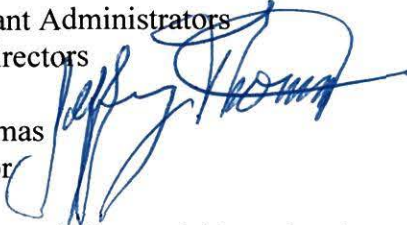




UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration  
ACQUISITION AND GRANTS OFFICE

MEMORANDUM FOR: Deputy Assistant Administrators  
Staff Office Directors

FROM: Jeffrey S. Thomas   
Acting Director

SUBJECT: Fiscal Year (FY) 2019 Acquisition Planning

The purpose of this memorandum is to request preparation of advance acquisition planning forecasts for fiscal year 2019 (FY-2019) requirements. Planning data shall be entered into the Forecasting and Advanced Acquisition Planning System (FAAPS) no later than May 31, 2018, for each acquisition with an anticipated value greater than \$150,000, including contracts, purchase orders, task or delivery orders, and modifications. The Acquisition and Grants Office (AGO) is required to submit a consolidated bureau acquisition forecast to the Department of Commerce by June 30, 2018. Specific guidance is attached.

Advance acquisition planning is a statutory and regulatory requirement for executive branch agencies. Acquisition planning is an efficient use of the taxpayer dollars for accomplishing program objectives in an economical and timely manner. The web-based FAAPS, available at <https://faaps.commerce.gov/>, is the system mandated by the Department of Commerce for development of acquisition plans and forecasts of business opportunities made available to the public.

Each Line and Staff (L/S) Office is responsible for ensuring their respective FAAPS data is complete and updated at the end of each quarter of the fiscal year to enable accurate planning. On June 1, 2018, AGO will extract the FY-2019 FAAPS data, which will be used to determine the planned workload for FY-2019. Any action entered into FAAPS after May 31, 2018, will be considered an unplanned action. Priority will be given to planned actions.

If you have any questions regarding system access, please contact Client Services at (301) 444-3400 or [clientservices@noaa.gov](mailto:clientservices@noaa.gov). If you have questions concerning the data element definitions, you may contact the Advanced Acquisition Planning (AAP) Coordinators listed on the FAAPS website by clicking on the Point of Contact (POC) List link.

**Attachments:**

**Instructions for Forecasting and Advanced Acquisition Planning System**

**Commerce Acquisition Manual, Chapter 1307.1, Acquisition Planning, October 2017**

**cc: Deputy Under Secretary for Operations  
NOAA Executive Panel  
Acquisition Management Advisory Committee  
Acquisition and Grants Office Division Directors  
Chief Financial Officer Council  
Chief Information Officer Council**

## NOAA PREPARATION INSTRUCTIONS FOR FORECASTING AND ADVANCED ACQUISITION PLANNING

### A. PURPOSE:

These instructions provide guidance to assist the L/S Offices in submitting data required for Forecasting and Advanced Acquisition Planning of Contract Opportunities.

All L/S Offices are to provide Advanced Acquisition Planning (AAP) data via the Forecasting and Advanced Acquisition Planning System (FAAPS) available at <https://faaps.commerce.gov/>. FY-2019 AAP data reporting into FAAPS shall be completed **no later than May 31, 2018**.

In order to meet this deadline, each Deputy Assistant Administrator/Staff Office Director is required to assign an AAP Coordinator. The L/S Office AAP Coordinator is responsible for facilitating the L/S Office AAP data collection.

### B. RESPONSIBILITIES

***L/S Office AAP Coordinator.*** The AAP Coordinator is responsible for facilitating the L/S Office AAP data collection. The L/S Office AAP Coordinator works with each Program Office to provide data that may assist the offices in their planning and completing the updated AAPs. The L/S Office AAP Coordinator ensures that the AAP User Listing includes only authorized staff members that have the right to view and update the L/S Office AAP data. AAP Coordinators are responsible for ensuring the accuracy and completeness of AAP data.

***L/S Offices.*** Each L/S Office is responsible for completing an updated, individual AAP for each of their planned FY-2019 acquisitions **greater than \$150,000 only**. The office may centralize the data input responsibilities or request field offices to input the data for their associated plans. Requisitions issued without a valid AAP number identified will be returned to the L/S Office for corrective action.

Each L/S Office AAP Coordinator has the following responsibilities:

- Provide instructions to their office staff on gathering the data and inputting the updated data into the web-based AAP form.
- Monitor the completion of the Program Office's AAPs and ensure that ***only authorized staff*** complete the forms associated with their office.
- Ensure that the AAP User Listing includes only authorized staff members that have the right to view and update the L/S Office AAP data.
- Formally notify the AGO Director that all of the office's AAPs are completed on the FAAPS website and are ready for review.
- Coordinate their office's responses to questions from Staff Users and Procurement Offices concerning their AAP submissions.
- Ensure that the AAPs are within the correct range of the current FY budget request.

## C. INSTRUCTIONS

AGO provides a web-based AAP form that all L/S Offices must use to report their AAP data. *The website can only be accessed by individuals with a valid NOAA email address.* Use of the site is monitored to ensure only authorized users enter data. All data on the website, as well as all data sent from the website, is encrypted. The FAAPS website is located at: <https://faaps.commerce.gov/>

***The FAAPS is for official use only and is to be used only by authorized staff:***

1. All L/S Office staff completing, updating, or viewing an AAP form must be an authorized user of the AAP website.
2. All staff members using the website are assigned a password by the system at their initial log on. All users must log on using their assigned password.
3. L/S Office staff members are restricted from accessing any data other than the data associated with the office in which they are registered. User access to data is also restricted by the user's role on the AAP website.
4. L/S Office staff are assigned one of four roles on the AAP website by the L/S Office Coordinator:
  - Reporter (Rep):** Create AAPs and update only those AAPs
  - Read Only (RO):** Only view office AAPs
  - Office Point of Contact (POC):** View and update all AAPs of the office (Note: This function is different than the POC identified within each AAP)
  - Approver (APR):** Approve all AAPs of the office. (Note: This is an option to L/S Offices. If no Approvers are assigned, then this feature is not activated.)
5. Any questions concerning the data element definitions should be directed to the AAP Coordinators.
6. Reporters must mark an AAP form "Complete" when the Reporter has completed the updates. Marking a form "Complete" formally submits the form to the office POCs for review and validation. Reporters will mark previously "New" AAPs as "Awarded" if the requirement has been awarded, or mark AAPs "No Longer Required" if the requirement is no longer needed.
7. Office POCs must "Unmark" an AAP form to update the form if changes are necessary to the data. The office POC identification information will be recorded on the form as the last person to update the form. The POC reviews upcoming PRs for the month and adds new AAPs to the FAAPS.
8. If Approvers (APRs) are assigned, then office APRs must "Approve" an AAP form to finalize the form. The office APR identification information will be recorded on the form as the last person to update the form.

9. All AAP forms will show the original creator's contact information (the person's name, phone contact information, and email address). All AAP forms will show the last person to update the form (name, phone contact information, and email address).

10. Once reviewed and validated by the AAP Coordinator and no further action is required, the submission will be marked "Complete".

11. The POC field within each AAP shall identify the proper L/S Office POC from the four roles listed at Section C (4), not the anticipated Contracting Officer. The POC shall maintain working knowledge of the requirement to which he/she is assigned and shall respond to inquiries from the vendor community when requested. Inquiries should generally be responded to by the POC within 24 hours of receipt.

**Revised – September, 2017**

**COMMERCE ACQUISITION MANUAL  
1307.1**

DEPARTMENT OF COMMERCE  
ACQUISITION PLANNING

# COMMERCE ACQUISITION MANUAL 1307.1

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# ACQUISITION PLANNING

## SECTION 1 – OVERVIEW

### 1.1 Background

Federal agencies are relying increasingly on contractors to deliver goods and services to assist in performing its mission. With billions of tax dollars spent each year in government contracting, it is essential that Federal acquisitions are managed in an effective, efficient and accountable manner.

Acquisition planning is critical to successful acquisitions in order to deliver the right solutions, at the best value, on time, and within budget. Therefore, by improving acquisition planning processes and disciplines, the value delivered for the taxpayer's dollar also improves. Adequate planning as soon as the requirement becomes known can eliminate potential problems at time of award and during contract performance and administration, thereby shortening procurement administrative lead-times (PALT) and improving customer satisfaction.

Federal Acquisition Regulation (FAR) Part 7, "Acquisition Planning" implements the statutory requirement for acquisition planning. Although the requirement for written acquisition plans applies to acquisitions exceeding the Simplified Acquisition Threshold (SAT), FAR Subpart 7.102 requires market research and acquisition planning on all acquisitions regardless of dollar value.

### 1.2 Purpose

This Commerce Acquisition Manual (CAM) chapter provides policy and guidance to effectively conduct acquisition planning and develop acquisition plans.

### 1.3 Applicability

The requirements of this chapter are applicable to all acquisitions within the Department of Commerce (DOC) and its Operating Units, which include competitive and non-competitive contracts; new definitive contracts (including contracts for supplies, services, construction, repair and alteration); letter contracts; single or multiple award Indefinite Delivery/Indefinite Quantity (IDIQ) contracts as well as their associated task/delivery orders; all calls and orders against indefinite delivery vehicles (IDVs) [Examples of IDVs include but are not limited to GSA Federal Supply Schedules, Government-Wide Acquisition Contracts (GWACs), Multi-Agency Contracts (MACs), Blanket Purchase Agreements (BPA), and any other agreement or contract against which individual orders or purchases may be placed]; options to existing contracts; leasehold interests in real property; and Interagency Acquisitions.

### 1.4 Policy

In accordance with FAR Subpart 7.102(a), acquisition planning is required for all acquisitions and shall be the first step in any acquisition, beginning as early in the program life-cycle as possible.

### 1.5 Objectives

The primary objective of this CAM chapter is to improve acquisition planning and market research processes and disciplines throughout the Department of Commerce in order to:

- Promote the use of commercial items;
- Enhance full and open competition;
- Enhance the use of performance-based acquisition;

- Promote strategic sourcing through consolidation of requirements;
- Ensure the appropriate use of high-risk acquisition authorities;
- Increase the support of socio-economic programs; and
- Facilitate the effective allocation and use of resources.

## **1.6 Market Research**

In accordance with FAR Part 10, market research is required to determine the most suitable approach to acquiring, distributing, and supporting supplies and services. Market research shall be conducted to the fullest extent practicable during acquisition planning and involves obtaining and analyzing information and knowledge specific to the requirement and determining if the Government's needs can be satisfied in the commercial marketplace. Adequate market research can identify sources, commercial practices, pricing information, availability of products or services, and small business opportunities. The extent of market research should align with the nature of the acquisition considering the complexity, dollar value and urgency of the requirement.

### **1.6.1 Delivery/Task Orders**

Market research is required prior to awarding a task/delivery order under an Indefinite Delivery, Indefinite Quantity (IDIQ) contract (including GWACs, MACs, and agency-issued) for non-commercial items in excess of the Simplified Acquisition Threshold. The Contracting Officer may use the market research conducted within 18 months before the award of any task/delivery order to meet this requirement if the information is still current, accurate, and relevant; if older than 18 months, new market research must be conducted.

## **1.7 Acquisition Planning Levels**

The Department of Commerce has identified three acquisition planning levels, each requiring a different degree of planning. The extent of acquisition planning is contingent upon a variety of factors such as the dollar value of the action, mission criticality, risk level, visibility and project complexity. These factors will determine the applicable acquisition plan to implement for the acquisition.

### **1.7.1 Advanced Acquisition Planning Forecast**

Advance acquisition planning forecasts apply to acquisitions where total life-cycle cost is expected to exceed the SAT; or acquisitions with life-cycle cost expected to be below the SAT when simplified acquisition methods are not used. Forecasts involve the identification of planned acquisitions during the budget formulation process and should commence before the fiscal year begins in order to improve scheduling of actions, increase control of fourth quarter obligations, and further opportunities for consolidating requirements.

