

Issue Date: 03/01/2003

TRANSITIONAL CONTRACTING AND FINANCIAL ASSISTANCE

I. Purpose

This directive establishes the Department of Homeland Security (DHS) policy for transitional contracting and financial assistance.

II. Scope

This directive applies to all DHS organizational elements serviced by the DHS Chief Procurement Officer. All organizational elements that receive contracting and financial assistance support from another Federal agency or have existing programs, should continue to use those procedures until a DHS-wide system is developed and implemented.

III. Authorities

Homeland Security Act of 2002, codified in Title 6, U. S. Code.

IV. Definitions

A. **Contracting**: purchasing, renting, leasing, or otherwise obtaining supplies or services. 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.

B. **Contracting Officer**: A person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the contracting officer acting within the limits of their authority as delegated by the contracting officer.

"Administrative contracting officer (ACO)" refers to a contracting officer who is administering contracts. "Termination contracting officer (TCO)" refers to a contracting officer who is settling terminated contracts. A single contracting officer may be responsible for duties in any or all of these areas. Reference in this regulation (48 CFR Chapter 1) to administrative contracting officer or termination contracting officer does not:

1. Require that a duty be performed at a particular office or activity; or
2. Restrict in any way a contracting officer in the performance of any duty properly assigned.

C. **Financial assistance**: The use of grants or cooperative agreements to support or stimulate a public purpose as authorized by statute.

D. **Assistance Officer**: A DHS official responsible for the business management aspects of grants and cooperative agreements, including review, negotiation, award, and administration, and for the interpretation of grants administration policies and provisions.

V. Responsibilities

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

B. The **Chief Procurement Officer** shall be responsible for ensuring compliance with this Directive.

C. **Organization elements with contracting authority** shall ensure compliance with regulations and policies governing the contracting process.

VI. Policy & Procedures

A. **Policy**: Only those individuals with specific contracting officer authority may execute contracts and related agreements on behalf of DHS. Only those individuals with delegations as assistance officers or with delegations from the Secretary or designee, may execute assistance awards on behalf of DHS.

B. **Procedures**: Until such time as DHS specific policies and procedures pertaining to contracting and financial assistance matters are established, organizational elements with contracting and financial assistance authority shall continue to use the policies and procedures that were in effect for these organizations prior to 1 March 2003. This includes all statutory and regulatory requirements; terms and conditions of contracting; procedures for alternative dispute resolution and contract appeals (including use of current Boards of Contract Appeals); and grant awards and current payment processes and systems. This authority also includes the continuation of all existing delegations of authority as Head of Contracting Activity, warrants for contracting officers, and designation of assistance officers. Any existing formal, written appointment of officials exercising these functions are hereby ratified under the pass-through provisions outlined in other DHS management directives and shall be deemed to refer to the Department of Homeland Security. Organizations shall continue using their current CFDA numbers and their OMB approved grant information collections until further notice.

C. **Questions or Concerns Regarding the Process**: Any questions or concerns regarding this directive should be addressed to the Office of the Under Secretary for Management.