

FARM AND FOREIGN AGRICULTURAL SERVICES ACQUISITION MANAGEMENT DIVISION

NOTICE AMD-07-002
Approved December 7, 2006
Revision 1, March 8, 2007

QUALITY CONTROL AND ACQUISITION ACTION APPROVAL

A GENERAL

A series of checks and balances are built into the approval and issuance cycle of contracting actions to ensure acquisition integrity. A careful review of a contract action can ensure:

- the action is:
 - in the best interests of the Government
 - reviewed by the highest level of contracting competence and experience available, commensurate with the value/importance of the procurement
- required delegations, approvals, and waivers are obtained
- established acquisition policies and procedures are followed,
- the contract file is complete, orderly and properly documented in a manner that reflects the quality of work expected for the nature of the requirement; and
- completion of the action is consistent with the requestor's needs.

However, such higher level reviews should act as a supplement to, not a substitution for, the work of the contract specialist and are not intended to infringe on the independent exercise of Contracting Officer (CO) authority.

B PURPOSE

The purpose of this memorandum is to establish thresholds requiring higher level approvals on specific contracting actions.

C ACQUISITION PLAN

Within five business days of the assignment of an acquisition exceeding the Simplified Acquisition Procedures (SAP) threshold, the specialist will meet with the CO to discuss the procurement plan to be developed as required by FAR Part 7 and AGAR Advisory 83. The Acquisition Strategy form and worksheet from AGAR Advisory 83 is included as Attachment 1 to this notice and should be used for this purpose.

Acquisition plans are not required for actions below the SAP threshold.

- a. Acquisition plans between the SAP threshold and \$1 million shall be reviewed and approved by the branch chief.
- b. Acquisition plans in excess of \$1 million dollars shall be reviewed and approved by the branch chief, the Chief of the Policy and Oversight Branch, and the Division Director.

c. Acquisition plans in excess of \$5 million dollars shall be reviewed and approved by the branch chief, the Chief of the Policy and Oversight Branch, the Division Director, the Deputy Administrator, Management, and the USDA Chief Acquisition Officer. This review may be lengthy and time for it must be included in the acquisition schedule.

D APPROVAL THRESHOLDS

In addition to the procurement plan discussed above, all acquisition actions (including task orders, modifications and amendments) in excess of the SAP threshold require specific review as indicated below. *The total estimated dollar amount for the term of the contract, including all options, shall apply for making review decision*

Estimated/Actual Cost	CS/CO	Branch Chief	Chief, POB	AMD Director	OGC*	DAM
SAP Threshold to \$500,000	X	X				
\$500,000 to \$999,999	X	X	X		X	
\$1,000,000 to \$24,999,999	X	X	X	X	X	
\$25,000,000 or more	X	X	X	X	X	X
*OGC review is not required, but may be requested at the discretion of the contracting officer						

No contract actions (solicitations, awards and modifications) above the SAP threshold can be self-approved in IAS. All such actions must be reviewed and approved as detailed below.

- a. All solicitations, awards and modifications above the SAP threshold must be documented to show that it was reviewed by the branch chief and approved prior to release or award.
- b. All solicitations, awards and modifications at or above \$500K must be reviewed and approved by the branch chief and the chief of the Policy and Oversight Branch prior to release or award.
- c. All solicitations, awards and modifications at or above \$1 million must be reviewed and approved by the branch chief, the chief of the Policy and Oversight Branch and the Division Director prior to release or award.
- d. All solicitations, awards and modifications at or above \$25 million must be reviewed and approved by the branch chief, the chief of the Policy and Oversight Branch, the Division Director and the Deputy Administrator, Management prior to release or award.

Each branch chief will be responsible for developing a policy for review and approval of actions below \$100K to ensure that all laws and regulations have been followed and that work product quality is at an acceptable level.

E REVIEW PROCESS

The review process consists of three stages: pre-synopsis, pre-solicitation, and pre-award. But as indicated above, the level of review required is dependent on the dollar value of the acquisition. If the required level of review is not available in KCAB or APFO, their actions shall be submitted to AMD/POB for review.

