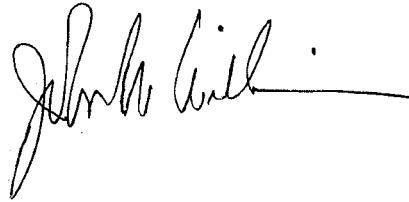


For: FSA State and County Offices

**Interim Leasing Procedures for FSA**

**Approved by:** Deputy Administrator, Management



**1 Overview**

**A Background**

The appropriations for FY's 2006 and 2007 excluded language effectively rescinding FSA's independent leasing authority for general-purpose space. Accordingly, FSA no longer has independent authority to lease general-purpose space (that is, office space) for itself or other USDA agencies. FSA retains the ability to enter into leases for special purpose space (that is, commodity warehouse space) under the authority of 40 U.S.C. 474.

Also rescinded was the exemption from USDA, DR 5100-2's requirement that all individuals executing leases be warranted. This requirement impacts the leasing authority currently delegated to FSA State and County Offices.

FSA will not seek restoration of the independent leasing authority.

**B Purpose**

This notice provides interim procedures for conducting FSA's leasing activities for State and County Offices until new permanent policies and procedures can be established.

**2 Interim Leasing Procedures**

**A Instructions for Leasing Activities**

FSA will now be using the delegated authority from General Services Administration to acquire general-purpose leased space. The USDA Office of Procurement and Property Management (OPPM) requires that all FSA leases be reviewed and signed by the National Office.

Disposal Date	Distribution
December 1, 2007	State Offices; States relay to County Offices

## 2 Interim Leasing Procedures (Continued)

### A Instructions for Leasing Activities (Continued)

OPPM has appointed Harold Staten, MSD, Property and Facilities Management Branch (PFMB) Chief, as Head of Real Property Leasing Activity for FSA. This provides FSA with the ability to certify individuals to be warranted and to execute real property leasing agreements. OPPM will review all information before warrants are issued and will perform lease program reviews on a quarterly basis for at least 1 year.

FSA has issued a Realty Officer's warrant to Morrell Jordan, Realty Specialist, MSD, PFMB, to handle FSA's leasing authority until the agency can credential others who may be eligible to receive real property warrants. At this time, Morrell Jordan is the **only** Realty Specialist that has the authority to sign leases.

Morrell Jordan:

- will provide day-to-day leasing support to the following field locations:
  - Northeast area
  - Southeast area
  - Midwest area (except Missouri)
- can be reached by the following:
  - telephone at 202-205-7832
  - e-mail at [morrell.jordan@wdc.usda.gov](mailto:morrell.jordan@wdc.usda.gov).

Jeannie Simmons, Realty Specialist, MSD, Kansas City Administrative Services Branch:

- will provide day-to-day leasing support to the following field locations:
  - Northwest area
  - Southwest area
  - Missouri offices
- can be reached by the following:
  - telephone at 816-926-1241
  - e-mail at [jeannie.simmons@kcc.usda.gov](mailto:jeannie.simmons@kcc.usda.gov).

Until FSA has identified and certified staff to be warranted, Administrative Officers (AO's) and County Executive Directors (CED's) will be designated as the Realty Specialist's designee to continue to carry out the normal responsibilities of acquisition of real property (that is, market surveys, solicitations, negotiations, etc.), up to the point of award.

**Note:** State Office AO's means AO, Executive Officer, or Administrative Specialist, as appropriate in each State, as the lead person for administrative functions.

## 2 Interim Leasing Procedures (Continued)

### B GSA and USDA Regulations

Any leases, extensions, amendments, or renewals that were signed during FY 2006 or FY 2007 that were not signed by a warranted leasing officer exercising delegated authority from GSA are not valid. Accordingly, these leases need to be ratified to become authorized commitments. Ratification of the lease by a warranted leasing officer does not certify that the lease was entered into properly and according to all proper procedures. Ratification simply replaces the signature of the unauthorized federal official with the signature of an authorized federal official, so that FSA does not continue to operate under unauthorized commitments in violation of the Anti-Deficiency Act.

All leases, extensions, amendments, or renewals executed during FY 2006 and FY 2007 to date must be forwarded to MSD, PFMB for review and re-signing. All lessors for leases and extensions executed for this same time frame should already be identified and registered in the Central Contractor Registry at [www.ccr.gov](http://www.ccr.gov).

### C Submitting FY 2006 and 2007 Leases to MSD

County Offices shall submit their original leases, amendments, extensions, and renewals (CCC-2 or CCC-2A only) to the State Office. The State Office shall box and mail the leases including a list of all leases and extensions that are in the box to MSD by February 16, 2007. FedEx Overnight the information to the following address:

Attn: MJSJJD  
Farm Service Agency  
Management Services Division  
Property and Facilities Management Branch  
1250 Maryland Avenue, SW, Suite 520  
Washington, DC 20250.