### **1.7.2 Milestone Acquisition Plan**

Milestone acquisition plans apply to acquisitions where anticipated total life-cycle cost exceeds the SAT, but less than \$10M; or acquisitions with life-cycle cost at or below the SAT when simplified acquisition methods are not used. Milestone acquisition plans identify acquisition objectives and outline the actions, milestones and documents required to meet the acquisition.

### **1.7.3 Formal Acquisition Plan**

Formal acquisition plans apply to acquisitions where total life-cycle cost are at or exceeds \$10M. A formal acquisition plan identifies all significant technical, cost and business issues of a requirement and provides specific solutions to address any critical issues in the proposed acquisition. The formal acquisition plan also requires development of a milestone acquisition plan.

## **1.8 Protection of Procurement Sensitive Information**

Milestone and formal acquisition plans contain advance information on proposed acquisitions, which could give prospective contractors an unfair advantage. Therefore, acquisition plans and supporting documentation are considered procurement sensitive. Individuals who participate directly or indirectly in any stage of the acquisition process shall not publicize, discuss or release any information regarding the milestone or formal acquisition plan, supporting documents, or other details regarding the proposed acquisition outside DOC or to prospective contractors, except as provided in the Federal Acquisition Regulation. Participants on the acquisition team may be required to complete Confidentiality and Conflict of Interest Certifications.

**END OF SECTION 1**

## **SECTION 2 – Roles and Responsibilities**

### **2.1 Senior Procurement Executive (SPE)**

The Senior Procurement Executive has overall responsibility for the following:

- a. Planning, developing and implementing policies and procedures for acquisitions throughout the Department of Commerce;
- b. Overseeing the acquisition planning process through normal oversight reviews of procurement offices;
- c. Participating on Bureau-level Acquisition Review Boards for acquisitions with estimated values at \$50M or above or any acquisition between \$10M and \$50M that has been identified as special interest to the Department;
- d. Serving as Chair of the Department-level Acquisition Review Board;
- e. Approving Determination and Findings for consolidating or bundling an acquisition; and
- f. Providing concurrence on public notifications for bundled requirements.

### **2.2 Chief Acquisition Officer (CAO)**

The Chief Acquisition Officer is responsible for:

- a. Making a determination to issue a solicitation for consolidation where the substantial benefit threshold is not met but the benefits to the Government are mission critical and provides for maximum practicable participation by small business concerns.

### **2.3 Senior Bureau Procurement Official (BPO)**

The Senior Bureau Procurement Official shall ensure that acquisition planning is effectively implemented, used and updated, as needed. The BPO is responsible for the following:

- a. Determining the need for higher-level review and approval or additional concurrences within their organization for acquisition plans;
- b. Establishing Bureau-level Acquisition Review Boards to review and approve acquisition plans up to \$75M;
- c. Providing the Office of Acquisition Management a copy of all formal acquisition plans with anticipated values between \$10M - \$75M;
- d. Recommending the waiver of an Acquisition Plan, for programs and classes of contracts or task/delivery orders when it is determined that the service or staff office already has a detailed system in place that addresses the elements of the acquisition plan;
- e. Issuing guidance to identify types of acquisitions that are appropriate, within the requirements and thresholds of this guidance, for all acquisition plans;

- f. Authorizing the development of standard templates for use in programs or task/delivery orders that are repetitive and noncomplex;
- g. Determining appropriate coordination and concurrences for acquisition plans;
- h. Ensuring all planned acquisition forecasts above the SAT within Operating Unit(s) are entered into the Forecasting and Advance Acquisition Planning System;
- i. Coordinating, reviewing, and ensuring advance acquisition planning forecasts are accurate and complete;
- j. Working with the Bureau Small Business Specialist to identify advance planned acquisitions that are amendable to be set-aside for small businesses, cannot be set-aside for small businesses or require additional research to make a set-aside determination;
- k. Ensuring all acquisitions identified in the advance acquisition planning forecast that either cannot be set-aside for small business concerns or need further investigation before a set-aside determination can be made, are assigned as early as practicable to allow Contracting Officers adequate time to conduct meaningful market research to support a set-aside/non-set-aside determination;
- l. Providing the Office of Acquisition Management (OAM) a copy of internal acquisition planning guidance and any modifications to the established policy;
- m. Serving as a principal member of the Department-level Acquisition Review Board;
- n. Providing concurrence on Determination and Findings for consolidating or bundling an acquisition;
- o. Validating the accuracy of data regarding contractor size and type, set-aside information, and “bundled” actions in the Federal Procurement Data System; and
- p. Reporting on bundling and consolidation requirements.

## 2.4 Program Official

The Program Official serves as the “planner” in the acquisition planning process as defined in FAR Subpart 7.101, with the advice and assistance of the Contracting Officer, and is responsible for the following:

- a. Preparing and maintaining acquisition plans;
- b. Preparing justifications for other than full and open competition using the format at FAR subpart 6.303-2;
- c. Obtaining and documenting all necessary concurrences and approvals;
- d. Coordinating with the acquisition team for advice and assistance;
- e. Complying with the acquisition planning requirements identified in FAR Part 7, Department Administrative Order (DAO) 208-15 and the policy and guidance provided herein;

- f. Coordinating with the Bureau Small Business Specialist and Office of Small and Disadvantaged Business Utilization (OSDBU), when applicable;
- g. Coordinating with Operating Unit representatives of the Chief Financial Officer and Budget Officer;
- h. Coordinating with Operating Unit representatives of the Chief Information Officer on acquisitions requiring capital planning and investment control requirements as identified in 40 U.S.C. 11312 and OMB Circular A-130;
- i. Ensuring, when applicable, at least one qualified Contracting Officer's Representative is nominated as early as practicable;
- j. Identifying, entering, continually monitoring and updating quarterly the acquisition forecast to reflect Departmental and the Office of Management Budget budgetary decisions and reprogramming, correction of errors, or emergency requirements; and
- k. Modifying the acquisition plan for major changes, both before and after contract award, and obtaining new coordination, concurrences, and approval.

## **2.5 Contracting Officer (CO)**

The Contracting Officer is responsible for the following:

- a. Providing applicable input for adequate acquisition planning (e.g., determining contract type; advising on source selection criteria; conducting pre-proposal conferences, etc.);
- b. Preparing solicitations, CD-570, *Small Business Programs Review* forms, determination and findings, and other contract documents;
- c. Reviewing and providing concurrences on acquisition plans; and
- d. Reviewing, concurring and as appropriate supplementing justifications for other than full and open competition;
- e. Preparing Determination and Findings for consolidating or bundling an acquisition;
- f. Notifying incumbent small business concern(s) of the Department's intent to bundle a requirement; and
- g. Providing notification to the SBA PCR for any follow-on bundled or consolidated requirement.

## **2.6 Office of General Counsel (OGC)**

The Office of General Counsel is responsible for the following:

- a. Providing legal advice, counsel, review and concurrence of acquisition plans;
- b. Ensuring formal acquisitions plans are legally permissible; and
- c. Serving as an associate member of the Department-level Acquisition Review Board.

## **2.7 Competition Advocate**

The Competition Advocate is responsible for reviewing acquisition plans before submission to the approving official when the use of Other Than Full and Open Competition procedures is anticipated.

## **2.8 Office of Small and Disadvantaged Business Utilization (OSDBU)**

The Office of Small and Disadvantaged Business Utilization is responsible for the following:

- a. Coordinating reviews between the acquisition team and the Small Business Administration (SBA) Procurement Center Representative;
- b. Collaborating with the acquisition team to maximize small business participation in prime and subcontracting opportunities;
- c. Serving as an associate member of the Department-level Acquisition Review Board;
- d. Reviewing proposed solicitations that involve consolidating or bundling of requirements and working with the Bureau procurement office and PCR to revise the acquisition strategies to increase the probability of small business participation as prime contractors, or to facilitate small business participation as subcontractors and suppliers if a solicitation for a bundled contract is to be issued; and
- e. Providing concurrence on public notifications for bundled requirements.

## **2.9 Bureau Small Business Specialist**

The Bureau Small Business Specialist is responsible for:

- a. Collaborating with the acquisition team to devise acquisition strategies in compliance with the Small Business Program;
- b. Working collaboratively with the OSDBU to coordinate participation in small business outreach events and conferences;
- c. Reviewing and continually monitoring bureau-level acquisition forecasts submitted in the Forecasting and Advance Acquisition Planning System;
- d. Working with the Senior Bureau Procurement Official to identify advance planned acquisitions that are amendable to be set-aside for small businesses, cannot be set-aside for small businesses or require additional research for the Contracting Officer to make a set-aside determination;
- e. Notifying the OSDBU if an acquisition strategy involves substantial bundling;
- f. Providing concurrence on public notifications for bundled requirements; and
- g. Providing notification to the SBA PCR for any follow-on bundled or consolidated requirement.

## **2.10 Small Business Administration Procurement Center Representative (PCR):**

The Small Business Administration Procurement Center Representative is responsible for:

- a. Reviewing proposed acquisition packages provided in accordance with FAR Subpart 19.202-1;
- b. Reviewing proposed contracts that require a subcontracting plan along with the accompanying subcontracting plan and supporting documents;
- c. Recommending alternate contracting methods to increase small business prime contracting and subcontracting opportunities;
- d. Providing research tools, assistance and training to contracting staff and small businesses;
- e. Reviewing solicitations that require subcontracting plans to submit advisory findings to the Contracting Officer prior to solicitation issuance; and
- f. Reviewing any bundled or consolidated solicitation or contract and advocating against the unjustified consolidation or bundling of requirements.

### **2.11 Chief Information Officer (CIO):**

The Chief Information Officer is responsible for (or delegating to the Bureau CIO) the following:

- a. Serving as Chair of the Commerce Information Technology Review Board that reviews all major information technology (IT) investments;
- b. Co-Chairing the Joint Commerce Information Technology Review Board and Department-level Acquisition Review Board sessions for IT investments;
- c. Participating on Bureau-level Acquisition Review Boards for all IT contract actions estimated at \$10M or above;
- d. Ensuring IT contract actions are consistent with CIO-approved plans and strategies;
- e. Reviewing and approving the IT Compliance Checklist for all IT-related acquisitions;
- f. Issuing an Information Technology Investment Authority (ITIA) for IT-related acquisitions; and
- g. Reviewing and providing concurrences on formal acquisition plans.

**END OF SECTION 2**



## SECTION 3 – ADVANCE ACQUISITION PLANNING FORECAST

### 3.1 Background

Effective market research and acquisition planning are critical to the efficient use of taxpayer dollars and the economical accomplishment of program objectives. To ensure adequate acquisition planning is performed, advance acquisition forecasting shall be conducted to induce early communications between representatives of the program and acquisition offices before submission of a procurement request.

Forecasting should commence as soon as a need for an acquisition activity is identified and well in advance of the beginning of the fiscal year in order to improve scheduling of actions, increase control of fourth quarter obligations, and further opportunities for consolidating requirements. As forecasts are required prior to the appropriation of funds for the next fiscal year, they will be based on the best estimate available from budget projections.

### 3.2 Applicability

Acquisition planning forecasts apply to all individually planned acquisitions with life-cycle cost expected to exceed the SAT; or acquisitions with anticipated life-cycle cost at or below the SAT when simplified acquisition methods are not used. Forecasting involves identification of planned acquisitions during the budget formulation process.

### 3.3 Procedures

Each Senior Bureau Procurement Official shall develop and issue specific guidance for their Operating Unit(s) regarding acquisition forecast submissions, which shall include the use of the web-based software program, Forecasting and Advance Acquisition Planning System (FAAPS) available at: <http://faaps.commerce.gov>.

