binding of the Government through negotiated actions, other than through [49 U.S.C. 10721 and 13712](#), does require a Contracting Officer's warrant unless otherwise exempt by executive order, statute, or regulation.

CGAP SUBCHAPTER 3047.2 CONTRACTS FOR TRANSPORTATION OR FOR TRANSPORTATION-RELATED SERVICES.**CGAP SUBCHAPTER 3047.205 Availability of term contracts and basic ordering agreements for transportation or for transportation-related services.**

(a) Contracts or Basic Ordering Agreements (BOAs) awarded by Coast Guard Contracting Officers for transportation or transportation-related services greater than the simplified acquisition threshold require approval by the Contracting Officer's immediate supervisor.

CGAP SUBCHAPTER 3047.3 TRANSPORTATION IN SUPPLY CONTRACTS**CGAP SUBCHAPTER 3047.303 Standard delivery terms and contract clauses.****CGAP SUBCHAPTER 3047.303-17 Contractor-prepaid commercial bills of lading, small package shipments.**

(c) The Contracting Officer shall notify the contractor of any loss or damage to the Government supplies shipped by the contractor under prepaid commercial bills of lading.

CGAP SUBCHAPTER 3047.5 OCEAN TRANSPORTATION BY U.S.-FLAG VESSELS**CGPA SUBCHAPTER 3047.506 Procedures**

(a) The [Maritime Administration \(MARAD\)](#) has a role in enforcing cargo preference statutes. [MARAD](#) can assist contractors in locating U.S.-flag carriers, is empowered to determine when such services are not available, and can assist Contracting Officers in evaluating

any contractor claims related to "excess costs" or differentials associated with the use of U.S.-flag vessels.

(c) The determination of fair and reasonable rates for charter cargoes not in published tariffs shall be obtained from [MARAD](#).

CGAP SUBCHAPTER 3047.90 Contractor mailings.

(a) Definition. "Penalty mail" as used in this Subchapter is mail which is sent using a Government imprint stating that postage and fees are paid by an agency of the U.S. Government and that there is a penalty for private use. Only matter relating exclusively to the business of the Government of the United States may be sent as penalty mail.

(b) Policy. Program managers shall ensure that mailings by contractors are prepared in accordance with the [Coast Guard Postal Manual, COMDTINST M5110.1 \(series\)](#), emphasizing use of mail class and supplemental postal services meeting security, accountability, and delivery requirements of material being shipped at the most economical cost to the Coast Guard.

(c) Procedures. When a contractor makes penalty (indicia) mailings for the U.S. Coast Guard the Contracting Officer shall either provide a copy of the [Coast Guard Postal Manual, COMDTINST M5110.1 \(series\)](#) or furnish appropriate information from the instruction to the contractor. The Contracting Officer shall provide the contractor with the U.S. Coast Guard Permit Number and assist the contractor in submitting the required postal forms. The Contracting Officer shall ensure that a copy of the required postal forms is forwarded to the Office of Information Management (Commandant (CG-611)).

CGAP CHAPTER 3048 VALUE ENGINEERING

CGAP SUBCHAPTER 3048.1 POLICIES AND PROCEDURES

CGAP SUBCHAPTER 3048.102 Policies

(a) The Head of the Contracting Activity (HCA) is responsible for managing and monitoring Value Engineering (VE) efforts for the Coast Guard. (See [OMB Circular A-131](#).) VE reports should be sent directly to Commandant (CG-913) by November 1 of each fiscal year. The report should cover VE activity occurring in the preceding fiscal year.

CGAP SUBCHAPTER 3048.104-3 Shared collateral savings.

(RESERVED)

CGAP SUBCHAPTER 3048.2 CONTRACT CLAUSES

CGAP SUBCHAPTER 3048.201 Clauses for supply or service contracts.

(RESERVED)

CGAP SUBCHAPTER 3048.202 Clause for construction contracts.

(RESERVED)

This page is intentionally left blank

CGAP CHAPTER 3049 TERMINATION OF CONTRACTS**CGAP SUBCHAPTER 3049.1 GENERAL PRINCIPLES****CGAP SUBCHAPTER 3049.106 Fraud or other criminal conduct.**

In cases of suspected fraud or other criminal conduct in connection with the settlement of a terminated contract, the Contracting Officer shall take action per the procedures in Mandatory Reporting of Incidents to Coast Guard Investigative Service and Requesting Investigative Assistance.

CGAP SUBCHAPTER 3049.4 TERMINATION FOR DEFAULT**CGAP SUBCHAPTER 3049.401 General**

Commandant (CG-0949) shall review all notices of termination for default, with all supporting information, for legal sufficiency. Commandant (CG-0949) will provide notice of legal sufficiency within three (3) working days after receiving the documents.

CGAP SUBCHAPTER 3049.5 CONTRACT TERMINATION CLAUSES**CGAP SUBCHAPTER 3049.501 General**

Requests to use special purpose clauses shall contain the following information: a copy of the clause, justification for the necessity of its use, and the concurrence of legal counsel regarding the legality of the proposed clauses and the inappropriateness of the standard FAR clauses.

CGAP SUBCHAPTER 3049.6 CONTRACT TERMINATION FORMS AND FORMATS**CGAP SUBCHAPTER 3049.607 Delinquency notices.**

(a) Cure Notice. When it is appropriate to issue a cure notice, the format in FAR 49.607(a) is mandatory except that additional paragraphs may be added if appropriate. If re-procurement is a possibility, the following paragraph shall be added to the cure notice:

Should the Government decide to pursue its right of termination for default, the Government may procure supplies or services similar to those so terminated, and you will be liable to the Government for any excess costs of the re-procurement.

(b) Show Cause Notice. The format at [FAR 49.607\(b\)](#) is mandatory for the Coast Guard.

CGAP SUBCHAPTER 3049.607-90 Notice to re-establish a delivery date.

(RESERVED)

CGAP CHAPTER 3050 EXTRAORDINARY CONTRACTUAL ACTIONS AND THE SAFETY ACT**CGAP SUBCHAPTER 3050.1 EXTRAORDINARY CONTRACTUAL ACTIONS****CGAP SUBCHAPTER 3050.103-5 Processing cases.**

The Office of Procurement Law (Commandant (CG-0949)) is the Contracting Officer's designated representative for processing adjustments. The Contracting Officer shall transmit the contractor's request for adjustment as detailed in [FAR 50.103-3](#) to Commandant (CG-0949). Commandant (CG-0949) shall compile the facts and evidence detailed in [FAR 50.103-4](#), as necessary, and process the case as specified in [FAR 50.103-5](#).

This page is intentionally left blank

CGAP CHAPTER 3051
USE OF GOVERNMENT SOURCES BY CONTRACTORS
(RESERVED)

CGAP CHAPTER 3052 SOLICITATION PROVISIONS AND CONTRACT CLAUSES

CGAP SUBCHAPTER 3052.2: TEXTS OF PROVISIONS AND CLAUSES

The following is a list of solicitation provisions and contract clauses contained in CGAP. Each is hyperlinked to the location of the provision or clause.

CGAP SUBCHAPTER 3004.1301-90: [Common Access Cards \(CAC\) for Contractors: Contractor Verification System \(CVS\)](#)

CGAP SUBCHAPTER 3014.201-890: [Location of Offeror's Commercial Shipyard](#)

CGAP SUBCHAPTER 3014.201-890: [Foreseeable Cost Factors Pertaining to Different Shipyard Locations](#)

CGAP SUBCHAPTER 3023.490: [Salvageable Products](#)

CGAP SUBCHAPTER 3027.303: [Patent Rights Under Government Contracts](#)

CGAP SUBCHAPTER 3028.101-290: [Sealed Bids for Construction](#)

CGAP SUBCHAPTER 3032.206: [Commercial Item Purchase Financing](#)

CGAP SUBCHAPTER 3032.703-92: [Notice to Bidders/Offerors](#)

CGAP SUBCHAPTER 3036.691: [Quality Assurance and Inspection Services](#)

CGAP SUBCHAPTER 3042.302-90: [Valuation Requirements for the Acquisition of Spare Parts Purchased for Inventory Control Points from Headquarters Contracts](#)

This page is intentionally left blank

CGAP CHAPTER 3053 FORMS

CGAP SUBCHAPTER 3053.1 GENERAL

CGAP SUBCHAPTER 3053.101 Requirements for use of forms.

The requirements for use of the forms prescribed or referenced in this chapter are contained in CGAP Chapters and/or Subchapters 3001 through 3052, where the subject matter applicable to each form is addressed. The specific location of each requirement is identified in CGAP Subchapter 3053.2.

CGAP SUBCHAPTER 3053.101-90 Use of other agency forms.

Coast Guard contracting activities are authorized to use any of the forms prescribed within the Department of Defense (DoD) FAR Supplement. Forms prescribed by the Federal Acquisition Regulation (FAR) shall have first preference usage, forms prescribed by the [Homeland Security Acquisition Regulation \(HSAR\)](#) shall have second preference usage, forms prescribed by the [Homeland Security Acquisition Manual \(HSAM\)](#) shall have third preference, forms prescribed by the Coast Guard Acquisition Procedures (CGAP) shall have fourth preference usage, and forms prescribed by the DOD FAR Supplement shall have last preference usage, unless mandatory use is prescribed for these forms.

CGAP SUBCHAPTER 3053.103 Exceptions

Alteration (changes rather than overprinted additions) of any Coast Guard form or other authorized form used for contracting-related purposes is prohibited unless prior approval has been obtained from Commandant (CG-913). Use for the same purpose of any form other than one prescribed by these procedures requires prior approval of Commandant (CG-913). Requests for exceptions to standard or optional forms, as prescribed in [FAR 53.103](#) shall be forwarded to Commandant (CG-913) for appropriate action.