To assist in the review process and to provide a signature page for each review, the specialist shall use the six-section Contract File Review Sheets, included as Attachment 2 to this notice. These sheets replace the sheets previously used for this purpose.

a. Pre-synopsis review: The specialist shall prepare a brief synopsis of supplies/services to be procured, the anticipated approach proposed, known problems, and expected outcomes. The CO and the specialist shall have discussed the acquisition with the requisitioner, and prepare a procurement plan to be provided to the reviewers. These discussions will be documented in the file and signed by all parties.

b. Pre-solicitation review : The same parties involved in the pre-synopsis review, if available, will approve in writing, prior to the release of the solicitation, the acquisition documentation. Part I of the contract file check sheets shall be used for this review.

c. Pre-award review: The final award document and all supporting documentation will be approved in writing prior to award. Part II of the contract file check sheets shall be used to document approvals.

F DOCUMENTATION OF CONTRACT FILES

Pre-Solicitation and Pre-Award contract check sheets attached as Attachment 2 shall be used to document applicable contract actions. Highlight the cover sheet tabs to indicate documents applicable to the action submitted for review.

A memo shall be placed on the outside of the file directing the appropriate officials to the type of review and approval requested. This memo shall include: a brief synopsis of the procurement, and highlight any significant or unique aspects not otherwise noted.

The original contract file shall be submitted with all documents that will be issued upon approval (i.e., FedBizOps synopsis, solicitation, award).

The Contracting Officer must include with every contract, contract modification, task/delivery order or purchase order that has a cumulative value (adding the original award value to all subsequent funding modifications including the proposed award) of \$100,000 or more an Award Decision Memorandum that, at a minimum, provides the following information: (a) a brief description of the supply/service, the objective of the requirement, and the dollar value; (b) the market research completed; (c) the nature of the competition (full and open, GSA Schedule, Sole Source, etc.) and the reason for that approach; (d) the names and contact information of the Acquisition Team; (e) dates when the solicitation was issued, proposals received, evaluation completed, award announced and award document issued (if limited competition, identify the contractors receiving the Solicitation – identify the Contractors submitting proposals – identify the members of the evaluation team – identify the Contractor selected for award); (f) confirm that the review process was completed and the dates of completion for each stage as required herein; and (g) include any other information that may be relevant to understanding the procurement action. The level of detail required for the Award Decision Memorandum shall be commensurate with the dollar value of the award.

G CUSTOMER SURVEY QUESTIONNAIRE

Following award of any contractual vehicle, the specialist shall send the Customer Survey Questionnaire (Attachment 3) to the COTR or other program person who was substantially involved in the award of the contract to gauge the program office satisfaction with the services provided by AMD. The questionnaires shall be forwarded to POB for compilation.

H CONTRACT FILE AUDIT

Every quarter, POB will randomly select files from each branch for internal audit to ascertain if the policies detailed in this notice are being followed.

I FILE SECURITY

The assigned specialist is responsible for the content and integrity of the contract file. The file shall be hand carried by the responsible specialist to each reviewing official unless otherwise directed. The contract file shall never be placed in the mail distribution system.

AMD shall return the applicable documentation to the cognizant office in the most expeditious manner possible.

J EXPIRATION DATE

This policy will be incorporated into the AMD Policy Handbook, at which time this notice will become obsolete.

ATTACHMENT 1

ACQUISITION PLAN

1. Acquisition Strategy Identifier: _____
Agency Identifier - FY - Agency
(e.g., REE-06-0001, determined by Agency)

2. Contracting Agency Information

Agency Name and Address: _____

Agency Point of Contact: Name: _____
Email Address: _____
Telephone Number: _____

Contracting Office Name and Address: _____

Contracting Officer: Name: _____
Email Address: _____
Telephone Number: _____

3. Please include a description of planned acquisition, including scope of work (attach), major deliverables/services, name of Agency Program/Project supported by the Acquisition.

4. List the Estimated Dollar Amount (inclusive of all options).

5. Provide the Period of Performance/Delivery Schedule.

6. What funding method is planned? (proposed funding, include type and year of funds)

7. What is the Contracting Method?
- a. Solicitation type (e.g., sealed bid (IFB), negotiated (RFP), request for proposals under a multiple award contract or Federal Supply Schedule, interagency agreements).
 - b. Small Business Program Considerations (e.g., 8(a) competitive, 8(a) non-competitive, small business set-aside, HubZone set-aside, Service Disabled Veteran owned small business, women-owned small business).