The Operating Unit policy shall include at a minimum:

- a. Requirement for Program Offices to submit detailed acquisition forecasts *individually* for all planned acquisitions;
- b. Requirement to identify the FAAPS Advance Acquisition Planning (AAP) identification number in all resulting Milestone or Formal acquisition plans;
- c. Requirement for the quarterly review and update of acquisition forecasts to reflect subsequent awards, exercising of any contract options on existing acquisitions, and any newly planned acquisitions or deletions;
- d. Coordination with the OSDBU and Bureau Small Business Specialist to identify potential contract opportunities suitable for small businesses and monitor contract bundling actions;
- e. Requirement for Bureau Small Business Specialist to review bureau-level advance acquisition planning forecast in FAAPS on a recurring basis beginning with the due date of the initial forecast submission;
- f. Coordination with the cognizant Bureau Small Business Specialist for acquisitions over \$2.5M (see FAR 7.104(d)(2)(i)) unless the acquisition is entirely reserved or set-aside for small business under FAR Part 19;

- g. The concerted efforts of all personnel engaged in managing the acquisition process in determining requirements, budget, strategic planning, small business considerations, technical data requirements, and contract management; and
- h. Requirement to update forecast submissions 30 days after final appropriations and update further as events warrant.

### 3.3.1 Data Requirements

Each advance acquisition planning forecasts shall at a minimum, address the following data elements:

- a. Organization code;
- b. Servicing acquisition office;
- c. Expected acquisition type;
- d. Brief description of planned acquisition that explicitly identifies details of the primary item to be acquired. For example, simply stating “Technical Services” as a description provides insufficient details. A better description would be “Renewal of contract number GS2F00000 for technical services to support NOAA’s Ship Maintenance Program” or “Option 1 to extend contract number GS2F00001 for helpdesk services for the Office of the Secretary.” When applicable, the description must identify the contract/task/delivery order number if the planned acquisition is a renewal of an existing contract or a task/delivery order against an existing contract;
- e. Primary North American Industry Classification System (NAICS) code;
- f. Expected level of competition;
- g. Required delivery or beginning date (if applicable);
- h. Acquisition method (i.e. IDIQ/GWAC/T&M, fixed price, etc.);
- i. Total life-cycle cost of planned acquisition;
- j. Current fiscal year obligation amount;
- k. Obligation amounts for fiscal years covered by the acquisition forecast;
- l. Actual/expected small business size status of contractors;
- m. Period of performance;
- n. Point of contact information; and
- o. Required contract completion date.

### 3.4 Annual Data Call

On or before March 1 of each year, the Senior Bureau Procurement Official shall issue a call for planned acquisitions for subsequent fiscal years with the primary focus on the upcoming fiscal year and cut-off dates for submission. If known acquisitions will span more than one fiscal year, the total duration and expected life-cycle costs shall be identified. This call shall provide specific instructions to guide the Program Officials in accurately completing and reporting data to effectively convey acquisition forecasts to all stakeholders (including the general public).

Program Officials shall identify and enter all planned acquisitions individually into FAAPS for review by their servicing contracting office on or before May 31 of each year. The acquisition forecasts shall include all new requirements, any contract options, modifications to existing contracts, and task or delivery orders against Federal Supply Schedule or agency Indefinite Delivery/Indefinite Quantity contracts.

The BPO shall review each planned acquisition to ensure the data is accurate, complete and meaningful and develop a consolidated Bureau acquisition forecast for submission to the Office of Acquisition Management and the Office of Small and Disadvantaged Business Utilization by June 30<sup>th</sup> of each year through the use of FAAPS.

Prior to submitting the consolidated Bureau forecast in FAAPS, BPOs shall meet with their Bureau Small Business Specialists in June of each year, to review the acquisition forecasts and identify those planned acquisitions that:

- a. Are known to be amendable to set-aside for small business concerns;
- b. Cannot be set-aside; or
- c. Need further investigation before a set-aside determination can be made.

Any acquisition identified in the advance acquisition planning forecast that either cannot be set-aside for small business concerns or require further investigation before a set-aside determination can be made, shall be appropriately assigned to a Contract Specialist/Officer to ensure adequate time is available to conduct meaningful market research to support a set-aside/non-set-aside determination.

### **3.5 Implementation of Acquisition Forecast Plan**

Once the acquisition forecasts are developed and delivered to the servicing contracting office, the responsibility for effectively completing and implementing the Milestone or Formal acquisition plan becomes a joint responsibility of the program office and the servicing contracting office and should involve all members of the acquisition team in the early development stages. This early involvement will facilitate a full understanding of the responsibilities of each party; and will help develop the necessary partnership between the program office and servicing contracting office in acquiring the best value supplies and services of reliable quality, delivered on time, and at a fair and reasonable price.

### **3.6 Unplanned Acquisitions**

Forecasts for unplanned acquisitions that arise after submission of the annual acquisition forecast shall be submitted to the servicing contracting office as soon as possible upon identification of the requirement to ensure proper resources are available to fulfill the requirement. Priority will be given to those unplanned acquisitions identified as mission-critical. Senior Bureau Procurement Officials are responsible for ensuring FAAPS is updated to include unplanned acquisitions.

**END OF SECTION 3**

## SECTION 4 – MILESTONE ACQUISITION PLANS

### 4.1. Background

Acquisitions exceeding the SAT require a detailed strategy identifying the acquisition objectives, market research findings, procurement method, milestones, and other such considerations documented in the form of an acquisition plan. Milestone acquisition plans identify the acquisition objectives and outlines the actions and documents required to meet the requirement. The plan contains a milestone schedule to track tasks to be accomplished in order to meet the required delivery schedule. Tracking performance against the schedule in the milestone acquisition plan provides the ongoing status necessary to process the acquisition in a timely and effective manner.

Milestone acquisition plans are used for multiple purposes. The primary purpose is to create a “road map” of the acquisition strategy to successfully procure goods and services, which may reduce issues at time of award and during contract performance. Other purposes include tracking acquisitions in progress to determine current status, identifying steps in the process where there are individual or systemic problems or monitoring the workload in order to accommodate unplanned future acquisitions.

### 4.2. Applicability

Milestone acquisition plans apply to contracts, task/delivery orders and purchase orders (including options), in which total life-cycle cost are expected to exceed the SAT but less than \$10M; or acquisitions with anticipated life-cycle cost at or below the SAT when simplified acquisition methods are not used.

### 4.3. Procedures

Each Senior Bureau Procurement Official shall establish internal review and approval procedures for milestone acquisition plans recognizing complexity, dollar value, and visibility of programs. The procedures shall include a waiver process that ensures all waiver requests are in writing, contain sufficient detail to clearly explain the basis for the request, and recommended alternative actions are clearly provided. Authority to waive milestone acquisition plans shall be appointed to the level of the Head of Contracting Office or above. In addition, the procedures shall also address the protection of source selection information.

#### 4.3.1 Describing Agency Need

The Program Official serving as the “planner” will begin the process by developing a full understanding of the needs of their program and considerations for accomplishing the planned acquisition. The Program Official shall discuss with the servicing contracting office, topics ranging from defining the need, market research results, potential sources, small business considerations, expected delivery or period of performance, and an appropriate acquisition strategy to meet the procurement goal. These discussions will culminate in an acquisition plan that consists of a milestone schedule to accompany the complete acquisition package (see *Appendix B* for acquisition package requirements).

#### 4.3.2 Developing Milestone Acquisition Plan

The milestone acquisition plan will identify the objectives, planned actions and required documents of the acquisition to meet the requirement throughout the acquisition planning process ending with the award date. The milestone acquisition plan in essence becomes an agreement between the program office and the servicing contracting office setting forth the schedule for successful completion of the planned acquisition and shall demonstrate standard procurement administrative lead times (PALT) for achieving contract actions, although acquisitions of unusual complexity may require adjustments to these lead times. Refer to *Appendix C* for department-wide PALT.

### 4.3.3 Content of Milestone Acquisition Plan

Documentation for the milestone acquisition plan should be concise and limited. The milestone acquisition plan shall reference all elements required in the acquisition forecast cited under Section 3.3.1, and include the Advance Acquisition Planning (AAP) identification number from FAAPS. In addition to the criteria provided in the acquisition forecast, the milestone acquisition plan should be accompanied by:

- a. An acquisition milestone schedule (see *Appendix D* for a milestone schedule sample);
- b. A discussion of the performance-based contracting elements that will be used and whether these elements will be sufficient to report the award as performance-based in the Federal Procurement Data System (FPDS), if performance-based contracting methods will be used;
- c. Identification of the office (and individual(s) if known at the time of acquisition planning) responsible for quality assurance surveillance (i.e., monitoring the contractor's compliance with the quality assurance plan), if required;
- d. A determination and findings as prescribed in FAR Subpart 12.207(b) for all time and material or labor hour contracts and task orders for commercial services;
- e. The basis for the Justification for Other than Full and Open Competition (JOFOC), if applicable and reference to the following:
  - i. Justification document
  - ii. Synopsis requirements or the applicable exception to synopsis
  - iii. Approving official
  - iv. Date of approval
- f. For acquisitions proposing an exception to fair opportunity procedures required by FAR Subpart 16.505(b), state the basis for the exception and reference the Contracting Officer's justification required by FAR Subpart 16.505(b); and
- g. Any other elements as necessary that may enhance the acquisition strategy (i.e. policies for environmental considerations, use of high-risk acquisition authorities, Section 508, etc.).

### 4.3.4 Modification of Milestone Acquisition Plans

The milestone acquisition plan shall be revised whenever there is a significant change. A change is significant if there is a modification in what is being procured, how it is being procured (including method and contract type), or funding. Milestone acquisition plan revisions are subject to the same review and clearance process as the original document, provided the acquisition remains within the same applicable dollar threshold (See Section 4.2). Modified milestone acquisition plans shall be reflected as a revision to the previously approved plan. A copy of all previously approved plans shall be retained in the official contract file.

### 4.3.5 Milestone Status

Contracting Officers are responsible for updating the status of major acquisition milestones in FAAPS (i.e. synopsis posted, solicitation released, offer/proposal due dates, competitive range established, source selection made, award, etc.). Milestone status shall be recorded under the "Procurement Office Comments" field by the assigned Contracting Officer/Specialist and maintained to reflect the most current updates of the acquisition. The Procurement Office Comments field has no edit constraints or size limits. However, since this field will be part of the "public view" option, the comments shall not contain procurement sensitive information.

#### **4.4. Exemption**

Milestone acquisition plans are not required for emergency acquisitions when the need for the supplies or services is of such an unusual and compelling urgency that the Government would be seriously injured if the supplies or services were not immediately acquired, except when unusual and compelling urgency occurs due to poor planning or failure to timely initiate the acquisition process by the program and/or acquisition office.

**END OF SECTION 4**

## SECTION 5 – FORMAL ACQUISITION PLANS

### 5.1 Background

A formal acquisition plan is used to facilitate attainment of acquisition objectives for requirements with greater complexity and cost. The formal plan addresses all technical, business, management, and other significant considerations that will control the acquisition strategy.

### 5.2 Applicability

Formal acquisition plans apply to all acquisitions, including interagency acquisitions, in which the anticipated total life-cycle cost are \$10M or above. A formal acquisition plan may also be considered for acquisitions below the \$10M threshold that meet one or more of the following criteria:

- a. Acquisition is complex, critical to agency strategic objectives and mission, highly visible or politically sensitive;
- b. Acquisition with which the Department has little or no experience that may result in a need for greater oversight or risk management;
- c. Actions using significantly changed methods (e.g., methods of procurement such as lease versus purchase, or methods of performance such as contractor versus Government personnel);
- d. Acquisitions for new construction, or repair and alteration;
- e. Acquisitions that require contract bundling (see FAR Subpart 7.107); or
- f. Acquisitions with award term/fee, or incentive arrangements as defined in FAR Subpart 16.4.

### 5.3 Procedure

The Program Official is designated the acquisition “planner” and is responsible for developing and maintaining the formal acquisition plan. The planner shall develop the formal plan in coordination with a team consisting of all individuals who will be responsible for significant aspects of the acquisition, such as contracting, budget, legal, technical, and small business considerations. Previous plans for similar acquisitions should be reviewed and the planner should consult with key personnel involved in those acquisitions.