**Note:** No action is required from County Offices that are not the lead leasing agency.

Administrative Officers shall ensure that all leases are forwarded to MSD, PFMB by the February 16, 2007, deadline.

Until further notice, **all** future leases, amendments, renewals, or extensions proposed for award must be forwarded to MSD/PFMB for review and signature.

**3 Additional Information**

**A Leasing Questions and Answers**

See Exhibit 1 for questions and answers on FSA leasing authority and new procedures resulting from discussions at the December 2006 Administrative Officer's Leadership Group Teleconference.

**B Leasing Tool Box**

See Exhibit 2 for a table showing the new leasing forms to be used under GSA-delegated leasing authority, websites providing access to USDA/GSA leasing policies and procedures, and the page for the Central Contractors' Registration.

**C Special Procedures**

See Exhibit 3 for special procedures to follow when contracting for continued occupancy in leased space.

**Questions and Answers for Interim Leasing Procedures**

- Q1.** If we have a lease expiring at the end of December, do we go ahead and send the new lease information to Kansas City so that the landlord will get paid without having a signature on the contract?
- A1.** Yes.
- Q2.** Should we sign the contract as we have been doing and forward it on to National Office for concurrence?
- A2.** No.
- Q3.** Should we send the information to the National Office and take no action until a proper signature is obtained?
- A3.** Yes, lease must be signed by a Warranted Realty Specialist.
- Q4.** How much documentation does the National Office want to see before they **re-sign** agreements that are already in place (market surveys, bids, advertisements, etc)?
- A4.** The lease forms only (CCC-2 or CCC-2A).
- Q5.** How much documentation does the National Office want to see for **new** leases?
- A5.** The entire lease file which include includes solicitations, copy of public notice or newspaper ad, all offers, evaluations, negotiation notes and price regulation memorandums, etc.
- Q6.** When can we expect the new solicitation document with the IT requirements for wiring and computer room?
- A6.** We will use the GSA Solicitation for Offers (SFO's), and IT regulations must be added to SFO as a Special Requirement under the special requirement section of SFO.
- Q7.** What will be the effective date of this change?
- A7.** Immediately upon issuance of this notice.
- Q8.** What about leases that are currently in progress?
- A8.** Those leases will be subject to the new regulations. However, the Realty Specialist will be in constant consultation with the State Office throughout the lease acquisition process.
- Q9.** Can we count on a quick turnaround time with only one person approving and signing leases?
- A9.** Yes, 5-business days minimum / 10-business days maximum.

**Questions and Answers for Interim Leasing Procedures (Continued)**

**Q10.** The notice states that AO's and CED's will be designated contracting officers' designees. May AO delegate this to the Contracting Officer in the State Office?

**A10.** Yes.

**Q11.** Does MSD want all these files arriving on the same schedule?

**A11.** Yes. As soon as files are compiled at the State Office, submit them immediately.

**Q12.** Aren't Contracting Officer Representatives (COR's) a post award thing?

**A12.** No, COR's and designees must be involved throughout the entire process.

**Q13.** Do CED's, et al, still have the authority to sign FSA-875's (where we are lead or not)? We realize that is not "awarding a contract", but they are agreeing to a portion of the monies to be spent.

**A13.** Yes, CED's may continue to sign FSA-875's.

**Q14.** Will the loss of this leasing authority result in our reliance upon GSA Property services? If so, does the agency realize the tremendous increase in leasing costs which will be experienced? Does the agency have available funding to cover this increased cost or will it be funded via additional personnel reductions?

**A14.** FSA will operate under GSA Delegated Leasing Authority. We will not be relying on GSA Property Services, just the GSA Guidelines.

**Q15.** To what degree will MSD personnel be involved in the leasing process?

**A15.** Totally. MSD personnel will be involved through the COD's in participation with the SFAC, obtaining space, obtaining GSA waivers if necessary, space management, space layout, space alterations, space safety and health issues.

**Q16.** What, if any interaction will MSD leasing personnel have with regional or national level NRCS and RD leasing officials?

**A16.** The same level of interaction that exists today.

**Q17.** A number of County Offices have remained opened while awaiting some definitive action to allow consolidation. Consequently, there are several offices where accessibility issues are in need of attention (even though there is no personnel duty stationed in these offices and are open only 1 or 2 days per week or bi-weekly). The lease terms are either annual or month-to-month. Will MSD leasing personnel be authorized to continue such tenuous arrangements while the States are working toward consolidation or will they demand full compliance and full lease terms?