CGAP SUBCHAPTER 3053.104 Overprinting

Coast Guard forms and other forms may be overprinted with names, addresses and other uniform entries that are consistent with the purpose of the form and that do not alter the form in any other way. Exception approval for overprinting is not needed.

CGAP SUBCHAPTER 3053.105 Computer generation.

Forms prescribed within the FAR System may be adopted for computer preparation by following the exception procedures in CGAP Subchapter 3053.103.

CGAP SUBCHAPTER 3053.106 Special construction and printing.

Contracting activities may request exceptions to procurement-related forms for special format and printing by using the procedures at CGAP Subchapter 3053.103.

CGAP SUBCHAPTER 3053.107 Obtaining forms.

Coast Guard and other agency forms shall be obtained through the Coast Guard's regular forms distribution channels. The Coast Guard's Forms Library provides the electronic version of CG-specific forms and other agency forms. The library is accessible on the Coast Guard's intranet website at <http://cgweb2.comdt.uscg.mil/cgforms/>.

CGAP SUBCHAPTER 3053.108 Recommendations concerning forms.

As specified in [FAR 53.108](#), contracting activities shall coordinate with the FAR Secretariat through Commandant (CG-9132).

CGAP SUBCHAPTER 3053.2 PRESCRIPTION OF FORMS

CGAP SUBCHAPTER 3053.200 Scope of subchapter.

This Subchapter prescribes Coast Guard forms for use in agency acquisitions. The Subchapter is arranged by subject matter in the same order as the parts and chapters of the regulation in which the form usage requirements are addressed. (See [FAR 53.200](#) for an example.)

CGAP SUBCHAPTER 3053.204 Administrative matters.

(RESERVED)

CGAP SUBCHAPTER 3053.204-90 Coast Guard forms used in documenting contract award information and in documenting contract administration files.

(RESERVED)

CGAP SUBCHAPTER 3053.219 Small business programs.

(RESERVED)

CGAP SUBCHAPTER 3053.232-70 Procurement requests.

(RESERVED)

CGAP SUBCHAPTER 3053.3 ILLUSTRATION OF FORMS.

(RESERVED)

CGAP SUBCHAPTER 3053.300 Scope of Subchapter.

(RESERVED)

This page is intentionally left blank

APPENDIX A – CHAPTER 3010

SAMPLE LICENSING AGREEMENT

This agreement and license is made as of the ____ day of _____, 20XX, by and between (name of vendor) (hereafter licensor) and the United States of America (hereafter licensee).

Whereas, licensor agrees to provide the following listed and described equipment to licensee for testing and evaluation purposes:

The equipment consists of:

The licensee may use the listed equipment for the following purposes:

The equipment will be returned to licensor on or before:

It is further agreed as follows:

Licensor grants consent to licensee to use the above described equipment for testing purposes as stipulated herein. Licensor conveys no title to any equipment herein described, and licensee shall acquire no ownership rights or other entitlement. Licensee shall not interface or connect any equipment furnished by the licensor to equipment or configured systems without the express consent of the Licensor. Such consent may be accomplished by addendum to this agreement. Only the Licensor shall accomplish modifications to equipment, unless otherwise specifically authorized by addendum to this agreement.

Demonstrations, product displays and "gratuitous" services are conducted for the sole purpose of demonstrating the capability of particular items or services and not for fulfilling mission requirements. The examination and demonstration of items or services will in no way, expressed or implied, obligate the licensee to purchase, rent or otherwise acquire the items demonstrated, displayed or furnished.

The licensee assumes no cost or obligation, expressed or implied, for damage to, destruction of, or loss of any licensor provided components.

The licensor agrees to hold the licensee harmless from any damages to property or injuries to any person resulting from the use of the item or services provided.

The licensor agrees to reimburse the licensee for any damage to Government owned property resulting from the demonstration, if determined by the Government to have been proximately caused by licensor personnel or property.

All software, all equipment and hardware supplied by the licensor, software media, whether microfiche, paper, magnetic tape, disk, floppy disk, or other reproduction, shall at all

times remain the property of the licensor. The licensor is responsible for marking any restricted or limited use software provided to licensee in conjunction with tests and evaluations accomplished under this agreement.

Licensee shall provide all test site facilities and utilities that are required for any and all tests to be accomplished pursuant to this agreement.

Licensor shall be responsible for all transportation of equipment provided by licensor in conjunction with tests and evaluation under this agreement to and from the initial test site. Licensee shall incur no costs for transportation of equipment provided by the licensee under this agreement.

In return for the opportunity to demonstrate the capabilities of its equipment, the licensor agrees not to file any claims against the licensee, or otherwise seek any form of reimbursement for the use or compensation for the loss, damage to or destruction of any equipment, materials, supplies, information or services provided to the licensee for the demonstration.

Licensee shall at all times protect and safeguard information that the licensor has identified as proprietary, confidential in nature, or as a licensor's trade secret.

The licensor shall not use any information from or reference to tests and evaluations from provisions of this agreement for advertising purposes, to include the fact the licensee permitted, conducted or participated in the respective tests and evaluation.

The licensee shall not release information or data generated pursuant to this agreement outside the U. S. Government without the express written consent of the licensor.

This agreement constitutes the entire agreement between the parties and no representation oral or written not specifically incorporated into this agreement shall be binding.

IN WITNESS WHEREOF, the parties hereto have executed this agreement and license as of the date first above written.

LICENSEE: LICENSER:

BY: _____ BY: _____

TITLE: Contracting Officer TITLE: _____

APPENDIX B – CHAPTER 3017

SAMPLE

**Determination and Findings
Authority to Exercise an Option on
Task or Delivery Order Contract Exceeding 5 Years
(Contract/Order No.)**

Subject: Contractor Name: _____
Contract No./Order No.: _____

Proposed Action: Exercise of [*Identification of Option, e.g., Option Year X*]

The U. S. Coast Guard proposes to exercise [*Identification of Option to Be Exercised*] extending the end of the performance period under the subject contract from [*MM/DD/YYYY to MM/DD/YYYY*]. Pending approval of this Determination and Findings a notice of intent to exercise the option will be provided to the contractor.

In accordance with FAR Paragraphs 17.207(c) and (f), Exercise of Options, a determination is made to exercise an option under the subject contract [*Description of Option*]. It is determined that:

1. Funding is available under Purchase Request No. _____ in the amount of \$_____.
2. During [*Identification of Option to Be Exercised*], it will be necessary for the contractor to provide continued support in accordance with the contract Statement of Work. The pricing for this proposed support is consistent with pricing established in the contract pricing Schedule.
3. The exercise of this option under the current contract is most advantageous to the Government, price and other factors considered. The supplies and services authorized under the contract are currently required, and a new solicitation at this time would delay planned applications and support activities scheduled.
4. The contractor has performed satisfactory during the prior performance period. There is no reason to believe that a re-competition of the requirement would attain better performance or a better price.
5. The initial requirement was synopsisized in the Federal Business Opportunities (FedBizOpps) Government wide point of entry and included all option periods.
6. In accordance with CGAP Subchapter 3017.204(e)(1)(ii) the Head of Contracting Activity (HCA) for the Coast Guard (Commandant (CG-91)) previously authorized on [*MM/DD/YYYY*] a total period of contract performance in excess of 5 years.

Determination

Therefore, I hereby determine that on the basis of the above findings, exercise of ***[Description of Option Extending the Duration of the Contract]*** is necessary to fulfill the requirements of the Coast Guard and is in the best interest of the Government.

[Name], Contracting Officer
[Coast Guard Office/Component]

Date

Approved
[Name], Chief,
Acquisition Planning and Oversight Division
Office of Procurement Policy and Oversight (Commandant (CG-9131))

Date

APPENDIX C – CHAPTER 3033

**NOTICE FOR FILING AGENCY PROTESTS
United States Coast Guard Ombudsman Program**

It is the policy of the United States Coast Guard (USCG) to issue solicitations and make contract awards in a fair and timely manner. The Ombudsman Program for Agency Protests (OPAP) was established to investigate agency protest issues and resolve them without expensive and time-consuming litigation. OPAP is an independent reviewing authority that is empowered to grant a prevailing protester essentially the same relief as the Government Accountability Office (GAO).

Interested parties are encouraged to seek resolution of their concerns within the USCG as an Alternative Dispute Resolution (ADR) forum rather than filing a protest with the GAO or some external forum. Interested parties may seek resolution of their concerns informally or opt to file a formal agency protest with the Contracting Officer or Ombudsman.

Informal Forum with the Ombudsman. Interested parties who believe a specific USCG procurement is unfair or otherwise defective should first direct their concerns to the applicable Contracting Officer. If the Contracting Officer is unable to satisfy their concerns, interested parties are encouraged to contact the U.S. Coast Guard Ombudsman for Agency Protests. Under this informal process the agency is not required to suspend contract award performance. Use of an informal forum does not suspend any time requirement for filing a protest with the agency or other forum. In order to ensure a timely response, interested parties should provide the following information to the Ombudsman: solicitation/contract number, contracting office, Contracting Officer, and solicitation closing date (if applicable).

Formal Agency Protest with the Ombudsman. Prior to submitting a formal agency protest, protesters must first use their best efforts to resolve their concerns with the Contracting Officer through open and frank discussions. If the protester's concerns are unresolved, an Independent Review is available by the Ombudsman. The protester may file a formal agency protest to either the Contracting Officer or as an alternative to that, the Ombudsman under the OPAP program. Contract award or performance will be suspended during the protest period unless contract award or performance is justified, in writing, for urgent and compelling reasons or is determined in writing to be in the best interest of the Government. The agency's goal is to resolve protests in less than 35 calendar days from the date of filing. Protests shall include the information set forth in [FAR 33.103\(d\) \(2\)](#). If the protester fails to submit the required information, resolution of the protest may be delayed or the protest may be dismissed. To be timely protests must be filed within the period specified in [FAR 33.103\(e\)](#). Formal protests filed under the OPAP program should be submitted to:

COMMANDANT (CG-9131)
U S COAST GUARD
OMBUDSMAN PROGRAM FOR AGENCY PROTESTS
2100 2ND ST SW STOP 7112
WASHINGTON DC 20593-7112

The Ombudsman Hotline telephone number is 202.372.3695.