### 5.4 Content of Formal Acquisition Plan

The specific content of a formal acquisition plan will vary depending on the nature, circumstances, and stage of the acquisition. The acquisition plan will identify all significant technical, cost and business issues and provide specific solutions to address the critical issues in the proposed acquisition. The plan should be based on fact (not opinion or supposition) and reflect what was decided, alternatives considered, and the rationale for recommending the proposed strategy. In preparing the formal acquisition plan, the planner must follow the applicable instructions in Subsections 5.4.1 through 5.4.3 below.

#### 5.4.1 Headers, Footers and Special Notices

The following notice shall be prominently displayed on the front page of all formal acquisition plans:

“This document contains proprietary or source selection information related to the conduct of a federal agency procurement. The disclosure and receipt of this information is restricted by Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423).

The unauthorized disclosure of this information may subject both the discloser and the recipient to the contractual, civil, and/or criminal penalties as provided by law.”

Each page of the plan shall contain a header identifying the title of the acquisition and a footer identifying the page numbers and the following notice:

“**Source Selection Information—See FAR Subparts 2.101 and 3.104-4**”

#### 5.4.2 Part I – Acquisition Background and Objectives

Part I of the formal acquisition plan shall include the following, as applicable:

- a. **Title** – Provide a short descriptive title.
- b. **Identification Number** – Each acquisition plan must identify the associated Advance Acquisition Planning number generated in FAAPS.
- c. **Statement of Need** – Include a statement of need, the technical and contractual history of the project, feasible acquisition alternatives, impact of prior acquisitions on those alternatives, and related in-house effort.
- d. **Applicable Conditions** – Discuss all significant conditions affecting the acquisition such as need for compatibility with existing or future systems or programs, and any known cost, schedule, capability or performance constraints.
- e. **Cost** – Provide total estimated costs, including any options. When options are involved, show the cost for each option separately from the total cost. For requirements type contracts – calculate total cost for the estimated quantity for the base period plus the total cost for estimated quantities for each option year, if applicable; for indefinite delivery, indefinite quantity contracts – calculate total cost of the identified maximum for the base period plus the total cost of the identified maximum for each option year, if applicable. For acquisitions subject to OMB Circular A-76 procedures, the total cost may be expressed either as a range or by total number of full-time equivalents. As appropriate, discuss how the following approaches were utilized in developing the cost estimate:
  - i. *Life-cycle cost* – Discuss how life-cycle cost will be considered. If it is not used, explain why. If appropriate, discuss the cost model used to develop life-cycle cost elements.
  - ii. *Design-to-cost* – Describe the design-to-cost objective(s) and underlying assumptions, including the rationale for quantity, learning curve, and economic adjustment factors. Describe how objectives are to be applied, tracked and enforced. Indicate specific solicitation and contractual requirements to be imposed.
  - iii. *Should-cost analysis* – Describe the application of should-cost analysis to the acquisition plan (see FAR Subpart 15.407-4).
- f. **Capability or performance** – Specify the required capabilities or performance characteristics of the supplies or services being acquired and state how they are related to the need. If a make and model acquisition is proposed, the basis for such requirement must be identified. If a brand name or equal acquisition is proposed, the salient characteristics necessary to determine equality must be identified.
- g. **Delivery or performance-period requirements** – Describe the basis for delivery or performance period requirements (see FAR Subpart 11.4) and show how they relate to the Government’s need. Explain and provide reasons for any urgency if it results in concurrency of development and production or constitutes justification for not providing full and open competition.



- h. **Trade-offs** – Describe any trade-offs to be considered among cost, performance, and schedule goals and their consequences.
- i. **Risks** – Describe the technical, cost, and schedule risks and discuss what efforts are planned to reduce risk; also address the consequences of failing to achieve acquisition goals.
- j. **Acquisition streamlining** – If specifically designated by the Department as a program subject to acquisition streamlining, discuss plans to:
  - i. Encourage industry participation by using draft solicitations, pre-solicitation conferences, and other means of stimulating industry involvement during the design and development phase;
  - ii. Select and tailor only the most cost-effective requirements; and
  - iii. State the timeframe for identifying which specifications and standards, (originally provided for guidance only), will become mandatory.

### 5.4.3 Part II – Plan of Action

Part II of the formal plan should include the following information, as applicable:

- a. **Sources** – Indicate the prospective sources of supplies and/or services that can meet the need. Describe the following:
  - i. The effort made to identify sources from the required sources of supplies or services (see FAR Part 8) and sources identifiable through databases such as [www.abilityone.gov](http://www.abilityone.gov), and [www.contractdirectory.gov](http://www.contractdirectory.gov).
  - ii. The efforts that have been made to identify all qualified sources, including small business concerns, small business concerns owned and controlled by service disabled veterans, qualified HUBZone small business concerns, small business concerns owned and operated by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women.
  - iii. Discuss the results of market research analysis and/or surveys and indicate their impact on the various elements of the plan. The results of market research should be used to discuss if sources capable of satisfying the requirements exist; and the extent to which commercial items or non-developmental items are available. *NOTE:* A notice of intent to contract on a sole source basis in FedBizOpps **does not** constitute market research.
  - iv. Discuss the impact of any consolidation or bundling and describe the extent of contract consolidation/bundling and the benefits (such as cost savings or price reduction, quality improvements that will save time, improve or enhance performance or efficiency, reduce acquisition cycle times, result in better terms and conditions, and any other benefits resulting from the consolidation or bundling). Include a specific determination that the anticipated benefits of the proposed consolidation or bundling justify its use. Also, include an assessment of the specific impediments to participation by small business concerns as contractors that result from consolidation or bundling and any actions to maximize small business participation as contractors or subcontractors. In addition, identify alternative strategies that would reduce or minimize the scope of consolidation or bundling. When the proposed acquisition strategy involves bundling (see FAR Subpart 7.107), identify the incumbent contractors and contracts affected by the bundling.
- b. **Competition** – Describe how competition will be sought, promoted, and maintained throughout the course of the acquisition. Specifically:

- i. Describe efforts to be made to identify additional firms that could effectively compete for the requirement, in addition to the required FedBizOpps announcement(s). If full and open competition is not contemplated, cite the authority in FAR Subpart 6.302, discuss the basis for the application of that authority, identify the proposed source(s), and discuss why full and open competition cannot be obtained.
  - ii. Identify and discuss the major work components or subsystems and their potential for “breakout” (i.e., as a separate acquisition) to enhance competition.
  - iii. If applicable, describe how competition will be sought, promoted, and sustained for spare and repair parts. Identify any key logistics milestone (such as technical data or delivery schedules), that affect competition.
  - iv. When effective subcontracting competition is both feasible and desirable, describe how such subcontracting competition will be sought, promoted and sustained. Identify any known barriers to increasing subcontracting competition and address how to overcome those barriers.
  - v. Discuss the evaluation of alternative competition strategies in terms of their ability to generate meaningful competition; satisfy the requirement timely; and allow negotiations of best value to the government.
- c. Evaluation and source selection procedures:**
- i. Describe the evaluation and source selection procedures to be used and show the relationship of the evaluation factors to the objectives of the acquisition. Discuss the evaluation methodology and describe the relative importance among technical, business management, and price or cost factors in the selection process. Discuss how options, if any, will be evaluated.
  - ii. If evaluation criteria will state specific number of years of experience for any personnel of the contractor, or any other such restrictive qualifying criteria, as a minimum requirement, justification to support that limitation must be provided.
  - iii. State the source selection criteria to be used and identify the individual who will serve as the Source Selection Authority (SSA). If the SSA is changed at any time after approval of the acquisition plan, the name of the new SSA must be provided in writing to the Senior Procurement Executive.
  - iv. When an Earned Value Management System (EVMS) is required (see FAR Subpart 34.202(a)) and a pre-award Integrated Baseline Review (IBR) is contemplated, the acquisition plan must discuss: how the pre-award IBR will be considered in the source selection decision; how it will be conducted in the source selection process (see FAR Subpart 15.306); and whether the Offeror will be directly compensated for the costs of participating in a pre-award IBR.
- d. Contract Type and acquisition considerations** – Discuss proposed contract type and rationale for why it was selected.
- i. For other than firm-fixed price contracts, see FAR Subpart 16.1(d) for additional guidance relating to such issues as cost risk, risk mitigation, and administrative burden.
  - ii. When an incentive-type contract is proposed, discuss the incentive provisions considered most suitable for accomplishing the acquisition objectives.

- iii. Describe the use of special funding, options, or any special contracting methods; any special clauses (e.g., economic price adjustment clauses); special solicitation provisions or FAR deviations required; whether sealed bidding or negotiations will be used and why; whether equipment will be acquired by lease or purchase and why; and any other relevant considerations.
  - iv. Provide rationale if a performance-based acquisition is not used or if a performance-based acquisition for services is contemplated on other than a firm-fixed-price basis.
  - v. When an interagency acquisition is proposed, discuss the best procurement approach determination, including the basis for such determination, and steps that will be taken to ensure sound management and use of the interagency acquisition.
  - vi. For acquisitions requiring capital planning and investment control requirements, discuss how the responsibilities identified in 40 U.S.C. 11312 and OMB Circular A-130 will be met (see FAR Subpart 7.103(v) and Part 39).
  - vii. For information technology acquisitions using Internet Protocol, discuss whether the requirements documents include the Internet Protocol compliance requirements specified in FAR Subpart 11.002(g) or a waiver of these requirements has been granted by the agency's Chief Information Officer.
  - viii. For time and material or labor hour contracts and task orders for commercial services including those awarded through General Services Administration's Federal Supply Schedules (FAR Subpart 8.4), ensure the required determination and findings as prescribed in FAR Subpart 12.207(b) is prepared.
  - ix. When a cost-reimbursement contract is selected, document findings necessary to support why the use of this contract type is appropriate.
  - x. For each contract (and order) contemplated, discuss the strategy to transition to firm-fixed-price contracts to the maximum extent practicable. During the requirements development stage, consider structuring the contract requirements, e.g., contract line items (CLINS), in a manner that will permit some, if not all, of the requirements to be awarded on a firm-fixed-price basis, either in the current contract, future option years, or follow-on contracts. This will facilitate an easier transition to a firm-fixed-price contract because a cost history will be developed for a recurring definitive requirement.
- e. Budgeting and funding** – Describe how the budget estimates were derived and discuss the schedule for obtaining adequate funds when required. Identify the funding amounts by appropriation account, fiscal year, line item and project. Where funding is obtained from multiple projects, provide a complete identification of each funding source. If growth is proposed for the base and option years, discuss plans for ensuring consistency with budget projections.
- f. Product or service descriptions** – In accordance with FAR Part 11, explain the choice of product or service description types (including performance-based acquisition descriptions) to be used in the acquisition.
- g. Priorities, allocations and allotments** – When urgency of requirement dictates a particularly short delivery or performance schedule, certain priorities may apply. If so, specify the method for obtaining and using priorities, allocations, and allotments and the reason for them (see FAR Subpart 11.6).
- h. Contractor versus Government performance** – Address the requirements of OMB Circular No. A-76.

