

CONTRACTING OFFICER WARRANT PROGRAM

1. Purpose

This directive establishes the Department of Homeland Security (DHS) policy on contracting officer warrants and supercedes MD 0740.1.

2. Scope

This directive applies to all DHS organizational elements. This MD applies to contracting officer authority only, it does not include warrant authority for financial assistance, leasing of real property, or contingency contracting.

3. Authorities

This directive is governed by numerous Public Laws and national policy, such as:

- A. Federal Acquisition Regulation Section 1.603.
- B. Office of Federal Procurement Policy (OFPP) Letter 92-3 dated June 24, 1992.
- C. Office of Federal Procurement Policy Letter 97-01 dated September 12, 1997.
- D. The Homeland Security Act of 2002, codified in Title 6, US Code.
- E. Pub. L. 107-71 Aviation and Transportation Security Act of 2001.
- F. Department of Homeland Security Acquisition Regulation, 48 C.F.R. chapter 30.
- G. Department of Homeland Security Acquisition Manual.
- H. Department of Homeland Security Management Directive 0781, Contracting Professional (GS-1102) Career Information.

4. Definitions

- A. **Acquisition:** the process of acquiring with appropriated funds, by contract for purchase or lease, supplies and services (including construction) that support the missions and goals of an executive agency, from the point at which the requirements of

the executive agency are established in consultation with the chief procurement officer of the executive agency, including functions related to fulfilling agency requirements by contract.

B. **Chief Procurement Officer (CPO)**: Senior Procurement Executive, responsible for the maintenance and oversight of a Department-wide acquisition program.

C. **Contracting**: purchasing, renting, leasing, or otherwise obtaining supplies or services (including construction). Contracting includes description (but not determination) of supplies and services required, selection and solicitation of sources, preparation and award of contracts, and all phases of contract administration.

D. **Contracting Officer**: a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. This individual is also authorized by virtue of position or by appointment to perform the functions assigned by the Federal Acquisition Regulation and the Homeland Security Acquisition Regulation.

E. **Contracting Officer Warrant**: a Certificate of Appointment providing clear, written instructions to an individual authorizing them to perform the duties of a contracting officer.

F. **Head of Contracting Activity (HCA)**: the individual responsible for management of the entire acquisition function within an organizational element.

G. **Organizational Element (OE)**: directorates and entities comprising the Department of Homeland Security.

H. **Simplified Acquisition Threshold (SAT)**: as defined in HSAR 3002.101.

5. Responsibilities

A. The **Under Secretary for Management**: shall be responsible for all aspects of this directive.

B. The **Chief Procurement Officer** shall:

1. be responsible for the maintenance and oversight of a Department-wide acquisition program; and
2. define requirements for the designation of persons qualified in acquisition matters as contracting officers.

C. The **Head of the Contracting Activity** or designee shall maintain the integrity of the DHS contracting program using various methods, one of which is to ensure only qualified Federal personnel are appointed as DHS contracting officers in accordance

with this MD. If this authority is redelegated, HCAs shall use discretion in selecting the appropriate OE level to carry out this critical function.

6. Policy & Procedures

A. **Policy:** Only those Federal employees with specific contracting officer authority may execute contracts and related agreements (including interagency agreements, memoranda of understanding/agreement (MOU/MOA) that involve federal funding) on behalf of DHS. Once authorized, contracting officers have signature authority to enter into DHS contracts and/or business agreements that obligate DHS funds.

1. Designation of Warranted Personnel: The HCA is responsible for maintaining the integrity of the DHS procurement process, one method of which is careful selection and management of DHS contracting officers. Using the information contained in this policy, the HCA or designee may designate and terminate contracting officer appointments. HCAs or designees are responsible for determining the appropriate authority levels, in accordance with this MD, for contracting officer warrants based on mission requirements and a candidate's experience, training, education, business acumen, and judgment. Prior conduct of an individual may be examined when making warrant decisions.

2. Minimum Requirements for Warranted Personnel: The following chart contains information on the minimum requirements for issuing DHS contracting officer warrants. HCAs or designees may further limit authority as necessary.