DEVIATIONS & WAIVERS

- 1. PURPOSE.** This enclosure establishes policies and procedures for the submission and processing of requests for Individual and Class Deviations, within the meaning of [Federal Acquisition Regulation](#) (FAR) Subparts 1.403 and 1.404, respectively, and the granting of Waivers of acquisition regulations requiring approval at a level above the Chief of the Contracting Office (COCO).
- 2. APPLICABILITY.** These policies and procedures apply to Individual and Class Deviations from the FAR, Homeland Security Acquisition Regulation (HSAR), Homeland Security Acquisition Manual (HSAM), and Coast Guard Acquisition Procedures (CGAP), as well as Waivers that may be granted pursuant to pre-established ad hoc provisions within these regulations.
- 3. POLICY.** Taken together Deviations and Waivers afford Contracting Officers flexibility in adapting to any unique factors impacting their ability to solicit, award, and administer contracts; and are designed to promote streamlining in Coast Guard acquisition processes. The goal of Deviations and Waivers is to eliminate unnecessary procurement regulations and procedures that impede the exercise of sound business judgment. Each request for a Deviation/Waiver must be related to formal contracting procedures (acquisitions in excess of the simplified acquisition threshold) and justified by the contracting office making the request.
- 4. PROCEDURES.**

 - a. Contracting Officers shall submit in writing through their respective COCOs requests for Deviations and Waivers from provisions of the [FAR](#), [HSAR](#), [HSAM](#), or CGAP via the Chief of the Office of Procurement Policy and Oversight (Commandant (CG-913)).
 - b. Written requests, with all appropriate supporting information, may be transmitted via e-mail, Coast Guard message, facsimile, or US Postal Service regular mail. However, all such requests must be addressed to the appropriate approving authority for the Deviation/Waiver requested, and must include the signature of the COCO supporting the request for approval.
 - c. Each Deviation/Waiver request shall include, at minimum: the title and description of the deviation/waiver requested; appropriate regulatory and procedural citations supporting such relief; the rationale/justification for the granting of the relief requested; the proposed duration and method of oversight to be used should a deviation/waiver be granted; the expected benefits resulting from the Deviation/Waiver; and the Deviation/Waiver's statutory/regulatory impact should it be granted.
 - d. Commandant (CG-913) shall review and coordinate the processing of each Deviation/Waiver request expeditiously and shall provide requesting activities within three working days of its receipt information on milestones and expected response dates. Deviation/Waiver requests for [FAR](#), [HSAR](#), [HSAM](#) Class Deviations must be reviewed and approved by the Chief Procurement Officer (CPO) of the Department of Homeland Security (DHS) and the Head of the Contracting Activity (HCA) for the Coast Guard (Commandant (CG-91)) as applicable. All other requests

for Deviations from CGAP will be reviewed and approved in accordance with CGAP Subchapters 3001.403 and 3001.404.

e. Other contracting offices have the opportunity to benefit from an approved Deviation/Waiver by requesting that the approved Deviation/Waiver apply to them as well. In such cases, the requesting activity must provide its own justification/rationale for consideration on a previously approved Deviation/Waiver. The same review procedures described above also apply in these situations.

5. RESPONSIBILITIES.

a. The COCO shall ensure that a designated Point of Contact for each Deviation/Waiver request is included in all related correspondence.

b. Commandant (CG-913) shall:

(1) Process each deviation/waiver request; and

(2) Coordinate all activities necessary for approval of Deviations/Waivers of FAR, HSAR, and HSAM provisions with Commandant (CG-91) as HCA, and the Chief Procurement Officer (CPO) of the Department of Homeland Security (DHS) as applicable.

6. POINT OF CONTACT. For additional information regarding this instruction, please contact the [CGAP Program Manager](#).

COAST GUARD STANDARDIZATION PROGRAM
SAMPLE FORMAT--DETERMINATION AND FINDINGS

Contracting Activity:

DETERMINATION AND FINDINGS

FINDINGS

1. Include the nature and description of the action being taken. Provide statements of fact or rationale to support the determination to be made. Explain the procurement strategy (e.g., for retrofitting and for future vessel procurements)
2. Provide the statute or regulation applicable to the requirement and on which this D&F is based.
3. The findings shall contain sufficient facts or rationale to convincingly justify the determination. In addition, it should include estimated quantities and any options. Obtain supporting documentation from appropriate requirements, technical, and contracting personnel.
4. Consider the following costs in support of this action. Explain and include supportable estimated savings and cost avoidance for each cost.
 - a. Design cost.
 - b. Inventory cost.
 - c. Provisioning cost.
 - d. Training cost.
 - e. Repair facility cost.
 - f. Administration and management support cost.
 - g. Any other costs where savings or avoidance can be achieved.

DETERMINATION

Make a determination based on the findings that is justified under the applicable statute or regulation.

EXPIRATION DATE:

CERTIFICATION:

I certify that the supporting data that is the responsibility of the requirements and technical personnel and which forms the basis for all the claims and estimates in this D&F is accurate and complete to the best of my knowledge and belief. I recommend approval of the above determination.

Program Sponsor

Date

I recommend approval of the above determination.

Division Director

Date

Assistant Commandant for (Specify)

Date

APPROVAL:

Headquarters Procuring Activity
Competition Advocate

Date

In accordance with 10 USC 2304c as implemented by Federal Acquisition Regulation (FAR) 48 CFR 6.302-1 (b) (4), the above determination is hereby approved.

Recommend Approval/Disapproval
Coast Guard Competition Advocate

Date

Recommend Approval/Disapproval
Head of the Contracting Activity

Date

In accordance with 10 USC 2304c as implemented by FAR 6.302-1 (b) (4) and Homeland Security Acquisition Manual (HSAM) Subchapter 3006.302-1(b) (4), the above determination is hereby approved.

Recommend Approval/Disapproval
DHS Chief Procurement Officer

**SAMPLE JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION
PURCHASE OF SUPPLIES, SERVICES, AND/OR CONSTRUCTION TO
SUPPORT EMERGENCY PREPARATION, RECOVERY AND RESTORATION
EFFORTS**

(Enter Disaster Name)

Pursuant to the requirements of the Competition in Contracting Act (CICA), as implemented by Federal Acquisition Regulation (FAR) Subpart 6.3, Homeland Security Acquisition Manual (HSAM) Subchapter 3006.3, Coast Guard Acquisition Procedures (CGAP) Subchapter 3006.3, and in accordance with requirements of FAR 6.302, the justification for the use of the statutory authorities 10 U.S.C. 2304(c)(2), Unusual and Compelling Urgency, and 41 U.S.C. 5150, The Stafford Act, is justified by the following facts and rationale required under FAR 6.303-2 as follows:

(1) Identification of the agency and the contracting activity. – [Self-explanatory]

(2) Nature and/or description of the action being approved. – This action approves procurements conducted on a basis of other than full and open competition in response to emergency situations resulting from the anticipation and/or aftermath of [enter disaster name]. Such emergency is of an unusual and compelling urgency that the Government and general public at large could be seriously injured unless the agency is permitted to limit the number of sources from which it solicits bids or proposals. In accordance with The Stafford Disaster Relief and Emergency Assistance Act, the Contracting Officer may set aside solicitations to allow only local firms within [specify the primary geographic region substantially affected] to compete even though a separate justification or determination and findings is not required. The contract period of performance shall be limited to the minimum period necessary from [enter start date] to [enter end date], and shall not exceed 150 days unless exceptional circumstances apply and a justification is approved by the Head of the Contracting Activity.

(3) Description of the supplies or services required to meet the agency's needs (including the estimated value). - This approval is for the emergency acquisition of supplies and/or services, including construction and mortuary assistance, in response to tasks or operations necessary to assist in the preparation, disaster relief, recovery and restoration efforts in [specify the primary geographic region substantially affected] which officially [choose a) or b)] a) Was declared a major disaster or emergency area by the President or by the Department of Homeland Security or, if no disaster or significant incident declaration was made, b) Resulted in loss of life, human suffering, loss of income, and property loss and damage. Due to the unusual circumstances that may arise and the potential unknowns regarding recovery or restoration operations, the total value of this justification is set at [enter the dollar value of the expense(s) associated with the disaster].

(4) Identification of statutory authority permitting other than full and open competition. – 10 U.S.C. 2304(c) (2) – Unusual and Compelling Urgency to facilitate the response to or recovery from a natural disaster. 41 U.S.C. 5150 – The Robert T. Stafford Disaster Relief and Emergency Assistance Act.

(5) *Demonstration that the nature of the acquisition requires use of the authorities cited.*

As a result of the lessons learned from Hurricane Katrina, such volatile requirements are extremely time critical, and if not addressed immediately, could seriously cause both financial and personnel injury. Early preparation and rapid response are necessary to mitigate risk to agency operations in *[specify the primary geographic region substantially affected]* by *[enter disaster name]* and to the local citizens.

(6) *Description of efforts made to ensure that offers are solicited from as many potential sources as is practicable.* – The applicable exception to disseminating a notice is FAR 5.202(a) (2), however, the procuring office is still required to request offers from as many potential sources as is practicable under the circumstances. While the Contracting Officer may be able to obtain competition based on price and promptness in responding to the immediate emergency, public notification in FEDBIZOPPS is not practicable. Contracting officers who use the authority of this justification shall document efforts made to obtain competition or the reason(s) why competition is not feasible. *[NOTE: Contracting Officers should use their best judgment in deciding procedures for soliciting sources. When invoking the Stafford Act, the Contracting Officer may solicit local firms only.]*

(7) *Determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.* – The anticipated costs to the Government will be determined fair and reasonable based on the professional expertise of the Contracting Officer and technical support (when available), and on historical information.