- i. **Inherently governmental functions** – Address the consideration provided in FAR Subpart 7.5. Discuss the assumptions that determine whether contractor rather than agency support will be used, including consideration of contractor or agency maintenance, servicing, and distribution of commercial items (see FAR 7.105(b)(14) (i)).
  - i. If it is determined that contracted resources will be used, provide a rationale that fully supports this basis and that none of the functions to be performed under the contract or task order are inherently governmental. This assessment should place emphasis on the degree to which conditions and facts restrict the discretionary authority, decision-making responsibility, or accountability of Government officials using contractor services or work products.
  - ii. When services to be acquired will closely support the performance of inherently governmental functions, provide an assessment of current and potential technical, cost, schedule and performance risks, the level of those risks and a mitigation plan that describes how the Government will monitor, control, and mitigate risk of contract performance, as well as steps to be taken when an identified risk occurs. The mitigation plan shall outline the roles and responsibilities of the Government personnel involved in oversight and demonstrate the skills and capacity of the personnel to perform adequate contract award, management and oversight.
- j. **Management information requirements** – Discuss what management system and project management tools will be used to monitor performance.
  - i. Earned Value Management System reporting is required on all major acquisitions for development. The Department considers a “major acquisition for development” to be an acquisition that includes \$25M or more in development, modernization, and enhancement (DME) costs over the life of the acquisition (including options). The Department may also direct acquisitions with less than \$25M in DME costs over the life of the acquisition be treated as a “major acquisition for development” that merit special attention due to its sensitivity, mission criticality or risk potential.
  - ii. Discuss how the offeror’s/contractor’s EVMS will be verified for compliance with the American National Standards Institute/Electronics Industries Alliance (ANSI/EIA) Standard-748, Earned Value Management Systems, and the timing and conduct of integrated baseline reviews (whether prior to or post award).
  - iii. For developmental acquisitions where EVMS is not required, describe the project management tools and management information tools being used to monitor performance.
- k. **Make or buy** – Discuss any considerations given to make-or-buy programs (see FAR Subpart 15.407-2).
- l. **Test and evaluation** – If applicable, describe the test program to be used by the Government and contractor. Also describe the test program for each major phase of a major system acquisition. If concurrency of development and production is planned, discuss the extent of testing to be accomplished before production release.
- m. **Logistics considerations** – Describe:
  - i. The assumptions determining contractor or agency support, both initially and over the life of the acquisition, including maintenance and servicing considerations (i.e. maintenance, repairs, spare parts); support for contracts to be performed in a designated operational area or supporting a diplomatic or consular mission (see Subpart 25.301-2) and; distribution of commercial items.

- ii. The reliability, maintainability, and quality assurance requirements, including use of warranties.
  - iii. The requirements for contractor data (including repurchase data) and data rights, their estimated cost, and how the data will be used.
  - iv. The standardization concepts, including the need to designate, in accordance with agency procedures, technical equipment as “standard” so future purchases can be made from the same manufacturer.
  - v. The need for contract performance to continue when there is a pandemic. If contract performance needs to continue, how the performance will occur particularly when performance is on-site at the government location.
- n. Government-furnished property** – Describe any property to be furnished to the contractor, both real and personal, and discuss its availability, condition and schedule. Discuss what steps will be taken to ensure the property will be furnished to the contractor timely.
- o. Environmental considerations** – Discuss any environmental and energy issues associated with the acquisition (see FAR Part 23), the applicability of an environmental assessment or environmental impact statement (see 40 CFR 1502), the proposed resolution of environmental issues, and any environment-related requirements to be included in the solicitation and contract. Ensure acquisitions are in compliance with department-wide guidance prescribed in CAM 1323.70, “*Green Procurement Program*” and Executive Order 13423, “Strengthening Federal Environmental, Energy, and Transportation Management”.
- p. Government-furnished information** – Discuss any Government-owned information (e.g., manuals, drawings and test data) to be provided to prospective Offerors and contractors. Indicate which information requires additional controls to monitor access and distribution (e.g., technical specifications, maps, building designs, schedules, etc.) to be posted on FedBizOpps.
- q. Security and information technology security considerations** – For acquisitions involving classified matters, describe how adequate security will be established, maintained and monitored. Discuss Information Technology Security requirements, such as Supply Chain Risk Assessment (SCRA) restrictions, to include applicability and incorporation of required IT Security clauses in contracts for:
- i. Information technology resources or services;
  - ii. Requiring contractor personnel access to DOC information technology Systems;
  - iii. DOC sensitive/classified national security or sensitive matters; and
  - iv. Contractor information technology systems interconnected to DOC Systems.
- r. Contractor access to government facilities or information** – For acquisitions requiring routine contractor physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system, discuss how agency requirements for personal identity verification of contractors will be met (see FAR 4.13). Discuss compliance with Homeland Security Presidential Directive-12 (HSPD-12).
- s. Contract administration** - Describe how the contract will be administered.
- i. For services contracts, include how inspection and acceptance corresponding to the work statement’s performance criteria will be enforced.
  - ii. Explain how performance will be monitored.
  - iii. Describe the capacity to effectively manage contract performance and mitigate risk after award.

- t. Other considerations** – As applicable, discuss the consideration given to the following and other items required by FAR Subpart 7.1:
- i. Standardization concepts;
  - ii. Value Engineering provisions;
  - iii. Pre-proposal conference;
  - iv. Site visits for contractors;
  - v. Pre-award Surveys;
  - vi. Requirements of Electronic and Information Technology Accessibility Standards (Section 508);
  - vii. Benchmark testing/performance validation;
  - viii. Support Anti-terrorism by Fostering Effective Technologies Act of 2002 (SAFETY Act);
  - ix. Disaster Response Registry at [www.ccr.gov](http://www.ccr.gov), when contracting for debris removal, distribution of supplies, reconstruction, and other disaster or emergency relief activities;
  - x. The industrial readiness program;
  - xi. The Occupational Safety and Health Act;
  - xii. Foreign sales implications;
  - xiii. Buy American Act/Trade Agreements Act considerations;
  - xiv. Potential or actual conflicts of interest and any plans for mitigation thereof; and
  - xv. Other issues deemed appropriate by the contracting or program officials (e.g., restrictions on telecommuting (see FAR Subpart 7.108).
- u. Other approvals** - Describe any separate approvals that are required. Required approvals include, but are not limited to:
- i. CD-570 Small Business Programs requirements, acquisitions that are not set-aside for small business must be reviewed by the Small Business Specialist and OSD BU.
  - ii. Acquisitions that include information technology must be reviewed and approved by the Chief Information Officer to ensure the acquisition strategies and acquisition plans: are consistent with CIO-approved plans and strategies; apply adequate incremental development principles; include opportunities to leverage acquisition initiatives such as shared services, category management, strategic sourcing, and incremental or modular contracting and use such approaches as appropriate; are supported by costs estimates; and are led by personnel with appropriate Federal Acquisition Certifications, including specialized IT certifications, as appropriate.
  - iii. Justification for Other Than Full and Open Competition (as applicable), in compliance with FAR 6.303 and includes statutory exemption, rationale to support exemption and appropriate Competition Advocate's concurrence based on threshold.
  - iv. Determination and Findings and/or Justification and Approvals, as required (i.e. contract type, limiting sources, single source orders above \$112, etc.).
  - v. Consolidation or Bundling Analysis that provides rationale and quantified benefits to support the consolidation or bundling is necessary and justified.

- v. **Milestone Acquisition Plan** – Develop and attach a copy of the milestone acquisition plan. Fully explain and completely justify times shown which are shorter or longer than standard lead-times included in *Appendix C*. A sample milestone schedule is provided in *Appendix D* and minimum requirements of the plan are outlined in subsection 4.3.3.
- w. **Participants in the acquisition process** – List the names and contact information for the following individuals:
  - i. Contracting Officer
  - ii. Contract Specialist
  - iii. Program Official
  - iv. Contracting Officer’s Representative
  - v. Program Manager
  - vi. Source Selection Authority
  - vii. Additional individuals who assisted in the preparation of the acquisition plan
- x. **Signature Page** – The signature page shall contain information on all applicable members of the acquisition team that are required for review, clearance, and approval. Each name should be typed, and the title of the individual, his or her organizational designation, the date, and his or her phone number should also be listed (see *Appendix E*, for a sample format).

## 5.5 Additional Requirements for Major Systems/Programs

In addition to the content requirements for formal acquisition plans provided in Section 5.4, additional requirements relating to major systems and programs must also be addressed where applicable.

- a. *Acquisition Framework* – Acquisitions identified as high-profile require coordinated oversight in accordance with the Commerce Scalable Acquisition Project Management Framework (Framework) as described in Department of Commerce Administrative Order (DAO) 208-16, *Acquisition Project Management* dated May 26, 2015. The Commerce Acquisition Program and Project Management Framework describes acquisition project management phases, major decision milestones and minimum required documentation necessary to manage the progression through phases for high-profile and other programs designated for Milestone Review Board oversight.
- b. *Capital Assets* - If an acquisition qualifies as a capital asset pursuant to OMB Circular No. A-11, the Program Official must ensure that both the *Major IT Business Case* and the *Major IT Business Case Details* are completed for the requirement. The acquisition plan supplements the information in the Capital Asset Plan and Major IT Business Case. If the information requested for the specific acquisition is addressed in the current Major IT Business Case, you may refer to the specific sections of the Major IT Business Case in lieu of restating the information in the formal acquisition plan.

## 5.6 Business Case Requirements: Interagency and Agency-Specific Acquisitions

In accordance with the Office of Federal Procurement Policy memorandum dated September 29, 2011 entitled, *Development, Review and Approval of Business Cases for Certain Interagency and Agency-Specific Acquisitions*, a business case is required to support the establishment and renewal of all GWACs and certain MACs, BPAs and agency-specific contracts. A business case is required for multi-agency contracts, BPAs and agency-specific contracts when the estimated value is equal to or greater

than \$50M and the proposed acquisition would create a significant overlap between the scope of the proposed acquisition and the scope of an existing government-wide acquisition contract, Federal Strategic Sourcing contract or agreement, best-in-class contract, or any other contract or vehicle identified by OMB.

Business cases shall address Parts I and II of the business case template provided as *Appendix I*, which includes: scope, potential duplication and value.

Prior to approval of the formal acquisition plans, business cases shall be developed, reviewed, and approved using the following process:

- a. Bureau Procurement Officials shall submit a completed Part I of the business case to OAM for review.
- b. Upon clearance from the Senior Procurement Executive, the Contracting Officer may post Part I of the business case for a minimum of 15 days to the *Business Case Community Page* in OMB MAX at: <https://max.omb.gov/community/x/b5G8IQ>.
- c. Based on feedback received from stakeholders, if a decision is made to cancel the business case, the Contracting Officer must change the status of the business case in OMB MAX to reflect “cancel”. Otherwise, the business case can be finalized.
- d. To finalize the business case, BPOs shall submit the additional sections of the template to OAM for approval. The package shall include:
  - i. Executive Summary that summarizes key points in each of the required areas;
  - ii. Part II that details the analysis of direct and indirect costs to the government and impact to leveraging purchasing power; and
  - iii. Signature page that includes final approval by the SPE with concurrences and coordination of the OSDDBU and CIO if the acquisition involves IT.
- e. Upon approval of the business case, BPOs shall indicate an “approval” status in OMB MAX.
- f. After contract award, the Contracting Officer must post links to web pages containing information about the referenced BPAs and contracts. Web pages should include the vendor(s), contract terms and conditions, pricing, and a point of contact for further information. Instructions for posting award information are provided on OMB MAX at: <https://max.omb.gov/community/x/b5G8IQ>.

## 5.7 Additional Requirements For Acquisition Involving Consolidation

Acquisition planning must consider the impact consolidation might have on incumbent and prospective small businesses. If the acquisition strategy indicates consolidation, the Contracting Officer shall coordinate with the Bureau Small Business Specialist, OSDDBU and Small Business PCR to conduct a Consolidation Analysis in order to make a determination that the benefits from contract consolidation substantially exceed the benefits that would derive from alternative contracting approaches.

The Consolidation Analysis must fully discuss the following key areas:

- The identified feasible alternatives approaches and if applicable, the rationale for not choosing an alternative that could involve a lesser degree of consolidation;
- Consideration of the impact of consolidating the requirement that might adversely affect incumbent and prospective small businesses as well as steps taken to include small business concerns in the acquisition strategy;



- Analysis of quantifiable benefits<sup>1</sup> resulting from consolidation compared to the benefits that would result from alternative strategies.

Prior to consolidating requirements **estimated to exceed \$2 million**, a Determination and Findings (D&F) that provide rationale that the consolidation is necessary and justified shall be signed by the SPE. The D&F for consolidation must be submitted to OAM accompanied with the Consolidation Analysis that substantiate the benefits to be derived from the strategy meet the threshold test for substantial benefits pursuant to FAR 7.107-2; market research results; and CD-570 Form with concurrences from the Small Business Specialist, PCR and OSDBU. A template reflecting documentation requirements for Consolidation is provided under *Appendix I*.