Provide a rationale and address market survey(s) conducted, if the planned acquisition will be unrestricted.

- c. Extent of competition (e.g., full and open competition, competition after exclusion of sources, other than full and open competition pursuant to FAR 6.3, competition under Federal Supply Schedule, brand name specified under FSS, GWAC, multiple award or other indefinite delivery type contracts

For brand name specific order, attach a copy of the justification as required by FAR 11.105 (See AGAR Advisory 75)

For other than full and competition pursuant to FAR Part 6.3, attach a copy of the approved justification for other than full and open competition.

- d. For service contracts or task orders - if the contract or statement of work will not be performance based provide a rationale
 - e. Source selection procedures
 - f. Contract Type (see FAR part 16) including pricing structure
 - g. Identify option periods, quantities or items
 - h. For indefinite delivery type contracts, identify the authorized users
8. For major IT investments include a copy of OMB Circular A-11, Exhibit 300, Part I, Section A, Overview (All Capital Assets), Section B, Summary of Spending (All Capital Assets) and Section C, Acquisition/contract Strategy (All Capital Assets).

9. If the acquisition is a follow-on procurement, What is the current contract/order number(s), contractor(s) name and address and expiration date(s)?

10. Does the scope include Biobased products, BioPreferred products or other green purchasing initiatives? What other acquisition issues of note should be provided?

SUBMITTED FOR REVIEW AND APPROVAL:

Program Manager / Project Manager

Date

Contracting Officer

Date

HCA or HCAD

Date

RECOMMENDATION TO THE CAO:

Approve _____

Disapprove _____

Approve Subject to listed conditions _____

Conditions:

Chief, Procurement Policy Division, OPPM

Date

Senior Procurement Executive

Date

DECISION OF THE CAO:

Approved _____

Disapproved _____

Approved Subject to the listed conditions _____

Conditions:

Chief Acquisition Officer

Date

ATTACHMENT 2

**SECTION I
PRESOLICITATION DOCUMENTS**

ITEM NO.	DESCRIPTION	MARK "N/A" OR "X"
1.	Purchase Request/Certification of Funding/Independent Government Cost Estimate, PWS, Section 508 D&F, etc. [FAR 4.803, FAR 32.702, FAR 37.6, FAR 39.2] (Completed work package)	
2.	Acquisition Plan complete with concurrence of both Procurement and Project Office [FAR 7.105]	
3.	Market Research [FAR 10.001 and FAR 12.202]	
4.	Other Than Full & Open Competition Authority and Sole Source Document/ Correspondence [FAR 6.3]	
5.	Determination & Findings – Authorization for Use	
	a. Time & Materials Contract [FAR 16.601(c)]	
	b. Labor Hour Contract [FAR 16.602]	
	c. Multiple Award Determination [FAR 16.504(c)(1) & (c)(2)]	
6.	Other Approval/Determinations	
	a. Deviations from [FAR 1.4]	
	b. Justification for Use of Options [FAR 17.205]	
	c. Determination not to Evaluate Options [FAR 17.206(b)]	
	Determination on Availability of Personnel	
	d. [FAR 37.204, FAR 37.205]	
	e. Multi-Year Contracting [FAR 17.105-1]	