[NOTE: To the maximum extent practicable, only firm-fixed price acquisitions of commercial items should be awarded. However, cost type arrangements such as Time and Materials and Labor-Hour contracts for commercial services are authorized under specified conditions (e.g., if it is not possible at the time of placing the contract or order to accurately estimate the extent or duration of the work or to anticipate costs with any reasonable degree of certainty) and if deemed necessary by the Contracting Officer.)]

(8) *Description of the market research.* – Due diligence and market Research shall be conducted at the discretion of the Contracting Officer.

(9) *Any other facts supporting the use of other than full and open competition, i.e., proprietary data packages, etc.* – The actual extent and nature of harm to the Government and general public cannot be determined in advance of this justification but is estimated to be serious if immediate actions are not conducted.

(10) *Listing of the sources, if any that expressed in writing an interest in the acquisition.* – None. *[NOTE: However, state so, if there are other interested offerors that may have heard of our requirements through other means than FBO.]*

(11) A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required.

– Advance planning is paramount in promoting and maximizing competition. With the exception of earthquakes and tornadoes, most natural disasters are predictable through weather trends and analysis. Therefore, given the history of certain regions, Contracting Officers are encouraged in advance to establish competitive agreements and contracts with vendors for known disaster recovery supplies and services.

(12) Contracting Officer's Certification. I certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.

Name of Official
Contracting Officer

Date

(13) Technical/Requirements Personnel Certification. I certify this requirement meets the Government's minimum need and that the supporting data which forms a basis for their justification, is complete and accurate.

Name of Official
Technical Representative

Date

APPROVALS (*Refer to HSAM Chapter 3007, Appendix A, J&A Guide*)

Legal Review and Concurrence (Over \$650,000)

Date

Name of Official
Chief of the Contracting Office (COCO)

Date

Name of Official
Field Procuring Activity Competition Advocate (PACA)
(As appropriate between \$650K and \$1M)

Date

Name of Official _____
Date
Headquarters Procuring Activity Competition Advocate (PACA)
United States Coast Guard
(Add only if applicable up to \$12.5M, or when exceeding 150 days)

Name of Official _____
Date
Competition Advocate
United States Coast Guard
(Add only if applicable between \$12.5 M and \$85.5 M or when exceeding 150 days)

Name of Official _____
Date
Head of the Contracting Activity (HCA)
United States Coast Guard
(Add only if applicable between \$12.5M and \$85.5M or when exceeding 150 days)

Name of Official _____
Date
Chief Procurement Officer
Department of Homeland Security
(Add only if applicable over \$85.5M)

**SAMPLE JUSTIFICATION AND APPROVAL FOR
OTHER THAN FULL AND OPEN COMPETITION (J&A)**

Pursuant to the requirements of the Competition in Contracting Act (CICA), as implemented by Federal Acquisition Regulation (FAR) Subpart 6.3, and in accordance with the requirements of FAR 6.303-1, the use of the statutory authority under FAR Subpart 6.3 is justified by the following facts and rationale required under FAR 6.303-2:

(1) Agency and Contracting Activity.

Identify the agency and the contracting activity and this document as a Justification for Other Than Full and Open Competition. Example: The Coast Guard, (identify the contracting activity) proposes to enter into a contract on a basis other than full and open competition.

(2) Nature and/or description of the action being approved.

Approval for a sole source follow-on procurement for supplies, services, maintenance, rework, etc. Example: The Coast Guard has a requirement on a sole source basis to upgrade and maintain proprietary software at an estimated cost of \$5,520,000. List the name and address of the proposed contractor(s).

(3) Description of supplies/services.

Describe the supplies or services to be acquired. Provide the estimated total value (including options, if any). Example: The requirement is to provide upgrades and support for XYZ software at a total cost of \$5,520,000. The re-capitalization system software requires upgrades to allow integration of information into DHS systems. This upgrade will allow the Coast Guard to consolidate all the information automatically. This manufacturer is the only one that provides this upgrade and the required support for a smooth transition.

	<u>Period</u>	<u>Unit Price</u>	<u>Total</u>
Base Year	12 mo.	\$70,000	\$840,000
Option Year 1	12 mo.	\$80,000	\$960,000
Option Year 2	12 mo.	\$90,000	\$1,080,000
Option Year 3	12 mo.	\$100,000	\$1,200,000
Option Year 4	12 mo.	\$120,000	\$1,440,000
			Total \$5,520,000

(4) Identification of statutory authority permitting other than full and open competition.

Cite the authority of one of the seven exceptions listed under FAR 6.302. The statutory authority permitting other than full and open competition is 41 U.S.C. 253(c) for other Executive Agencies and 10 U.S.C. 2304(c) for the Department of Defense, Coast Guard, and NASA. The seven exceptions are listed under FAR 6.302-1 through FAR 6.302-7.

(5) Demonstration that the nature of the acquisition requires use of the authority cited.

This paragraph is one of the most important parts of the J&A and should spell out why you have to restrict competition on this acquisition.

When using Only One Responsible Source as your authority explain in detail specific requirements (not what the equipment or process is capable of doing); why only one contractor is capable of fulfilling those requirements; and where other proposed contractors fail to meet those requirements.

If using Unusual and Compelling Urgency as your authority, explain in detail why the urgency was not the result of poor planning. You must paint the full picture of this emergency situation and why it was not the user or contracting office's inability to plan that turned a normal acquisition into an urgent one. Identify what unique qualifications the proposed contractor has for fulfilling the contract requirements. Example: This requirement is a modification to existing software that was designed by XYZ contractor. The existing software is proprietary and only XYZ may make the modifications.

(6) Description of efforts made to ensure that offers are solicited from as many potential sources as is practicable.

The description should include whether a FedBizOps notice was or will be publicized, as required by FAR Subpart 5.2, and if not, which exception under FAR 5.202 applies. If an announcement has already been made in FedBizOps, give the date of issuance, and list any interested sources or responses to this notice in paragraph 10 of the J&A.

(7) Determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

This paragraph should always begin with a sentence similar to: "The Contracting Officer has determined that the anticipated price(s) will be fair and reasonable based on..." You may have information such as commercial pricelists or prior acquisition history that will help the Contracting Officer determine that the anticipated cost is fair and reasonable (FAR Subpart 15.4).

(8) Description of market research.

FAR Part 10 requires market research. Describe the results of your market research. If no market research was conducted provide a reason why it was not conducted. Example: The internet was searched for a list of contractors that could provide the software or compatible software that would work with XYZ software. The market research showed that only XYZ could provide the upgrade and there are no other distributors other than the manufacturer. On a sole source acquisition, the only possible way you can state in paragraph 5 of the J&A that there is only one contractor who can fulfill the agency's needs is to conduct market research, and it should be summarized here.

(9) Any other facts supporting the use of other than full and open competition.

You must explain why technical data packages, specifications, statement of work, or purchase descriptions are not suitable for full and open competition. Discuss why your requirement cannot be modified to enhance competition. If you are contending only one source can provide your need, you must provide information as to why this cannot be done by any other source. Example: Your requirement is for modification of a software package designed by XYZ Corporation. If XYZ does not do the modification, the new contractor will have to re-write two-thirds of the existing software to make the modification. In this case, you must provide an estimate of the cost to the Government that would be duplicated and how it was derived.

(10) A listing of the sources, if any, that expressed in writing an interest in the acquisition.

Example: A synopsis was issued in the FedBizOps on 02/3/2007 requesting that parties express their interest in writing to the Contracting Officer. Only XYZ Corporation responded.

(11) A statement of the actions, if any, the Agency may take to remove or overcome any barriers to competition before any subsequent acquisition for required supplies or services.

Include a statement of actions that have been taken or will be taken to increase competition for future acquisitions of the same item/service. Will the Government revise overly restrictive technical specifications, acquire data rights, or pursue some other means to increase future competition? For example: The Government will be acquiring the technical data packet as a result of this award. This will allow the Government to seek competition of future acquisition for the same type of support, thus eliminating the barriers to competition.

(12) Contracting Officer’s Certification.

I certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.

Contracting Officer

Date

(13) Technical/Requirements Personnel Certification.

I certify this requirement meets the Government’s minimum need and that the supporting data, which forms a basis for this justification, is complete and accurate.

Technical Representative

Date

APPROVAL:

Legal Review and Concurrence (Over \$650,000)

Date

Not exceeding \$650,000
Contracting Officer

Date

Over \$650,000 but not exceeding \$12,500,000

Date

a) Field Procuring Activity Competition Advocate (PACA), and,
if over \$1,000,000, Commandant (CG-913), or

b) For Headquarters Units, Headquarters PACA (Commandant (CG-9131))

Coast Guard Competition Advocate
(If Head of the Contracting Activity Approval Required)

Date

Over \$12,500,000 but not exceeding \$85,500,000
Head of the Contracting Activity

Date

Over \$85,500,000
DHS Chief Procurement Officer

Date

SAMPLE LIMITED SOURCE JUSTIFICATION (FAR PART 8)

This acquisition is conducted under the authority of Section 201 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 501), Multiple Award Schedule Program (Federal Acquisition Regulation (FAR) Section 8.401), and is justified by the following facts and rationale required under FAR 8.405-6 (b) (cite the specific FAR subparagraph that applies (1), (2), or (3)) as follows:

(1) Agency and Contracting Activity.