## 5.8 Additional Requirements For Acquisitions Involving Bundling

Any proposed acquisition strategy involving bundling requires a determination that the bundling is necessary and justified. If the requirement is considered both consolidated and bundled, then the requirements for bundling shall be followed. If the information gathered from market research suggests that it is in the Government's best interests to bundle the requirement, the acquisition team shall conduct an analysis<sup>2</sup> to quantify the identified benefits in order to make a determination that bundling offers measurably substantial benefits in comparison to separate smaller contracts or orders.

The Bundling Analysis must fully discuss the following key areas:

- Acquisition history, including: firms that performed the previous requirements being contemplated for bundling, and their business size; level of competition received on previous requirements; whether small business firms participated as prime contractors; and if the acquisition was structured so as to encourage (or limit) competition or teaming.
- Analysis of quantifiable benefits resulting from the bundled acquisition, as compared with not bundling the requirements that are *measurably substantial* as described in FAR 7.107-3.
- Feasible alternative strategies for acquiring the supply or service. Acquisitions that involve "substantial bundling" that is, acquisitions valued at \$2.5 million or more in cumulative estimated value (including options), the FAR requires the Small Business Specialist to assist in identifying alternative strategies that would reduce the scope of the bundling. These alternatives and if applicable, the rationale for not choosing an alternative that could involve less bundling.

Prior to bundling requirements, a D&F that provides rationale that the bundling is necessary and justified shall be signed by the SPE. The D&F for bundling must be submitted to OAM accompanied with the Bundling Analysis that substantiate the benefits to be derived from the strategy meet the threshold test for substantial benefits pursuant to FAR 7.107-2; market research results; and CD-570 Form with concurrences from the Small Business Specialist, PCR and OSDBU. A template reflecting documentation requirements for Consolidation is provided under *Appendix H*.

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<sup>1</sup> Any benefits that are not quantifiable in dollar amounts shall be specifically identified and otherwise quantified to the extent feasible. A reduction in administrative or personnel costs alone is not sufficient justification for consolidation unless the cost savings are anticipated to be at least 10 percent of the estimated value (including options).

<sup>2</sup> If a Bundling Analysis was conducted and approved on the initial contract, it is not necessary to conduct another analysis before exercising an option. However, modifications to existing contracts that either adds new requirements valued over \$750,000, or increase the total contract value to exceed \$750,000 requires the acquisition team to conduct a new bundling analysis.

### 5.8.1 Additional Requirements for “Substantial Bundling”

The Federal Acquisition Regulation prescribes additional requirements for bundled acquisitions that involve substantial bundling. Specifically, if the cumulative maximum potential value (including options) of the contract or order is **\$2.5 million or more**, the following factors must be addressed in the CD-570 package and signed by the Small Business Specialist, PCR and OSDBU:

- a. Identification of the specific benefits expected as a result of bundling the contract;
- b. Assessment of the specific impediments to small business participation in the contract;
- c. Action plan to maximize participation by small businesses as contractors, including efforts that will encourage small business teaming;
- d. Outline of specific steps that will be taken to ensure participation by small businesses as subcontractors (including suppliers) at any tier under the contract or order;
- e. Specific determination that the anticipated benefits justify the decision to bundle;
- f. Assessment of alternative strategies that would reduce or minimize the scope of bundling, and an explanation of why they were not adopted; and
- g. An explanation addressing each of the areas identified in FAR 19.202-1(e) (2).

### 5.8.2 Public Notification for Bundled Requirements

In addition to notifying small businesses that are impacted by a bundled contract, public notification of any bundled requirement for which the Department solicited offers or issued an award is also required. A list of bundled requirements and related rationale will be published on the Office of Acquisition Management website. As such, the following elements shall be addressed in the notice submitted to the Office of Acquisition Management via the OAM Mailbox at: [OAM Mailbox@doc.gov](mailto:OAM_Mailbox@doc.gov):

- a. List of all contract requirements that were bundled;
- b. Brief description of requirement;
- c. Total dollar amount;
- d. Data on the number (arranged by industrial classification) of small business concerns displaced as prime contractors by bundled contracts awards;
- e. Justification for bundling; and
- f. Estimated cost savings realized by the bundling over the life of the contract.

Upon review and concurrences by the Bureau Small Business Specialist, OSDBU and SPE, the notification will be posted by OAM for public view on the Department’s website at:

<http://www.osec.doc.gov/oam/>. The notification shall also be posted by the Contracting Officer to the GPE website at: <http://www.fedbizopps.gov> prior to issuance of a solicitation for bundled requirement.

**END OF SECTION 5**

## SECTION 6 – Review and Clearance

### 6.1 Acquisition Plan Review and Approvals

Formal acquisition plans shall be prepared sufficiently in advance of the solicitation's release date to allow ample time for review and clearances. All formal acquisition plans, at a minimum, shall be reviewed and signed by the Program Official, the Operating Unit Budget Officer, the Contracting Officer, Office of General Counsel representative, Senior Bureau Procurement Official, and Chief Information Officer. The Competition Advocate shall concur when other than full and open competition procedures are expected to be used.

The Office of Acquisition Management shall be afforded an opportunity to review all formal acquisition plans in order to determine if the requirement is of special interest, that is, a requirement that warrants a higher level of approval due to factors such as: higher complexity or uncertainty, likely to provoke unusual public interest, or potential impact of any adverse contract performance. Formal acquisition plans shall be submitted electronically to the "OAM Mailbox" at: [OAM\\_Mailbox@doc.gov](mailto:OAM_Mailbox@doc.gov) at least **14 business days** prior to the Bureau Acquisition Review Board or, if no Bureau-level ARB is planned, the solicitation issuance. The acquisition plan shall be accompanied with a summary page that identifies the acquisition's title, description, strategy, and costs, along with all supportive documents (see *Appendix H for an Acquisition Summary Page sample*). Where OAM has identified a requirement of special interest, the applicable acquisition office will be notified that the SPE, or appointed delegate, will be a participant on the Bureau-level ARB.

Formal acquisition plans must receive clearance through all applicable offices prior to issuing the solicitation. By signing the acquisition plan, the Program Official certifies that the information in the acquisition plan is current, accurate and complete. The Contracting Officer's signature certifies that the acquisition methodology is sound and the acquisition plan reflects the best business strategy for the acquisition. The Office of General Counsel's signature certifies legal sufficiency. The signature of the Operating Unit's Budget Officer certifies that the planned acquisition is consistent with current and future budget plans. The Chief Information Officer's signature certifies that the contract action is aligned with CIO-approved plans and program objectives. The Senior Bureau Procurement Official's signature signifies concurrence with the content of the acquisition plan and that the plan meets all requirements of FAR Subpart 7.105. The BPO is the final signature authority on all acquisition plans up to \$75M, unless identified as requiring higher approval. The Senior Procurement Executive's signature certifies approval of acquisition plans estimated at \$75M or more.

Acquisition plans shall not be approved for acquisitions proposing the use of other than full and open competition when the decision is based upon a lack of advance planning or concerns relating to the availability of funds. Additionally, approval of a formal acquisition plan does not constitute approval for any deviation, special condition or clause which might be described in the plan. Approvals for these actions must be submitted independently.

### 6.2 Review Board Requirements

#### 6.2.1 Milestone Review Board

The Department, through the Milestone Review Board (MRB), provides for coordinated oversight of high-profile acquisition programs and projects in accordance with the Framework described in DAO 208-16. A high-profile acquisition program or project is one that:

- a. Warrants special management attention or is deemed high-risk due to its criticality, complexity, technology, or visibility;
- b. Entails expenditures of \$75M or more; or

- c. Is nominated as such by an MRB member.

High-profile programs and projects including their component or subordinate projects that have been designated for MRB oversight **shall not** be subject to subordinate review by the ARB for purposes of approving a program/project milestone, approving procurements that are planned for the next acquisition phase, or approving progression to the next acquisition phase. However, if the MRB delegates activities and decisions to the Bureau, the ARB may engage as required.

When a major procurement coincides with an MRB milestone decision, the MRB Integrated Product Team (IPT) that reviews program documents for adequacy and consistency will be expanded to include all members of the Department's Acquisition Review Board to avoid duplicate reviews and to streamline oversight.

### 6.2.2 Bureau-Level Acquisition Review Board

Senior Bureau Procurement Officials shall develop internal Acquisition Review Board procedures for the review of contract actions with life-cycle costs expected to exceed \$10M up to \$75M. The procedures of the Bureau-level Acquisition Review Board shall include the review of procurements below \$10M in instances where a requirement is highly sensitive or complex in nature, or requires greater oversight due to exceptional circumstances.

The Bureau-level Acquisition Review Board shall be comprised of senior-level officials from specialized functional areas within the Bureau to include: Senior Bureau Procurement Official (as Chair); legal counsel; Chief Financial Officer; and where information technology is being acquired, Chief Information Officer. The Senior Procurement Executive shall be invited to participate on the Bureau-level Acquisition Review Board for all acquisitions anticipated to at \$50M or more, and any procurement between \$10M and \$50M that may be of special interest to the Department. As a result of SPE attendance, all recommendations provided by the SPE must be adequately addressed and all required actions must be implemented before final BPO signature on the acquisition plan. The BPO is responsible for satisfactorily reconciling the SPE's comments prior to proceeding with the planned acquisition.

All formal acquisition plans valued at \$50M or more and those identified as special interest, require the following documents to be submitted electronically to the "OAM Mailbox" at: [OAM\\_Mailbox@doc.gov](mailto:OAM_Mailbox@doc.gov), at least **14 business days** prior to holding the Bureau-level Acquisition Review Board meeting:

- a. Acquisition Summary Page
- b. Formal acquisition plan (*cleared through all appropriate offices*);
- c. Proposed statement of work/performance work statement including deliverable items and option provisions;
- d. Market Research Report;
- e. Independent Government Cost Estimate;
- f. Justification for Other than Full and Open Competition, if applicable;
- g. All required Determination and Findings and/or Justification and Approvals, if applicable;
- h. Proposed award/incentive fee/term plan, if applicable;
- i. CD 570, *Small Business Set Aside Review* or other documentation of coordination with the OSDBU and Bureau Small Business Specialist, as applicable;
- j. Review Board Considerations for High Risk Contracts Checklist (*Appendix F*) [*Ref. Appendix A for definition of high risk acquisition*];

- k. Interagency Agreement, if applicable;
- l. Any other document that might bear on the acquisition planning process or will support the proposed acquisition strategy; and
- m. Time, date, and location of the scheduled Bureau-level Acquisition Review Board meeting.

### 6.2.3 Department-Level Acquisition Review Board

Formal acquisition plans with expected life-cycle costs at \$75M or more or any other procurement designated by the Senior Procurement Executive shall be reviewed by the Department-Level Acquisition Review Board. The ARB will be comprised of Senior Bureau Procurement Officials from each acquisition office and chaired by the Senior Procurement Executive. If an acquisition includes information technology, the ARB and Commerce IT Review Board (CITRB) will co-convene in a CITRB/ARB joint meeting.

In addition to submitting all documents required for the Bureau-level Review Board as identified above in subsection 6.2.2 at least **14 business days** prior to the scheduled ARB, briefing materials of the presentation to be conducted before the ARB or applicable, CITRB/ARB shall be submitted to the OAM Mailbox at: [OAM\\_Mailbox@doc.gov](mailto:OAM_Mailbox@doc.gov) no less than five (5) business days prior to the scheduled meeting.

The presentation shall address, at a minimum, the following:

- a. Description of the project (i.e., what is being acquired; how it supports the Department's mission; and any appropriate historical acquisition information relevant to the proposed acquisition strategy);
- b. Life cycle cost analysis, funding sources, and an explanation of any budget concerns;
- c. Proposed acquisition strategy;
- d. Description of market research conducted;
- e. Key project risks associated with the acquisition and how the risks will be mitigated (For High Risk Acquisitions, see Appendix F for additional points to address in presentation);
- f. Source Selection Process;
- g. Description of how the contract will be managed (i.e. what system will be used to monitor cost, schedule and performance, and report on deviations); and
- h. Qualifications, including certification status/levels, of the proposed Contracting Officer, Project Manager, and Contracting Officer's Representative.