	Value Engineering Clause Exclusion [FAR 48.201(a) or Exemption] f. [FAR 48.102(a)]	
	Approval for Firm-Fixed Price Level of Effort contract > \$100,000 g. [FAR 16.207-3(d)]	
	h. Rationale for Using Other Than – A Firm-Fixed Price Order; or A Performance-Based Order [8.405-2(e)(7)]	
	i. Other Administrative Approvals (Describe)	
7.	Buy American Exception [FAR 25.103]	
8.	Liquidated Damages Assessment (formulation and rationale) [FAR 11.502 and 503]	
9.	FedBizOpps Synopsis/Waiver/Exception [FAR 5.2]	
10.	Commercial Item Waiver - Tailoring of Terms/Conditions/Clauses Inconsistent with Customary Commercial Practice [FAR 12.302(c)]	
11.	Information Technology Delegation/Waiver [FAR 39.101 and DR 5039-7]	
12.	Small Business Review [FAR 19.5]	
13.	SBA Correspondence (Offer and Acceptance) [FAR 19.8]	
14.	Service Contract Act Wage Determination and Comparable Government Wage Rates (FAR 22.1016) or Davis Bacon General Wage Determination [FAR 22.404] or applicable exemption [FLSA Section 13(a)(1), 29 CFR Part 541]	
15.	Source Selection Plan (SSP)/Technical Evaluation Plan (TEP)/Business Management Evaluation Plan (BMEP)	
16.	Internal Correspondence Log (e-mails, memos, meeting notes)	
17.	External Correspondence Log (letters, phone calls, emails, etc.)	

SECTION V CONTRACT ADMINISTRATION DOCUMENTS

ITEM NO.	DESCRIPTION	MARK "N/A" OR "X"
1.	Original Signed Contract or Award Documents [FAR 4.803(b)(1)]	
2.	Original Contract Modifications (include current listing of modifications to date, cross reference - if filed elsewhere) [FAR 4.803(b)(1)]	
3.	Documents Supporting Contract Modifications (cross reference – if filed elsewhere) [FAR 4.803(b)(1)]	
4.	Contract Distribution Record [FAR 4.201]	
5.	Post-award Conference Orientation [FAR 42.5]	
6.	Memorandum and Supporting Documents Transferring Contract File or Memorandum explaining why Procurement Office will Administer Contract File [FAR 42.2]	
7.	Approvals/Disapprovals of Requests for Waiver/Deviations from Contract Requirements [FAR 42.302]	
8.	Documentation of Cost or Price Analysis (e.g., cost or pricing data, certificates, information other than cost or pricing data) [FAR 42.302]	
	a. Supporting Documentation for Procurement-Influenced Savings if applicable	
9.	Accepted/Rejected Engineering Change Proposal Documentation [FAR 48.103]	
10.	Delivery/Task Orders & Related Documentation (cross reference - if filed elsewhere) [FAR 42.302]	
11.	Stop Work Orders/Notice to Proceed [FAR 42.13]	
12.	Security Requirements - Forms/Correspondence on Contractor Background Investigations [FAR 42.302(a)(20)]	
13.	Contractor Performance Information [FAR 42.1502(a)]	
14.	Disputes/Claims Documentation [FAR 33.2]	
15.	Royalty, Invention, and Copyright Reports [FAR 27]	
16.	Documentation Regarding Termination Actions [FAR 49]	
17.	Current Chronological Listing of Awarding and Successor Contracting Officers with Inclusive Dates of Responsibility [FAR 42.202(a)]	
18.	Inspection/Receiving Reports	
19.	Invoices/Vouchers/Approval for Payment [FAR 42.302]	

ATTACHMENT 3

Dear COTR/Program Manager:

FSA Procurement is very interested in hearing from you in regard to how well we performed in meeting your recent acquisition needs for the above matter. Please take a few minutes to complete the following survey. Your input is very important to our effort to make customer service and support a priority. Thanks.

On a scale of 1 to 5, 5 being the best score, please rate the following (there is extra space for you to insert any comments you wish to make):

FUNCTION	1	2	3	4	5
1. Were you promptly notified of the name, telephone number and email address of the Procurement official assigned to handle your requirement?					
2. Did the Procurement official keep you well informed of the progress toward award?					
3. Was the Procurement official helpful by providing important acquisition guidance and in responding to your questions?					
4. Did the Procurement official promptly provide you with a copy of the award document following issuance to the contractor?					
5. Was the Procurement official respectful and courteous in his/her communications with you and your office?					
Please provide any additional comments in this space:					

Thank you for your cooperation, Please return this survey to Scott Cook at scott.cook@wdc.usda.gov. You can reach Scott at (202) 720-7349.

Richard S. Kahn
 FSA Director of Procurement
 TELE: (202) 690-0723
 Richard.kahn@wdc.usda.gov