Identify the agency and the contracting activity and this document as a Justification for Other Than Full and Open Competition. Example: The Coast Guard, (identify the contracting activity), proposes to enter into a contract on a basis other than full and open competition.

(2) Nature and/or description of the action being approved.

Describe the action being approved and include the name and address of the proposed contractor(s). Example: The Coast Guard has a requirement on a limited source basis to upgrade and maintain proprietary software at an estimated cost of \$5,520,000.

Proposed Contractor: XYZ, Inc.
12345 Main Street, Suite 800
Virginia Beach, Virginia 23452-7373

(3) Description of Supplies/Services.

Describe the supplies or services to be acquired. Provide the estimated total value (including options, if any). Example: The requirement is to provide upgrades and support for XYZ software at a total cost of \$5,520,000. The re-capitalization system software requires upgrades to allow integration of information into DHS systems. This upgrade will allow the Coast Guard to consolidate all the information automatically. The manufacturer is the only one that provides this upgrade and the required support for a smooth transition.

	<u>Period</u>	<u>Unit Price</u>	<u>Total</u>
Base Year	12 mo.	\$70,000	\$840,000
Option Year 1	12 mo.	\$80,000	\$960,000
Option Year 2	12 mo.	\$90,000	\$1,080,000
Option Year 3	12 mo.	\$100,000	\$1,200,000
Option Year 4	12 mo.	\$120,000	<u>\$1,440,000</u>
Total			<u>\$5,520,000</u>

(4) Identification of the authority permitting the acquisition and the rationale for its use.

Cite the authority under one of the three exceptions listed under FAR 8.405-6 (b).

1. Only one source is capable of responding due to the unique or specialized nature of the work.
2. The new work is a logical follow-on to an original Federal Supply Schedule order, provided that the original order was placed in accordance with applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.
3. An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

Example: “This acquisition is being conducted under the authority of the Multiple Award Schedule Program in accordance with FAR 8.405-6 limited sources justification and approval. In accordance with FAR 8.405-6 (b) (2), the circumstance restricting competition for this acquisition is that the new work is a logical follow-on to an original Federal Supply Schedule acquisition. The current award was competitively solicited and awarded and is necessary to...”

- (5) Determination by the ordering activity Contracting Officer that the anticipated order represents the best value consistent with FAR 8.404(d).

This paragraph should always begin with a sentence similar to: “The Contracting Officer determines that the anticipated price(s) will be fair and reasonable based on...” Example: The Contracting Officer has determined that issuing the proposed Task Order to XYZ to continue this effort represents the best value and will result in the lowest overall cost alternative, considering price and administrative costs, to meet the Government’s needs. This order will be placed in accordance with FAR 8.404, Use of Federal Supply Schedules. The General Services Administration has already negotiated fair and reasonable pricing. Prior to issuance of the task order, the ordering activity will consider the level of effort and mix of labor proposed to perform the specific task being ordered, and for determining that the total price is reasonable.

- (6) A description of the market research conducted among schedule holders and the results, or a statement of the reason market research was not conducted.

Example: Research was conducted with several scheduled holders. However none of the vendors available under those vehicles have any experience in performing upgrades to the software.

- (7) Any other facts supporting the justification.

Additional facts can be stated in this section. If there are no additional facts, you must state that here.

- (8) A statement of actions, if any, the agency may take to remove or overcome any barriers that preclude the agency from meeting the requirements of FAR 8.405-1 and 8.405-2 before any subsequent acquisition for the supplies or services is made.

Include a statement of actions taken or that will be taken to increase competition for future acquisitions of the same item/service. Will the Government revise overly restrictive technical specifications, acquire data rights, or pursue some other means to increase future competition? For example: The Government will be acquiring the technical data packet as a result of this award. This will allow the Government to seek competition of future acquisitions for the same type of support, thus eliminating the barriers to competition.

(9) Contracting Officer's Certification.

In accordance with FAR 8.405-6(g)(2)(ix), I certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.

Contracting Officer

Date

(10) Technical/Requirements Personnel Certification.

I certify that this requirement meets the Government's minimum need and that the supporting data, which forms a basis for the justification, is accurate and complete.

Technical Representative

Date

APPROVAL:

Legal Review and Concurrence (Over \$650,000)

Date

Not exceeding \$650,000
Contracting Officer

Date

Over \$650,000 but not exceeding \$12,500,000

Date

a) Field Procuring Activity Competition Advocate (PACA), and,
if over \$1,000,000, Commandant (CG-913), or

b) For Headquarters Units, Headquarters PACA (Commandant (CG-9131))

Coast Guard Competition Advocate
(If Head of the Contracting Activity Approval Required)

Date

Over \$12,500,000 but not exceeding \$85,500,000
Senior Procuring Activity Competition Advocate

Date

Over \$85,500,000
DHS Chief Procurement Officer

Date

MILITARY INTERDEPARTMENTAL PURCHASE REQUESTS (MIPRs)

1. **PURPOSE.** To provide supplemental guidance and instruction for completing and processing MIPRs.
2. **SCOPE.** This guidance applies to all Coast Guard contracting activities that issue MIPRs.
3. **BACKGROUND.** An Interagency Acquisition is a means by which an agency (the Requesting Agency) obtains supplies or services from another agency (the Servicing Agency). The Economy Act (31 U.S.C. § 1535) provides the authority to place orders with a Servicing Agency to obtain supplies or services by Interagency Acquisition, unless a more specific statutory authority exists.

Office of Federal Procurement Policy (OFPP) memorandum, [“Improving the Management and Use of Interagency Acquisitions”](#), provides guidance to Federal agencies on the use of Interagency Acquisitions, with an emphasis on Assisted Acquisitions. In a follow-up memorandum, [“OFPP Guide on Interagency Acquisitions”](#), the Chief Procurement Officer for DHS directed that the Coast Guard and other DHS components ensure that a decision to use an Interagency Acquisition is supported by a Best Interest Determination, as described in the guidance accompanying the [OFPP Memorandum](#). The [OFPP Guide](#) provides checklists, instructions, and elements to be addressed in developing an Interagency Agreement for Assisted Acquisitions along with a model Interagency Agreement. Subsequently DHS issued [Directive Number 125-02, Interagency Agreements](#), and a companion [DHS Instruction Number 125-02-001, Instruction Guide on Interagency Agreements](#) supplementing OFPP’s guidance on Interagency Acquisitions.

In accordance with DHS [Directive Number 125-02](#), for each requirement DHS components must conduct and document a Best Interest Determination, which is a type of comparative analysis that serves to support any decision to: (1) outsource any DHS component procurement function, or (2) obtain goods or services from another Federal agency, as opposed to procuring such requirements directly in the competitive marketplace. Prior to entering into any Interagency Agreement, including an Interagency Acquisition under a Military Interdepartmental Purchase Request (MIPR), the Coast Guard Contracting Officer must ensure that the guidance contained in [Directive Number 125-02](#) and [Instruction Number 125-02-001](#) is followed. There are four principal methods by which a Servicing Agency provides for the Coast Guard supplies or non-personal services through an Interagency Acquisition/MIPR:

- a. METHOD 1-By Government personnel or resources or from an Agency’s stock.
- b. METHOD 2-By a contract, contract modification within the scope of a Servicing Agency’s contract, or a delivery order against the Agency’s contract. These contractual documents often times may also include the requirements of other Government agencies.
- c. METHOD 3-By including the Coast Guard’s requirement in a Servicing Agency’s proposed solicitation.

d. METHOD 4-By contracting exclusively for the Coast Guard (rarely occurs).

4. **PROCEDURES.**

a. PROCUREMENT METHOD:

(1) Prior to issuing a MIPR, the Contracting Officer shall contact the Agency to confirm whether or not the MIPR will be accepted, and to determine by which METHOD the supplies or non-personal services will be provided to the Coast Guard.

(2) The following procedures apply:

(a) METHOD 1 - The Contracting Officer shall obtain from the Agency, the cost, delivery schedule, number of copies of the MIPR required, and any other information pertinent to the proposed procurement. If the acquisition involves the use of a commercial or industrial activity operated by the agency, the Contracting Officer shall ensure compliance with Federal Acquisition Regulation ([FAR](#)) [Part 7.3](#), Contractor versus Government Performance.

(b) METHOD 2 - The Contracting Officer shall review a copy of the Agency contractual vehicle before the Coast Guard determines to use that vehicle for ordering the supply/service. The Contracting Officer shall obtain from the Agency, the price/cost, delivery schedule, number of copies of the MIPR required, proposed final product, contractor's name, and contract number. It is preferable to obtain this information before MIPR acceptance, but if this is not practicable, then as soon after MIPR acceptance as possible.

(c) METHOD 3 - The Contracting Officer shall obtain from the Agency, the method of procurement (e.g. sealed bidding, negotiated other than full and open competition or full and open competition), the estimated cost/price, number of copies of the MIPR required, delivery schedule.

(d) METHOD 4 - The Contracting Officer shall provide to the Agency, the desired method of procurement (e.g., sealed bidding, other than full and open competition, full and open competition, full and open competition after exclusion of sources), the estimated cost/price, delivery schedule, and confirm whether or not the Agency will procure the supplies or non-personal services.

(e) The Contracting Officer shall ensure that there are no fees or charges in excess of the actual cost (or estimated cost if the actual cost is not known) of entering into and administering the contract by the service agency.

b. DOCUMENTATION AND APPROVAL

(1) If the Coast Guard dictates procurement by one of the exceptions under [FAR Subpart 6.2](#), Full and Open Competition after Exclusion of Sources or [FAR 6.3](#), Other than Full and Open Competition, the Coast Guard must furnish to the Agency, all of the information that

will be needed to execute the justification and/or D&F may be required under [FAR Subparts 6.2 and 6.3](#).