### 6.2.4 Special Review Board Requirements for Interagency Acquisitions

Interagency agreements for assisted acquisitions shall be reviewed in accordance with the following requirements:

- a. Agreements identified as a high-profile acquisition program or project as defined in DAO 208-16, shall be reviewed by the MRB.
- b. Agreements in excess of \$10M shall be submitted with the formal acquisition plan to OAM for review using the "OAM Mailbox" at: [OAM\\_Mailbox@doc.gov](mailto:OAM_Mailbox@doc.gov). A Department-level ARB is not required.
- c. Agreements below \$10M shall be reviewed and approved in accordance with internal Operating Unit policy.

### **6.3 Approval of Formal Acquisition Plan**

All formal acquisition plans up to \$75M shall be cleared and approved by the Senior Bureau Procurement Official before the resultant solicitation is issued. Formal acquisition plans at or above \$75M must be cleared and approved by the Senior Procurement Executive. As determined on a case-by-case basis, all formal acquisition plan approvals may be conditional and require subsequent Departmental review and approvals.

### **6.4 Modifying Formal Acquisition Plans**

After initial approval, significant changes in the formal acquisition plan must be approved by the approving official before they are implemented. For acquisition plans approved by the Senior Procurement Executive, the Contracting Officer should discuss potential changes to the acquisition plan with the BPO before requesting formal approval of any amendments to the acquisition plan. Formal acquisition plan revisions are subject to the same review and signature process as the original document. Any changes to the approved formal acquisition plan must be justified and approved by the BPO and reflected as a revision to the previously approved plan. A copy of all previously approved plans shall be retained in the contract file.

### **6.5 Exemptions**

Formal acquisition plans are not required for the following types of acquisitions:

- a. Unsolicited proposals (when deemed innovative and unique in accordance with (FAR Subpart 15.6).
- b. Emergency acquisitions (i.e., when the need for the supplies/services is of such an unusual and compelling urgency that the Government would be seriously injured if the supplies/services were not immediately acquired) except when unusual and compelling urgency occurs due to poor planning or failure to timely initiate the acquisition process by the program and/or acquisition office.

### **6.6 Waiver**

In some cases, the requirement for approving a formal acquisition plan may be waived by the Senior Procurement Executive based on urgency (such as the need for a compressed acquisition schedule to meet urgent program needs) or some other justifiable basis. The request for a waiver must be in writing, and must fully describe the facts and the basis for the request. A waiver will not be considered when the urgency stems from the lack of advance acquisition planning or execution.

Requests for waivers will be submitted for approval by the Senior Procurement Executive in the same manner as the acquisition plan. The waiver must be granted prior to the release of the solicitation. Any request for waiver of ARB processes is separate from the acquisition planning requirements and such requests must be submitted to the ARB Chair.

**END OF SECTION 6**

## **SECTION 7 – ACQUISITION PLANNING OVERSIGHT**

### **7.1 Background**

Senior Bureau Procurement Officials are responsible for conducting oversight of acquisition planning activities within their Operating Units in order to identify opportunities to:

- a. Enhance full and open competition;
- b. Promote the use of commercial items;
- c. Enhance the use of performance-based acquisition;
- d. Promote strategic sourcing;
- e. Reduce the use of high-risk acquisition authorities;
- f. Increase support of socio-economic programs; and
- g. Facilitate the effective allocation and use of human resources.

### **7.2 Oversight Review**

Senior Bureau Procurement Officials have overall responsibility for planning and conducting oversight reviews of acquisition planning activities within their Operating Units. However, periodically the Office of Acquisition Management may conduct reviews of the Bureau acquisition planning process as part of the risk management and oversight process.

**END OF SECTION 7  
END OF CAM 1307.1**

## APPENDIX A – DEFINITIONS

**Acquisition Forecast** - A listing of expected acquisitions developed based on the budget formulation process and/or a knowledge of existing contractual agreements where the product and/or service continues to be required beyond the current period of performance. The acquisition forecast reflects the forward thinking of what new or continued acquisitions will be processed in upcoming fiscal years.

**Acquisition Framework** - The Framework describes acquisition project management phases and the major decision milestones required to manage the progression of those phases. The Framework (1) Describes the minimum standard processes, documents, and reviews to which all high-profile acquisition programs and projects must adhere; (2) Places emphasis on early program and project planning: requirements development and traceability, risk identification, and resource and cost expectations; (3) Is scalable depending on the program's or project's size, complexity, and risk; and (4) Describes the principles of a life-cycle approach to managing acquisition programs/projects.

**Acquisition Strategy** – Identifying the proposed contract type, terms and conditions, and acquisition planning schedules; the feasibility of the requirement, including performance requirements, statements of work, and data requirements; the suitability of the proposal instructions and evaluation criteria, including the approach for assessing past performance information; and related program documents.

**Acquisition Team** -The team of individuals formed to prepare the individual elements of an acquisition plan and execute the acquisition. The team should be comprised of representatives from Acquisitions, Budget, Legal, technical offices, small business and any other areas as necessary.

**Advance Acquisition Planning** – The process of identifying planned acquisitions in the budget formulation stage through the use of forecasting. This advance planning shall integrate the efforts of all personnel responsible for significant aspects of the acquisition. The purpose of this planning is to ensure that the Government meets its needs in the most effective, economical, and timely manner.

**Capital Asset** - Land, structures, equipment, intellectual property (including software), and information technology (including IT service contracts) used by the Federal Government with an estimated useful life of two or more years. The cost of a capital asset includes its full life-cycle costs, all direct and indirect costs for planning, procurement, operations, and maintenance, including service contracts, and disposal.

**High-Risk Acquisition Authorities** - Includes use of other than full and open competition and use of Cost-Reimbursement, Labor Hour and Time-and-Material type contracts.

**High-Profile Acquisition Program or Project** - A program or project designated for oversight by the Milestone Review Board (MRB) or an Operating Unit (through delegation) which meets one or more of the following criteria: (1) Warrants special management attention or is deemed high risk due to its Criticality, Complexity, Technology, and Visibility; (2) Entails expenditure of significant levels of resources: For any program/project: Development costs, valued in current year dollars, of more than \$75M or lifecycle costs, valued in current year dollars, of more than \$250M. For information technology programs/projects: Lifecycle costs, valued in current year dollars, of more than \$75M or annual cost (all funding from all sources allocated to the project or program in a given fiscal year) exceeding \$30M. For real property and facilities: Lifecycle costs, valued in current year dollars, of more than \$40M. Or, (3) is nominated as a high-profile program or project by an MRB member, and such nomination is approved by the Deputy Secretary.



**Milestone Acquisition Plan** – Written acquisition plan reflecting the major activities (milestones) to be accomplished in processing of the acquisition.

**Milestone Review Board (MRB)** - The authorizing body for approval of an identified DOC high-profile acquisition program or project to proceed from one phase of the Framework to the next. The authorities of the MRB are derived from those vested in or delegated to its members. It provides a collective vehicle for members to review a program or project and execute their individual authorities regarding approval to proceed to the next milestone or directing corrective action to proceed into the next phase. Specifically, the authorities vested in the Board include approval of procurements planned for the next acquisition phase both IT (IT Investment Authority) and non-IT.

**Program Office** – The entity responsible for defining acquisition requirements and providing funding allocations for the acquisition.

**Special Interest Requirement** – A requirement that warrants a higher level of approval due to factors such as: higher complexity or uncertainty, likely to provoke unusual public interest, or potential impact of any adverse contract performance.

**Substantial Bundling** – When the anticipated requirements bundling would result in a contract or order with an estimated value of \$2.5 million or more. If the acquisition strategy indicates the award will be for multiple contracts or orders, this \$2.5 million threshold applies to the cumulative maximum potential value, including options, of the acquisition.

**Value of the Acquisition** - The maximum monetary amount that the Government could potentially obligate against a contractual action including all options, incentives, award fees and cancellation fees.

## APPENDIX B

### Checklist of Required Contents for Procurement Request Packages over the SAT

*Provide documents electronically to servicing Contracting Office*

#### **Exercise of Options – For Current Contracts w/Option Periods Remaining:**

- ❑ Procurement request completed;
- ❑ Preliminary notice of intent to exercise option, 60 days prior to option exercise
- ❑ Statement that exercising the contract option will fulfill an existing need;
- ❑ Contract number and number of modifications;
- ❑ Description of the anticipated impact if not approved;
- ❑ Market research results demonstrating that exercising the option is in the best interest of the Government, considering price and other factors (Refer to FAR 17.207);
- ❑ For services, a statement indicating the program's need for continuity of operations; and
- ❑ Any other information relevant to justify the requirement.

#### **Interagency Acquisitions:**

- ❑ Contents required by Departmental Interagency Acquisition Policy (see CAM 1317.570);
- ❑ Copy of current year Interagency Agreement for the same service (if applicable);
- ❑ Summary of spending in all past years (if applicable);
- ❑ Description of the anticipated impact if not approved;
- ❑ Market research demonstrating the service cannot be provided as conveniently or economically by contracting directly with a private source; and
- ❑ Any other information relevant to justify the requirement.

#### **New Contract Actions or "Re-competes":**

- ❑ Procurement request completed;
- ❑ Proposed Statement of Work/Objectives (services) or Specifications (goods);
- ❑ Proposed technical evaluation plan or proposal evaluation criteria;
- ❑ Spending in all past years for contracts being re-competed and number of the contracts being replaced (if applicable);
- ❑ Government cost estimate with supporting documentation showing the basis for estimate (price quotes, price for tasks and sample positions (for services), equipment lists, etc.);
- ❑ Description of the anticipated impact if not approved;
- ❑ Date when contract must be awarded and impact of not meeting that date;
- ❑ Proposed COR and certification levels and date;
- ❑ Any other information relevant to justify the requirement; and

- ❑ For other than full and open competition (sole source or urgent requirement), include rationale to support the recommendation for other than full and open competition and statutory authority permitting other than full and open competition (see FAR 6.302).

**For Information Technology Acquisitions:**

- ❑ When using Internet Protocol, requirements documents shall include the Internet Protocol compliance requirements specified in FAR Subpart 11.002(g) or, if a waiver of these requirements has been granted by the agency's Chief Information Officer, requirement documents shall cite applicable memorandum reference number and effective date or period, as applicable.
- ❑ IT Compliance in Acquisition checklist.

**De-obligation of Funds – Current Fiscal Year Contracts** *When funds can be 'freed-up' due to cancellation of the requirement(s), deliverables or change in scope:*

- ❑ Procurement request completed with amount(s) to be de-obligated indicated.

## APPENDIX C

### PROCUREMENT ADMINISTRATIVE LEAD TIMES (PALT)

The PALT listed below reflects standard lead times aligned with procurement type and threshold:

PROCUREMENT TYPE	DOLLAR VALUE	LEAD TIME RANGE (calendar days)
Simplified Acquisition Procedures (Commercial Items)	\$0 – \$3,500	5 – 10 days
	\$3,501 – \$25,000	15 – 30 days
	\$25,001 - \$750,000	30 – 60 days
	Above \$750,000	60 – 120 days
Simplified Acquisition Procedures (Other than Commercial Items)	\$0 – \$3,500	5 – 15 days
	\$3,501 – \$25,000	15 – 45 days
	\$25,001 - \$150,000	30 – 60 days
Blanket Purchase Agreement (BPA) Orders	Any Amount	15 – 30 days
Task Orders under Indefinite Delivery Contracts	Any Amount	30 – 60 days
Sealed Bids(IFB)	\$150,000 – \$750,000	90 – 120 days
	\$750,001 - \$1,500,000	120 – 150 days
	Above \$1,500,000	150 – 180 days
Competitive Proposals (RFP)	\$150,000 – \$750,000	90 – 120 days
	\$750,001 – \$1,500,000	120 – 180 days
	Above \$1,500,000	240 – 360 days
Delivery Orders/Task Orders under GSA/FSS (not requiring a Statement of Work)	Any Amount	15 – 60 days
Noncompetitive Actions: Other Than Full and Open Competition (includes 8(a), sole source, and urgent actions – the latter two requiring submittal of a completed Justification & Approval)	\$150,000 – \$750,000	90 – 120 days
	\$750,001 - \$1,500,000	120 – 180 days
	Above \$1,500,000	240 – 360 days
Task Orders under GSA/FSS (requiring a SOW)	\$0 – \$3,500	15 – 30 days
	\$3,501 – \$750,000	90 – 150 days
	Above \$750,000	105 – 165 days

**Note:** Lead times are based on a number of assumptions, such as: receipt of a properly prepared, fully documented requisition, including any applicable clearances and approvals; workload and available resources.