Authority	Contracting Certification*/Training	Contracting Experience	Annual Skills Currency
up to synopsis threshold (\$25,000)	40 hours simplified acquisition procedures (SAP) training**	6 months	24 hours
up to Simplified Acquisition Threshold (SAT) – SAT warrant	For GS-1102s, Level I and 40 hours SAP training; for other than GS-1102s, 80 hours SAP training	1 year contracting or procurement experience	32 hours
SAT to \$25M (GS-1102 only) – formal contracting warrant	Level II and 40 hours SAP training and , if assigned to a specialty area, one formal training course in that area (services, A&E, etc.)	3 of the last 5 years of progressively more responsible contracting experience	40 hours
over \$25M, including unlimited (GS-1102 only) – formal contracting warrant	Level III and training requirements identified in \$25M block above	5 of the last 10 years of progressively more responsible contracting experience	40 hours

* Contracting certification requirements delineating training, education, and experience components are contained in DHS MD 0781 and include the OPM exception (“grandfather”) provision for GS-1102 personnel.

** SAP training must cover the duties listed in Attachment I of OFPP Policy Letter 92-3 (web link to OFPP policy letters) and be accredited by the American Council on Education (ACE). An exception is granted for the Defense Acquisition University (DAU) on-line Simplified Acquisition Procedures Course (CON 237). At HCA discretion, the DAU CON 237 course can be used to meet 40 of the 80 required hours of SAP training.

3. The warrant authority levels are based on the total contract cost. Contract cost includes options, award terms, and total potential contract ceilings. This includes MOAs, MOUs, and Military Interdepartmental Purchase Requests (MIPRS) which will result in the delivery of systems, products, or services.

4. Maintenance of Contracting Officer Warrants:

(a) Maintaining awareness of current practices and procedures is critical for successful acquisitions. All DHS contracting officers are required to complete annual skills currency training appropriate to their job series and/or warrant level. Skills currency requirements for each level are outlined in 6(a)(2) of this MD. Skills currency training can include but is not limited to training, education, conferences, work on special acquisition projects, and sharing best practices in an organized setting.

(b) HCAs or designees are responsible for ensuring only valid skills currency training is used to meet the annual requirement. Skills currency should be validated by a certified GS-1102 contracting professional or the warrant issuing authority and documentation maintained in the warrant holder’s file.

(c) Skills currency hours used to maintain a warrant can also be used to meet other DHS acquisition workforce skills currency requirements and vice versa.

5. Waivers – HCAs or designees are authorized to grant waivers to the minimum experience requirement for SAT \$25,000 warrant holders only. Waivers are expected to be granted judiciously to meet mission requirements.

6. Policy Exceptions – In rare situations where operations would be negatively impacted, HCAs are authorized to issue warrants exceeding dollar thresholds for GS-1102 contracting officer warrants. Documentation justifying the exception must be included in the warrant holder’s file. This authorization does not permit granting unlimited warrant authority. Exceptions for unlimited warrants or other requirements must be authorized by the DHS CPO and should be addressed to the Acquisition Workforce Manager.

B. **Procedures:**

1. Appointment of Contracting Officers - Contracting officers shall be appointed in writing on the Standard Form (SF) 1402 Certificate of Appointment or TSA Form 100. The document shall state any limitations on the scope of authority (other than limitations contained in applicable law or regulation), shall include an expiration date, and a unique number.
2. Expiration Dates – SAT warrants shall expire no later than four years from the date issued. All warrants issued to GS-1102 personnel shall contain the same expiration date as the individual's acquisition certification (see MD 0781) and may not exceed four years.
3. HCAs or designees are required to maintain the following and report to DHS as requested:
 - (a) files containing copies of all contracting officer appointments that have not been terminated. HCAs or designees are responsible for reviewing records on at least an annual basis to ensure all warrant holders maintain eligibility and all certified professionals meet skills currency requirements.
 - (b) documentation of experience and training used to obtain and maintain the contracting warrant.
 - (c) relevant documentation such as justifications for waivers or other pertinent information.
4. Termination of Warrant Authority – HCAs shall terminate contracting officer appointments by letter unless the Certificate of Appointment contains other provisions for automatic termination. HCAs may terminate warrants at their discretion for reasons such as failure to maintain skills currency, mission changes, employee reassignment or departure, unsatisfactory performance, or violation of ethics/standards of conduct. No termination shall operate retroactively. Warrant termination actions are final and may not be appealed.
5. Effective Date: provisions of this MD are effective the date of publication.
6. Grace Period - all DHS warrant holders have until September 30, 2004 to meet the requirements outlined in this MD or HCAs shall terminate warrants. The CPO will consider exceptions to this requirement on a case by case basis. HCAs interested in requesting exceptions should contact the Acquisition Workforce Manager by July 31, 2004.

C. **Questions or Concerns:** Any questions or concerns regarding this directive should be addressed to the Office of Chief Procurement Officer, Director of Acquisition Policy & Oversight.