(2) A Determination and Findings (D&F) to support issuance of the MIPR is required by [FAR 17.503](#) and [DHS Instruction 125-02-001](#), and shall be written in the format shown in the [DHS Instruction Guide on Interagency Agreement \(Instruction 125-02-001\)](#), Attachment 2. In all cases, the findings required by [FAR 17.503\(b\)](#) shall be discussed with the Agency accepting the MIPR, and included in the D&F.

(3) For all Interagency Agreements, the Coast Guard Program Manager shall complete an Analysis of Alternatives in accordance with [DHS Instruction 125-02-001, Attachment 1](#). The Analysis of Alternatives will: (1) identify and evaluate various methods of obtaining needed goods and services; (2) determine which alternative is the most advantageous to the Government; (3) document the value analysis, and (4) for Economy Act Assisted Acquisitions, attest that the work required to be performed is not an inherently governmental function. (See [FAR Subpart 7.3](#), Contractor versus Government Performance.)

(4) All Interagency Agreements shall address the elements for a Model Interagency Agreement for an Assisted Acquisition as specified in Appendix 2 (Part A) and Appendix 3 (Part B) of the Office of Federal Procurement Policy (OFPP) guidance, [“Improving the Management and Use of Interagency Acquisitions”](#). Absent a separately identifiable Interagency Agreement that serves as the basis for the issuance of individual MIPRs, each MIPR shall address the various data elements of a Model Interagency Agreement for an Assisted Acquisition as specified in Appendix 2 (Part A) and Appendix 3 (Part B) of the OFPP guide.

c. FORMAT

(1) Exhibit 1 defines and provides instructions for completing appropriation entries on page 1 of the MIPR. Exhibit 2 provides a sample of a Category I MIPR or Category II MIPR. Exhibit 3 and 4 provide samples of Category I and Category II MIPRs acceptance. See discussion of Category I and Category II MIPRs in e. Acceptance of MIPR below.

(2) When feasible, the MIPR shall be written in the Uniform Contract Format (UCF) of the FAR for the convenience of the Agency. Sections of the UCF may be omitted if not applicable to the procurement.

(3) If the time of delivery is essential, this information must be clearly written in the MIPR. If a short delivery schedule is mandatory, the MIPR shall be marked “URGENT” in bold letters on the first page, and the justification for the “Urgency” must be stated on the MIPR or attached thereto. Options must also be identified and a justification for them attached thereto.

(4) Insert the following statements on the first page of the MIPR:

(a) (Insert name of Agency) is not authorized to exceed the (Insert amount of MIPR) to furnish the supplies or services hereunder without the prior written authorization from the Coast Guard Contracting Officer located at the address in Block 8.

(b) The funds on this MIPR will expire on (insert expiration date). Note: If the expiration date cannot be determined from the purchase request, the contract specialist shall contact the appropriate Coast Guard accounting office or Finance Center/General Accounting Office at (757) 523-6764 for assistance.

(c) The U.S. Coast Guard Procurement Instrument Identification Number (PIIN) for this MIPR is (insert number shown in block 5). To facilitate reimbursement, show both the number in block 5 and the (number shown in block 3) on your invoice.

(d) For Category I MIPRs:

(1) The original plus two copies of the invoice for items to be provided through reimbursement shall be submitted to the address in block 13.

(2) A copy shall also be sent to (insert name and mailing address of the Contracting Officer.)

(3) To ensure effective control of funds and accurate accounting the following information shall be provided with each SF 1080, 1081, or NAVCOMPT 2277: complete 15 position MIPR number, point of contact, telephone number, e-mail address.

(e) For Category II MIPRs, the original plus two copies of the invoice for items to be provided through direct citation of funds shall be submitted to the following address:

(Insert name and mailing address of Coast Guard Contracting Officer).

(5) On occasion, the Agency may request advance payment in the full amount of the MIPR. The authority to make advance payments shall be written in the MIPR, and a monthly expenditure report shall be required from the Agency.

d. ISSUANCE OF MIPR

(1) Unless otherwise agreed to by the Agency, all MIPRs with funds expiring or subject to "carry over" on 30 September of each year (e.g. OE and CATEGORY II MIPRS) should be received by the Agency not later than 31 May of each year. If this date cannot be met, the Agency shall be contacted prior to issuance of the MIPR, to ascertain whether or not it will be possible for the Agency to award a contract (obligate these funds) by the end of the fiscal year.

(2) If unforeseen problems develop after 1 August to prevent obligation of these funds by 30 September, the Agency should advise you in writing giving the reasons therefore. If the MIPR has not been accepted by 1 August, the Agency shall be contacted to obtain the status of the MIPR. If it is confirmed that the funds will not be obligated by the end of the year, immediately cancel the MIPR, obtain acceptance of the cancellation from the Agency, and notify the accounting and requiring offices to permit use of these funds prior to the end of the fiscal year.

(3) MIPRS citing continuing funds are not restricted by law to time limits for obligation; therefore, 31 May is not applicable to such MIPRS.

(4) The number of required signed copies of the MIPR ([DD Form 448](#)), the Acceptance of MIPR ([DD Form 448-2](#)), and the supporting documentation (where applicable) shall be mailed to the Agency. Internal distribution of the MIPR shall not be made until the Agency has returned the ACCEPTANCE OF MIPR ([DD Form 448-2](#)) to the Coast Guard (See paragraph 4(f)(1)).

e. ACCEPTANCE OF MIPR

The Agency must accept MIPRs on [DD Form 448-2I](#) (Acceptance of MIPR) (Exhibits (3 and 4)) within 30 days after receipt. Exhibits 3 and 4 represent an example of how the acceptance may look. The funds cited on the MIPR are not considered obligated unless the Agency accepts the MIPR. Blocks 6(a) through (d) or a combination of these blocks must be checked by the Agency. These blocks indicate how Coast Guard's funds will be obligated. The following definitions apply:

(a) Block a., Category I - This category has two meanings:

1. The Agency will provide the supplies or services and will be reimbursed by the Coast Guard by submitting a billing to the Coast Guard for payment or;

2. The Agency will contract for the supplies or services, and cite their funds on their contract document, pay the Contractor, and the Agency will be reimbursed by the Coast Guard by submitting a billing to the Coast Guard for payment.

3. There are four forms of billing the Coast Guard: Standard Form (SF) 1080 Voucher for Transfer between Appropriations and/or Funds, SF 1081 Voucher and Schedule of Withdrawals and Credits, SF 1034 Public Voucher for Purchases and Services Other Than Personal, and Navcompt 2277 Voucher for Disbursement and/or Collection.

(b) Block b., Category II - The Agency will contract for the supplies or services and cite Coast Guard's MIPR number and accounting data on the Agency's contract, contract modification, or delivery order. The Agency will project the date of award in Block 10 of DD Form 448-2. If you are using annual appropriation (OE Funds) and the date in Block 10 is after 30 September, you must advise the Agency that these funds cannot be utilized after 30 September. If Block 12(b) is checked, the excess funds shall be withdrawn by an amendment to the MIPR. The successful offeror (Contractor) will submit their invoices directly to the Coast Guard for payment in accordance with the terms of the Agency's contract.

(c) Block c. - This block applies to Categories I and II mentioned above. Block 8 of DD Form 448-2 must be carefully scrutinized to determine how the funds under the MIPR were obligated. The procedures in paragraphs 4(e)(1)(a) and (b) above are applicable for the respective categories.

(d) Block d. is a Qualified Acceptance. - This is self-explanatory. Periodic contact with the Agency must be made until a final price has been determined. This price determination may require an increase or decrease to the estimated amount of the MIPR. If so, the Agency should notify you accordingly, and the appropriate amendment to the MIPR shall be written.

f. PROCEDURES AFTER MIPR ACCEPTANCE BY THE AGENCY

(1) The executed MIPR, MIPR acceptance, and the Agency's contract, contract modification, or delivery order (if applicable) shall be distributed to the appropriate accounting office (to obligate the funds), the requiring office and any other interested persons. In cases where the Coast Guard Finance Center is the accounting office, copies of Category I and II MIPRS and their acceptances must be sent to Commanding Officer (OGQ), USCG Finance Center, P.O. Box 4116, Chesapeake, VA 23327-4416.

(2) For Category II MIPRs for services, be sure to display the contractor's Taxpayer's Identification Number (TIN) in block 13 of the MIPR Acceptance DD Form 448-2 before distributing to the appropriate accounting office.

(3) Upon receipt of the Agency's contract, contract modification, or delivery order, the contract specialist must review the document to locate the item number(s) applicable to Coast Guard's requirement. The quantity, price, delivery schedule, and payment provisions, and other terms and conditions applicable to Coast Guard's item number should also be ascertained. All discrepancies shall be orally conveyed to the Agency and confirmed in writing.

(4) The Agency's contract document must be kept in the MIPR file for administration.

Note: In all cases where the Agency accepts the MIPR in an amount lesser than that committed on the MIPR, the DD Form 448-2 may be used as your authority to withdraw the excess funds by an amendment to the MIPR.

g. MIPR CHANGES/ADMINISTRATION

(1) All changes to the MIPR must be accomplished by an amendment to the MIPR. The MIPR amendments must be numbered sequentially commencing with "0001." Only those items on the MIPR that are applicable to the change that differ from the original MIPR should be filled in. All unchanged blocks must cite "N/C" (no change). Blocks 1 through 8 must always be filled in.

(2) A proposed MIPR amendment to increase quantities, change the scope of work, etc. shall not be issued until the Agency has been contacted to discuss the proposed change(s).

(3) All requirements for additional line items of supplies or services shall be obtained by a "NEW MIPR."

h. CANCELLATION OF CATEGORY II (DIRECT BILLING) MIPRS

(1) When all or any part of the supplies or services is to be cancelled for MIPRS in this category, the Agency shall be notified by telegraphic notice. The Agency will advise the Coast Guard whether or not a contract has been awarded. If not awarded, a MIPR amendment shall be issued to formally cancel the requirement and withdraw the funds.