**APPENDIX D MILESTONE SCHEDULE (SAMPLE)**

<i>Establish milestone schedule to include the following steps and any others as appropriate</i>	<u>mm/dd/yy</u>
1. Market Research Completed	
2. Statement of Work/Objectives Completed	
3. Small Business Review	
4. Complete Major IT Business Case and the Major IT Business Case Detail	
5. Submission of Request and Supporting documents to servicing contracting office	
6. Brief Review Boards (e.g., Bureau-level ARB)	
7. Information Technology Investment Authority Issued	
8. Acquisition Plan and Source Selection Plan Approved	
9. Publication of Announcement in <i>FedBizOpps</i>	
10. Solicitation Review and Clearance (legal, etc.)	
11. Issuance of Solicitation	
12. Pre-proposal Conference/ Site Visit	
13. Receipt of Offers	
14. Request for Audit	
15. Complete Technical Evaluation	
16. Receive Audit Reports	
17. Competitive Range Determination and Pre-Negotiation Memo Completed	
18. Conduct Benchmark Tests	
19. Open Negotiations with Offerors in Competitive Range	
20. Receive Final Proposals	
21. Receive EEO Compliance Review	
22. Subcontracting Plan cleared by OSDDBU	
23. Final Evaluations Reviewed and Post-Negotiation Memo Completed	
24. Source Selection	
25. Contract Reviews and Clearances (legal, etc.)	
26. Contract Award, including Public Announcement Consideration (FAR 5.303)	

## APPENDIX E

### FORMAL ACQUISITION PLAN SIGNATURE PAGE

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Program Official  
Dept/Bureau:  
Phone Number:

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Date

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Budget Official  
Dept/Bureau:  
Phone Number:

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Date

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Contracting Officer  
Dept/Bureau:  
Phone Number:

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Date

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Office of General Counsel  
(or Counsel specifically assigned to a procurement office)  
Phone Number:

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Date

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Senior Bureau Procurement Official  
Dept/Bureau:  
Phone Number:

---

Date

---

Chief Information Officer  
Dept/Bureau:  
Phone Number:

---

Date

---

Senior Procurement Executive  
Department of Commerce  
Phone Number:

---

Date

**APPENDIX F**

<b>REVIEW BOARD CONSIDERATIONS FOR HIGH RISK CONTRACTS</b>			
	<b>YES</b>	<b>NO</b>	<b>COMMENT</b>
<b>Rational for Contract Type</b>			
Is contract type commensurate with the level of risk, degree of uncertainty and best strategic incentive to stimulate performance and control costs?			
Is this a recurring requirement where cost history or experience provides a basis for firmer pricing?			
Should transition to a fixed-price contract be considered?			
If entire contract cannot be fixed price, can a portion of the contract be established on a fixed-price basis?			
Why does it remain difficult to define the requirements with a reasonable degree of certainty?			
<b>Mitigation Strategies</b>			
Is the requirement well defined with a clear vision of the desired end product with measurable milestones and deliverables?			
Will a pre-award survey be conducted to establish contractor's responsibility and financial and technical capability?			
How will you ensure that the contractor's accounting system will permit timely development of all necessary cost data?			
How will the Government monitor, control, and mitigate risk of contractor performance to give reasonable assurance that efficient methods and effective cost controls are used?			
What are the skills and qualifications of Government personnel who will perform contract surveillance and approve invoice payments?			
Is the acquisition team trained and experienced in the use of TM/LH contracts?			
What is the strategy to migrate to a lower risk contract type?			

\_\_\_\_\_  
**Contracting Officer Signature**

\_\_\_\_\_  
**Date**

## APPENDIX G

### FORMAL ACQUISITION PLAN SUBMISSION CHART

FORMAL ACQUISITION PLAN REVIEW LEVELS	DOLLAR RANGE	SUBMISSION TO OAM* (Day = Business Day)
Plans <u>Not</u> Requiring A Review Board	\$10M < up to \$50M	14 days (before solicitation release)
Plans Requiring A Bureau Review Board	\$50M up to \$75M	14 days (before scheduled review board meeting)
Plans Requiring Departmental Review Board: 1. Signed Acquisition Plan 2. Final Presentation Material  <b>Note:</b> Except Interagency Agreements for assisted acquisitions.	\$75M and above	1.....14 days 2..... 5 days (before scheduled review board meeting)

*\*Reference Section 6 of this guidance for greater detail regarding submissions and deadlines*

*Note: High profile acquisition programs and projects, as defined in DAO 208-16, which have been designated for Management Review Board oversight are not submit to Acquisition Review Board review.*



## APPENDIX H

### ACQUISITION SUMMARY PAGE

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**Title:** Short descriptive title of requirement.

**Description:** Brief description of procurement.

**Acquisition Strategy:** Discuss proposed procurement strategy, contract type and rationale for why they were selected.

**Cost:** Provide total estimated costs, including any options.

**List of Attachments:** List all attachments included in the Acquisition Plan submission, which should at a minimum include the following documents:

1. Acquisition Plan
2. Statement of Work
3. CD-570, Small Business Set-Aside Review Form
4. Independent Government Cost Estimate

The following documents shall also be included with the Acquisition Plan submission where applicable:

1. Justification for Other than Full and Open Competition
2. All required Determination and Findings and/or Justification and Approval
3. Proposed Award/Incentive-Fee/Term Plan
4. Interagency Agreement
5. High-Risk Contract Checklist

## APPENDIX I

# CONSOLIDATION ANALYSIS TEMPLATE

**Title:** *Short descriptive title of requirement*

**Summary of Requirement:** *Brief description of procurement*

**Cost:** *Total estimated costs, including any options*

**Market Research Results:** *Provide market research results to support the determination that consolidating requirements is necessary and justified and in the Government's best interests.*

**Consolidation Analysis:** *Develop an analysis that shows quantitative data that supports the benefits from contract consolidation substantially exceeds the benefits that would derive from alternative contracting approaches. This analysis must address at the minimum, the following elements:*

### Identify Alternative Approaches

Explicitly discuss:

- Each alternative strategy considered to satisfy the requirement that would involve a lesser degree of consolidation;
- Rationale for not choosing an alternative that could involve a lesser degree of consolidation, if applicable;
- Consideration of the impact of consolidating the requirement that might adversely affect incumbent and prospective small businesses.
- Steps taken to include small business concerns in the acquisition strategy.

### Identify Benefits

Specify the *substantial benefits*<sup>3</sup>, which may include:

- Cost savings or price reductions (regardless of whether quantifiable in dollar amounts);
- Quality improvements that save time or enhance performance or efficiency;
- Reductions in acquisition cycle times;
- Better terms and conditions; and
- Any other identifiable benefits.

**Determination and Findings (D&F):** Attached the D&F that includes rationale that the consolidation is necessary and justified (i.e., benefits meets the substantial benefits threshold) to be signed by the SPE; or that the benefits are mission-critical and the acquisition strategy provides for maximum practicable small business participation to be signed by the CAO.

**CD-570 Small Business Set-Aside Review Form:** Attached the CD-570, signed by the Small Business Specialist, PCR and OSDBU.

<sup>3</sup> Benefits that are quantifiable in dollar amounts are substantial if individually, in any combination or in the aggregate the anticipated financial benefits are equivalent to: a) 10% of the estimated value (including options) if the value is \$94M or less; or b) 5% of the estimated value (including options) or \$9.4M, whichever is greater, if the value exceeds \$94M. Any benefits that are not quantifiable in dollar amounts shall be specifically identified and quantified to the extent feasible. A reduction in administrative or personnel costs alone is not sufficient justification unless the cost savings are anticipated to be at least 10% of the estimated value (including options).

## APPENDIX J

# BUNDLING ANALYSIS TEMPLATE<sup>1</sup>

**Title:** *Short descriptive title of requirement*

**Summary of Requirement:** *Brief description of procurement*

**Cost:** *Total estimated costs, including any options*

**Market Research Results:** *Provide market research results, including acquisition history consisting of:*

- a. The firms that performed the previous requirements being contemplated for bundling, and their business size;
- b. The level of competition received on previous requirements;
- c. Whether small business firms participated as prime contractors; and
- d. If the acquisition was structured so as to encourage (or limit) competition or teaming.

**Bundling Analysis:** *Develop an analysis that shows quantitative data that supports the benefits from bundling substantially exceeds the benefits that would derive from alternative contracting approaches. This analysis must address at the minimum, the following elements:*

### Identify Alternative Approaches

Explicitly discuss

- Each alternative strategy considered to satisfy the requirement that would reduce or minimize the scope of the bundling;
- Rationale for not choosing those alternatives;
- Consideration of the impact of consolidating the requirement that might adversely affect incumbent and prospective small businesses.
- Steps taken to include small business concerns in the acquisition strategy.

### Identify Benefits

Specify the *measurably substantial benefits*<sup>4</sup>, which may include:

- Cost savings or price reductions (regardless of whether quantifiable in dollar amounts);
- Quality improvements that save time or enhance performance or efficiency;
- Reductions in acquisition cycle times;
- Better terms and conditions; and
- Any other identifiable benefits.

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<sup>1</sup> If the requirement is considered both consolidated and bundled, then the requirements for bundling shall be followed.

<sup>4</sup> Benefits that are quantifiable in dollar amounts are measurably substantial if individually, in any combination or in the aggregate the anticipated financial benefits are equivalent to: a) 10% of the estimated value (including options) if the value is \$94M or less; or b) 5% of the estimated value (including options) or \$9.4M, whichever is greater, if the value exceeds \$94M. If the measurably substantial benefits threshold test on a bundled acquisition is not reached but there exists a compelling need to issue the solicitation, the CAO has the authority to make this determination. This determination may be made only if the benefits to the Government from the proposed bundled acquisition strategy are critical to mission success and provides for maximum practicable participation by small business concerns.

**Determination and Findings (D&F):** Attach the D&F that includes rationale that the bundling is necessary and justified (i.e., benefits meets the measurably substantial benefits threshold) to be signed by the SPE; or that the benefits are mission-critical and the acquisition strategy provides for maximum practicable small business participation to be signed by the Chief Acquisition Officer.

**CD-570 Small Business Set-Aside Review Form:** Attach the CD-570, signed by the Small Business Specialist, PCR and OSDBU.

#### **Additional Requirements for “Substantial Bundling”**

For contract or orders with an estimated value (including options) of \$2.5 million or more, also address the following elements:

- h. Identification of the specific benefits expected as a result of bundling;
- i. Assessment of the specific impediments to small business participation in the contract;
- j. Action plan to maximize participation by small businesses as contractors, including efforts that will encourage small business teaming;
- k. Outline of specific steps that will be taken to ensure participation by small businesses as subcontractors (including suppliers) at any tier under the contract or order;
- l. Specific determination that the anticipated benefits justify the decision to bundle;
- m. Assessment of alternative strategies that would reduce or minimize the scope of bundling, and an explanation of why they were not adopted; and
- n. Pursuant to FAR 19.202-1(e) (2), an explanation explaining why the –
  - Proposed acquisition cannot be divided into reasonably small lots to permit offers on quantities less than the total requirement;
  - Delivery schedules cannot be established on a realistic basis that will encourage small business participation to the extent consistent with the actual requirements of the Government;
  - Proposed acquisition cannot be structured so as to make it likely that small businesses can compete for the prime contract;
  - Consolidated construction project cannot be acquired as separate discrete projects; or
  - Bundling is necessary and justified.