**A17.** Yes, these month-to-month arrangements may continue while the consolidation initiatives move toward resolution; however, month-to-month leases must be resigned.

**Leasing Tool Box**

Offices shall follow all toolbox steps when acquiring new leased space and for certain special procedures provided in Exhibit 3.

<b>Requirement</b>
1) Lease File Checklist 2) SF-81 or other, Request for Space 3) SF-81A, Space Requirement Questionnaire 4) Other
<b>Pre-Solicitation</b>
1) LLA1: Limited Acquisition Plan 2) GSA-3627: Market Survey
<b>Solicitation</b>
<p>Use the following forms for Simplified Lease Acquisition (SAP) for leases:</p> <ul style="list-style-type: none"> <li>• <b>up to \$100,000</b> net annual rent:               <ul style="list-style-type: none"> <li>• GSA-3626, U.S. Government Lease for Real Property (Short Form)</li> <li>• GSA-3517A, General Clauses (Short Form)</li> <li>• GSA-3518A, Representations and Certifications (Short Form)</li> <li>• GSA-3516, Solicitation Provision</li> <li>• supplemental requirements, as necessary</li> </ul> </li> <li>• <b>greater than \$100,000</b> net annual rent               <ul style="list-style-type: none"> <li>• No Number: Solicitation for Offers</li> <li>• GSA-3516A, Solicitation Provision (Full Text)</li> <li>• GSA-3517B, General Clauses (Full Text) or GSA-3517C: (Short Form, Full Text)</li> <li>• GSA-3518, Representations and Certifications</li> <li>• GSA-1217, Lessor's Annual Cost Statement</li> <li>• GSA-1364, Proposal To Lease Space</li> </ul> </li> </ul> <p>Supplemental Requirements</p> <ul style="list-style-type: none"> <li>• PIV/HSPD-12: Notice AS-2118, Exhibit 1</li> <li>• DR 3901-001, ADP Room Specifications</li> <li>• ADP Room Structured Wiring Specifications (currently in draft status)</li> <li>• other special space requirements</li> </ul>
<b>Evaluation/Pre-Negotiation</b>
1) GSA-12000, Pre-Lease Fire Protection and Life Safety Evaluation (for low rise office building)

**Leasing Tool Box (Continued)****Other Forms**

- 1) Abstract of Offers (no form number)
- 2) PVA-Present Value Analysis (no form number)
- 3) SF-30, Amendment of Solicitation/Modification of Contract
- 4) GSA-1217, Lessor's Annual Cost Statement
- 5) GSA-3628, Lease Action Summary
- 6) SF-2, U.S. Government Lease for Real Property
- 7) GSA-276, Supplemental Lease Agreement

**Websites**

<http://www.gsa.gov/leasingform> GSA website to download leasing tool box forms

<http://www.usda.gov/da/property/USDA%20Leasing%20Handbook.pdf> for USDA leasing policy and regulations

<http://www.arnet.gov/far> for GSA leasing policy and regulations

<http://www.ccr.gov> for the Central Contractor's Registration page.



**Special Procedures When Contracting for Continued Occupancy in Leased Space**

- 1) The following special procedures require following all toolbox steps and executing a new lease agreement:
  - a exercising an unpriced renewal option (price to be negotiated at time of renewal)
  - b negotiating for a succeeding lease after full and open competition
  - c expanding current space for greater than 10 percent of the amount of space covered by the existing lease
  - d making alterations to current space that would substantially change the existing lease.
- 2) The following special procedures do not require use of the entire toolbox:
  - a exercising a renewal option where the price is written into the original lease agreement:
    - perform a market survey on Form GSA-3627, include consideration of relocation costs
    - prepare a supplemental lease agreement on Form GSA-276 if current location deemed most advantageous to the government
  - b negotiating for a succeeding lease where full and open competition is not required:
    - perform a market survey on Form GSA-3627
    - perform a cost benefit analysis-no form
    - prepare a justification to negotiate with present lessor-no form
    - develop a solicitation for offers and negotiate with the current lessor
  - c expanding current space for an increase of up to 10 percent of the amount of space covered by the existing lease. Prepare a supplemental lease agreement on Form GSA-276.
  - d negotiating a lease extension (See USDA Leasing Handbook Chapter X, Number 6 for conditions):
    - perform a market survey on Form GSA-3627
    - prepare a justification for extensions exceeding \$50,000
    - prepare a supplemental lease agreement on Form GSA-276
  - e making alterations to current space that falls within the general scope of the lease. Prepare a supplemental lease agreement on Form GSA-276.
  - f making alterations to current space that are outside the general scope of the lease. Follow steps in USDA Leasing Handbook Chapter X, Number 8.