(2) If a contract has been awarded, the Agency will notify the Coast Guard within 45 days after receipt of the notice of cancellation. The notification will be a Termination Data Letter to the Coast Guard indicating the amount of funds to be immediately withdrawn, and the estimated amount of the settlement costs for the terminated contract.

(3) The Agency will review the termination proceedings at intervals of 60 days to assess the Government's probable obligation, and the Coast Guard will be advised accordingly. In any event, a MIPR amendment shall be issued to reflect the results of the termination.

i. CANCELLATION OF CATEGORY I (REIMBURSEABLE) MIPRS.

(1) When all or a part of the supplies or services are to be cancelled for a Category I MIPR, a written notice (return acknowledgment) shall be provided to the Agency. The Agency should advise the Coast Guard within 30 days the items that can be terminated and the amount of funds in excess of the estimated settlement costs that may be withdrawn by an amendment to the MIPR.

j. TERMINATION FOR DEFAULT

(1) If the Agency elects to terminate its contract for Default, the Coast Guard will be asked whether or not the supplies or services are still required. The funds shall remain on the MIPR until the Agency provides written disposition instructions.

(2) If additional funds will be necessary to reprocur the supplies or services under a new contract, the Agency will request such from the Coast Guard, and a MIPR amendment to reflect same shall be issued.

k. MIPR PAYMENTS

(1) If the Agency provides the supplies or services or contracts for same and pays the Contractor with its funds, the Agency will normally request reimbursement of costs by submitting a billing to the appropriate Coast Guard accounting office for prompt payment. The accounting office is not required to obtain approval from the Contracting Officer prior to making payment because these vouchers are not subject to audit or certification. Any cost/price adjustments will be made after the supplies or services have been delivered.

(2) Notwithstanding the above procedure, the Coast Guard Contracting Officer may require the agency to submit a billing to the Contracting Officer for review, after which the Contracting Officer will forward the billing to the appropriate Coast Guard accounting office for payment.

(3) If the agency acquires the supplies or services by contract, contract modification, or delivery order, and these documents require the Contractor to submit invoices directly to the Coast Guard, payment must be made to the Contractor in accordance with the terms and conditions of the contract, contract modification, or delivery order.

I. MIPR CLOSEOUT

(1) The MIPR shall be promptly closed out after receipt, acceptance, final payment, final disposition instructions for Government Furnished Equipment, and the removal of all excess funds, if any.

(2) All excess funds must be removed by an amendment to the MIPR, which must be accepted by the Agency. The Agency and the Coast Guard accounting office shall be contacted to confirm the unexpended balance prior to removal of the funds.

(3) The execution of (1) and (2) above shall be considered to be all the steps necessary for closeout of the MIPR.

(4) The same procedures used for disposal of contract files to the Federal Records Center shall also be used for MIPRs.

LIST OF EXHIBITS

- a. EXHIBIT 1 - INSTRUCTIONS FOR COMPLETING MIPR (DD FORM 448)
- b. EXHIBIT 2 - MIPR (DD FORM 448) CATEGORY I OR CATEGORY II
- c. EXHIBIT 3 - MIPR ACCEPTANCE (DD FORM 448-2) CATEGORY I
- d. EXHIBIT 4 - MIPR ACCEPTANCE (DD FORM 448-2) CATEGORY II

EXHIBIT 1

Block 1 - Number of Pages to the MIPR.

Block 2 - Four digit Federal Stock Classification No. (FSC) that identifies the class of items e.g. 7110 (Furniture), if applicable to the item being purchased. Insert "N/A" if this code does not apply. Assistance with the applicable code should be obtained from the procurement office.

Block 3 - Use the Purchase Control Number on the purchase request that is assigned by the Accounting office.

Block 4 - The date the MIPR is signed by the Contracting Officer.

Block 5 - This block must contain a Uniform Procurement Instrument Identification Number (PIIN) in accordance with Homeland Security Acquisition Manual (HSAM) [Homeland Security Acquisition Manual \(HSAM\) Subchapter 3004.605](#). Make special note that for this document type 28, there must be an alpha character X in the ninth position of the PIIN.

Block 6 - Four digits in consecutively numbered sequence (e.g., 0001). If this is the basic MIPR document, not amendment, enter "Basic" in this block.

Block 7 - Name and address, including office symbol of the Servicing Agency.

Block 8 - Name, address, telephone number and point of contact at the Coast Guard procurement office.

Block 9 - Interdepartmental Government screening of the items to determine stock availability within the Government is required prior to issuing a MIPR. The procurement office should be contacted for assistance. Items available from Government stock must be obtained by issuance of a Milstrip ([DD Form 1348/1348m](#)) or a Requisition and Invoice/Shipping Document ([DD Form 1149](#)). The procurement office normally processes these documents.

Block 10 - Self-explanatory.

Block 11 - Total amount of all items.

Block 12 - Enter the complete DAFIS line of accounting if a different account will be charged for transportation costs. If delivery terms are FOB Destination, then this block should be blank.

Block 13 - Enter the U.S. Coast Guard Finance Center's address following the Finance Center SOP if the MIPR involves DAFIS lines of accounting and is a Category I MIPR. The pay office DODAAD for the Finance Center is Z51800. For non-DAFIS transactions, use an address applicable for the appropriate Coast Guard Supply Center.

Block 14 - Complete as follows:

1. In the first two blocks "ACRN/Appropriation," use the Treasury symbol contained in the appropriation appendix of the Finance Center SOP. (The term ACRN refers to Accounting Classification Reference Number.) The Agency normally requires ten characters; however, Coast Guard usually has seven, e.g., 69_0201 for Operating Expenses, and nine, e.g., 692/60240 for AC&I. These characters are translated as follows:
 - (a) For 69_0201: 69 denotes Coast Guard, _ denotes a space for the fiscal year of the funds, 0201 denotes Operating Expenses.
 - (b) For 694/80240: 69 denotes Coast Guard, 4 denotes first year the funds are available, 8 denotes year funds expire, 0240 denotes AC&I funds.

2. "Limit/Subhead" may be left blank

3. Under "Supplemental Accounting Classification" provide the DAFIS line(s) of accounting as follows:
 - (a) Coast Guard designator - this will always be a "2."
 - (b) District or region - may be one alpha or one numeric character. *
 - (c) Appropriation - three numeric characters for OE or one numeric and one alpha character for AC&I. The first numeric in each case indicates the fiscal year in which the funds are available.
 - (d) Limitation - three numeric characters. For example, where OE funds are used, the first character is a "1" if direct funds are cited or an "8" if reimbursable funds are cited. The second and third characters refer to the district or region. *
 - (e) Allotment Fund Code (AFC) - two numeric characters, e.g. "30" denotes expense, "80" denotes reimbursable, "45" denotes vessels, "54" denotes ordinance. *
 - (f) Indicator - this will always be a "0."
 - (g) Program Element - two numeric or two alpha characters for non-AC&I, or six numeric characters for AC&I.
 - (h) Cost Center - five numeric characters unique to each district, region, ship, etc.*
 - (i) Object class - Four numeric or two numeric and two alpha characters that provide a further breakdown of a project. *For the typical DAFIS accounting string 2/H/401/199/30/O/CN/70070/2152 the following information can be ascertained from the application of (a) through (I) above:
 - (a) Coast Guard appropriation.
 - (b) A headquarters unit. *
 - (c) FY94 (first character) O&E funds.

- (d) Direct funds are cited (first character) and a headquarters unit. *
- (e) Expense funds.
- (f) A placeholder only, which is always 0.
- (g) Non AC&I.
- (h) Unique cost center. *
- (i) Denotes travel funds. *

- The Finance Center SOP contains lists of the different districts or regions, AFCs, cost centers, object classes, etc.

4. Acctg. Sta DODAAD - The identification code of the Coast Guard procuring unit. It should be the letter Z followed by the unit Operations Facility (OPFAC) number. The proper number may be obtained from Operations Facilities of the U.S. Coast Guard, COMDINST M5440.2(series). This is the same code used to reflect addresses on Milstrip ([DD Form 1348](#)) (See Block 9 above).

5. Amount - If items are funded by multiple appropriations, the amount for each appropriation must be shown under “supplemental accounting classification”, and the totals must equal the amount shown in Block 11.

6. Blocks 15 and 16 - self-explanatory.

7. Block 17 - The date the MIPR is signed by the Contracting Officer and the date shown in Block 4 should be the same.

EXHIBIT 2

MILITARY INTERDEPARTMENTAL PURCHASE REQUEST					1. PAGE 1 OF 2 PAGES				
2. FBC N/A		3. CONTROL SYMBOL NO. 2896236THA030		4. DATE PREPARED 1/19/96		5. MIPR NUMBER DTCG23-96-X-THA030		6. AMEND NO. BASIC	
7. TO: Name of servicing agency Mailing address of servicing agency					8. FROM: (Agency, name, telephone number of originator) Name of CG Procurement Office Address Telephone number Point of contact				
9. ITEMS <input type="checkbox"/> ARE <input checked="" type="checkbox"/> ARE NOT INCLUDED IN THE INTERSERVICE SUPPLY SUPPORT PROGRAM AND REQUIRED INTERSERVICE SCREENING <input type="checkbox"/> HAS <input checked="" type="checkbox"/> HAS NOT BEEN ACCOMPLISHED.									
ITEM NO.	DESCRIPTION (Federal stock number, nomenclature, specification and lot drawing No., etc.)				QTY.	UNIT	ESTIMATED UNIT PRICE	ESTIMATED TOTAL PRICE	
001	This MIPR is issued to (servicing agency) to provide supplies/services under contract number of servicing agency's contract) in accordance with the attached statement of work. Listed below are the supplies/services:								
002	supply/service				1	lot	100,000	100000	
	supply/service				1	lot	150,000	150000	
DELIVERY REQUIREMENTS (State where delivery is to be made and any other necessary particulars.)									
Notes:									
1. The required approvals have been obtained for this acquisition. (Insert name of Agency) is not authorized to exceed the \$250,000 to furnish the supplies or services hereunder without the prior written authorization from the Coast Guard contracting officer located at the address in Block 8.									
2. The funds on this MIPR will expire on (insert date of expiration).									
10. SEE ATTACHED PAGES FOR DELIVERY SCHEDULES, PRESERVATION AND PACKAGING INSTRUCTIONS, SHIPPING INSTRUCTIONS AND INSTRUCTIONS FOR DISTRIBUTION OF CONTRACTS AND RELATED DOCUMENTS.								11. GRAND TOTAL 250000	
12. TRANSPORTATION ALLOTMENT (Used if FOB Contractor's plant)					13. MAIL INVOICES TO (Payment will be made by) Interagency Agreements, USCG Finance Center PO Box 4116 Chesapeake, VA 23327-4116 PAY OFFICE DODAAD Z51800				
14. FUNDS FOR PROCUREMENT ARE PROPERLY CHARGEABLE TO THE ALLOTMENTS SET FORTH BELOW, THE AVAILABLE BALANCES OF WHICH ARE SUFFICIENT TO COVER THE ESTIMATED TOTAL PRICE.									
ACRN	APPROPRIATION	LIMIT/SUBHEAD	SUPPLEMENTAL ACCOUNTING CLASSIFICATION				ACCTG STA DODAAD	AMOUNT	
	69X0201		2/T/601/130/42/0/ED/59201/2526					250,000	
15. AUTHORIZING OFFICER (Type name and title) CG Contracting Officer					16. SIGNATURE signature of CG contracting off			17. DATE Jan 19, 1996	

MILITARY INTERDEPARTMENTAL PURCHASE REQUEST (CONTINUATION SHEET)					
1. MIPR NUMBER DTCG23-96-X-THA030		2. AMEND NO. Basic		3. PAGE 2 OF 2 PAGES	
ITEM NO. a.	DESCRIPTION (Federal Stock Number, Nomenclature, Serial Number and/or Drawing No., etc.) b.	QTY c.	UNIT d.	ESTIMATED UNIT PRICE e.	ESTIMATED TOTAL PRICE f.
	<p>3. The US Coast Guard Procurement Instrument Number (PIIN) for this MIPR is (insert number shown in block 5). To facilitate reimbursement, show both (the number in block 5) and (the number in block 3) on your invoice.</p> <p>4. For Category I MIPRs:</p> <p>(a) The original plus two copies of the invoice for items to be provided through reimbursement shall be submitted to the address in block 13.</p> <p>(b) A copy shall also be sent to (insert name and mailing address of the contracting officer).</p> <p>(c) To ensure effective control of funds and accurate accounting, the following information shall be provided with each SF 1080, 1081, or NAVCOMPT 2277:</p> <p style="padding-left: 40px;">Complete 14 position MIPR number</p> <p style="padding-left: 40px;">Point of contact, telephone, e-mail address</p> <p>5. For Category II MIPRs: The original plus two copies of the invoice for items to be provided through direct citation of funds shall be submitted to the following address (insert name and mailing address of contracting officer).</p>				

DD FORM 448c
1 OCT 88

EXHIBIT 3

ACCEPTANCE OF MIPR					
1. TO (Requiring Activity Address) (include Zip Code) Name, mailing address, telephone number, and point of contact at Coast Guard procurement office			2. MIPR NUMBER DTCG23-96-X-THA030		3. AMENDMENT NO. Basic
			4. DATE (MIPR Signature Date) Jan 19, 1996		5. AMOUNT (As Listed on the MIPR) \$250,000
8. The MIPR identified above is accepted and the items requested will be provided as follows: (Check as Applicable)					
a. <input checked="" type="checkbox"/> ALL ITEMS WILL BE PROVIDED THROUGH REIMBURSEMENT (Category II) b. <input type="checkbox"/> ALL ITEMS WILL BE PROVIDED BY THE DIRECT CITATION OF FUNDS (Category II) c. <input type="checkbox"/> ITEMS WILL BE PROVIDED BY BOTH CATEGORY I AND CATEGORY II AS INDICATED BELOW d. <input type="checkbox"/> THIS ACCEPTANCE FOR CATEGORY I ITEMS, IS QUALIFIED BECAUSE OF ANTICIPATED CONTINGENCIES AS TO FINAL PRICE. CHANGES IN THIS ACCEPTANCE FIGURE WILL BE FURNISHED PERIODICALLY UPON DETERMINATION OF DEFINITIZED PRICES, BUT PRIOR TO SUBMISSION OF BILLINGS.					
7. <input type="checkbox"/> MIPR ITEM NUMBER(S) IDENTIFIED IN BLOCK 13, "REMARKS" IS NOT ACCEPTED (IS REJECTED) FOR THE REASONS INDICATED.					
8. TO BE PROVIDED THROUGH REIMBURSEMENT CATEGORY I			9. TO BE PROCURED BY DIRECT CITATION OF FUNDS CATEGORY II		
ITEM NO. a.	QUANTITY b.	ESTIMATED PRICE c.	ITEM NO. a.	QUANTITY b.	ESTIMATED PRICE c.
001	1 lot	\$100,000			
002	1 lot	\$150,000			
d. TOTAL ESTIMATED PRICE		\$250,000	d. TOTAL ESTIMATED PRICE		
10. ANTICIPATED DATE OF OBLIGATION FOR CATEGORY II ITEMS			11. GRAND TOTAL ESTIMATED PRICE OF ALL ITEMS \$250,000		
12. FUNDS DATA (Check if Applicable)					
a. <input type="checkbox"/> ADDITIONAL FUNDS IN THE AMOUNT OF \$ _____ ARE REQUIRED (See justification in Block 13) b. <input type="checkbox"/> FUNDS IN THE AMOUNT OF \$ _____ ARE NOT REQUIRED AND MAY BE WITHDRAWN					
13. REMARKS					
14. ACCEPTING ACTIVITY (Complete Address) Servicing Agency's name Mailing address			15. TYPED NAME AND TITLE OF AUTHORIZED OFFICIAL Servicing Agency contracting officer		
			16. SIGNATURE Signature of contracting off		17. DATE Feb 15, 199

DD FORM 448-2
1 JUL 71

PREVIOUS EDITION WILL BE USED UNTIL EXHAUSTED.

Exhibit 4

ACCEPTANCE OF MIPR					
1.(Requiring Activity Address)(include zip code) Name, mailing address, telephone number, and point of contact at Coast Guard procurement office			MIPR NUMBER DTCG23-96-X-THA030		3. AMENDMENT NO. Basic
			4. DATE (MIPR Signature Date) Jan 19, 1996		5 AMOUNT (As Listed on the MIPR) \$250,000
6. The MIPR identified above is accepted and the items requested will be provided as follows: a. <input type="checkbox"/> ALL ITEMS WILL BE PROVIDED THROUGH REIMBURSEMENT (Category I) b. <input checked="" type="checkbox"/> ALL ITEMS WILL BE PROVIDED BY THE DIRECT CITATION OF FUNDS (Category II) c. <input type="checkbox"/> ITEMS WILL BE PROVIDED BY BOTH CATEGORY I AND CATEGORY II AS INDICATED BELOW d. <input type="checkbox"/> THIS ACCEPTANCE FOR CATEGORY I ITEMS IS QUALIFIED BECAUSE OF ANTICIPATED CONTINGENCIES AS TO FINAL PRICE. CHANGES IN THIS ACCEPTANCE FIGURE WILL BE FURNISHED PERIODICALLY UPON DETERMINATION OF DEFINITIZED PRICES, BUT PRIOR TO SUBMISSION OF BILLINGS.					
7. <input type="checkbox"/> MIPR ITEM NUMBER(S) IDENTIFIED IN BLOCK 13, "REMARKS" IS NOT ACCEPTED (IS REJECTED) FOR THE REASONS INDICATED.					
8. TO BE PROVIDED THROUGH REIMBURSEMENT CATEGORY I			9. TO BE PROCURED BY DIRECT CITATION OF FUNDS CATEGORY II		
ITEM NO. a.	QUANTITY b.	ESTIMATED PRICE c.	ITEM NO. a.	QUANTITY b.	ESTIMATED PRICE c.
			001	1 lot	\$100,000
			002	1 lot	\$150,000
d. Total Estimated Price			d. Total Estimated Price		\$250,000
10 ANTICIPATED DATE OF OBLIGATION FOR CATEGORY II ITEMS (to be filled in by Servicing Agency)			11. GRAND TOTAL ESTIMATED PRICE OF ALL ITEMS \$250,000		
12. FUNDS DATA (Check if applicable) a. ADDITIONAL FUNDS IN THE AMOUNT OF \$ _____ ARE REQUIRED (See justification in Block 13) b. FUNDS IN THE AMOUNT OF \$ _____ ARE NOT REQUIRED AND MAY BE WITHDRAWN					
13. REMARKS (If for services) Add Contractor's Taxpayer Identification Number (TIN)					
14. ACCEPTING ACTIVITY (Complete Address) Servicing Agency's name Mailing address			15. TYPED NAME AND TITLE OF AUTHORIZED OFFICIAL Servicing Agency Contracting Officer		
			16. SIGNATURE Signature of Contracting Officer		17. DATE Feb 15, 1996
FORM DD 448-2 PREVIOUS EDITION WILL BE USED UNTIL EXHAUSTED 1 JULY 71					