

## **ESC CONTRACTING PROCESS BOOK JULY 2004 EDITION**

### **Introduction**

The ESC Contracting Process Book (ECPB) is for use by all personnel in the ESC acquisition community, including the Geographically Separated Units (GSUs). The ECPB documents the processes used at ESC in executing the policy of the Federal Acquisition Regulation (FAR) and its supplements.

The paragraph numbering in the ECPB is presented in the same sequence as the FAR. Only those FAR paragraphs that contain information relevant to ESC are included. The ECPB should be used in conjunction with the FAR and its supplements.

Contracting tools such as templates, guides and handbooks are not included in the ECPB. Such documents are available on the World Wide Web (WWW) at the following ESC/PK, ESC/AE, AFMC/PK, and SAF/AQC addresses:

<https://centernet.hanscom.af.mil/PK/Norgpk.htm>  
[https://centernet.hanscom.af.mil/acqdev/BP\\_Default.htm](https://centernet.hanscom.af.mil/acqdev/BP_Default.htm)  
<https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/polvault.htm>  
<http://www.safaq.hq.af.mil/contracting/toolkit/index.html>

Maintenance of the ECPB is the responsibility of ESC/PKXC. Recommended additions/corrections should be submitted to ESC/PKXC.

### **NOTICE**

PKXC will provide acquisition support for actions not obtaining support from ESC/AE or the local GSU Contract Policy or Acquisition Center of Excellence. Contact either ESC/AE at 3-7176 or PKXC at 3-3178 for assistance.

Contracting support for ESC programs managed by other Centers will be provided by those Centers.

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**ECPB TERMS**

The following terms used in the ECPB are described below for ease of reference.

AFRL	Air Force Research Laboratory Space Vehicles and Sensors Lab Directorates located at Hanscom AFB.
ACE	Acquisition Center of Excellence
BC	Small Business Office
AE	Acquisition Center of Excellence at Hanscom AFB
BOCO	Buying Office Contracting Official
Buying Office	Same as Contracting Office
COCO	Chief of the Contracting Office
Contracting Office	Same as Buying Office
CO	Contracting Officer
CPSG	Cryptologic Systems Group at Lackland AFB TX
CPSG/RMK	CPSG Resources Management Contracting Support Division
DO	Designated Official for Services Acquisitions
ESC	Electronic Systems Center, includes Program Offices at Hanscom AFB, MA and other Operating Locations, and Geographically Separated Units: Standard Systems Group; 38th Engineering and Installation Group; Materiel Systems Group; and Cryptologic Systems Group
GSU	ESC Geographically Separated Unit (See ESC, above)
HAFB	Hanscom Air Force Base MA
HERBB	ESC's Business Opportunities page on the WWW
IG	Inspector General
JA	Legal office
MSG	Materiel Systems Group at Wright-Patterson AFB OH
MSG/PK	Director of Contracting at MSG; it includes the duties and responsibilities of the MSG BOCO, COCO and Competition Advocate

PK (Director/ Deputy/Technical Director)	ESC Director, Deputy Director, or Technical Director of Contracting, ESC/PK; it includes the duties and responsibilities of the SCCO. The ESC Director and Deputy Director of Contracting also serve as ESC Hanscom AFB's and CPSG/RMK's Competition Advocate
PKO	ESC Operational Contracting Division, ESC/PKO; it includes the duties and responsibilities of the COCO (Note: Will be changed to 66 CONS once officially stood up in 2004.)
PKR	ESC R&D Contracting Division, ESC/PKR; it includes the duties and responsibilities of ESC/PKR's COCO
PKX	ESC Contracting Operations & Services Office, ESC/PKX. Encompasses the Policy Section; Pricing Section; and the Automation/Data Analysis Section. (For ease of reading this Process Book, these Sections will be identified as PKXC, PKXF, and PKXA respectively.)
PKXA	Automation/Data Analysis Section of PKX.
PKXC	Policy Section of PKX.
PKXF	Pricing Section of PKX.
SCCO	ESC Senior Center Contracting Official, ESC/PK (Includes Director, Deputy Director, and Technical Director of Contracting)
SM	Single Manager
SSG	Standard Systems Group at Gunter AFB AL
SSG/AQ	Director of Contracting at SSG, includes the duties and responsibilities of the SSG BOCO, COCO, and Alternate Competition Advocate
38 EIG	38th Engineering Installation Group at Tinker AFB OK
38 EIG/PK	Director of Contracting at 38 EIG; includes the duties and responsibilities of the 38 EIG BOCO, COCO, and Competition Advocate
66 ABW	66th Air Base Wing at Hanscom AFB MA
66 CONS	66 ABW Contracting Unit (Note: This organization will officially be stood up in 2004. Until then, the Contracting Unit is ESC/PKO; ESC's Operational Contracting Unit)

**1. FEDERAL ACQUISITION REGULATIONS SYSTEM (FAR Part 1)**

**1.3 Agency Acquisition Regulations (FAR Subpart 1.3)**

***1. Clause Control and Compliance Plan (GSUs use local procedures)***

a. If a CO determines that a one-time-use clause is necessary, the CO must make a written determination for use prior to including the provision/clause in the solicitation/contract. The provision/clause must not duplicate or deviate from existing FAR and FAR Supplements, must clearly convey its intent and operation, and be reviewed by the legal office prior to inclusion in

the solicitation/contract. The determination format shown at [ECPB Annex 1.3](#) can be used and the determination and clause should be filed in the contract file. (Refer to one of AFMC's Contract File Content Indices for appropriate tab. The indices can be found on AFMC's WWW page at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/pkpa/contractfile.htm>.) The ConWrite clause repository is maintained electronically by PKXA. COs should contact the PKXA ConWrite Administrator for a local clause control number or for assistance in accessing the ConWrite clause database.

b. Contractor-specific or program-unique provisions/clauses that have been determined necessary for repetitive use in a specific buying office, must be reviewed by the legal office and approved for multiple use by the BOCO/COCO. These multiple use provisions/clauses are to be maintained in a central file in the buying office. Whenever one of these provisions/clauses is used the CO should either place a copy of the approved determination in the contract file or include an annotation on the contract's file checklist as to the location of the buying office's central determination/clause file.

c. Candidate provisions/clauses identified for wider application and possible inclusion in higher level FAR Supplements should be submitted with supporting documentation in the DFARS 201.201-1 format to PKXC.

#### **1.4 Deviations from the FAR (FAR Subpart 1.4)**

a. Except as restricted by DFARS 201.4 the approval authority for class deviations on PEO Programs is the PEO. Requests for all proposed FAR (and Supplement) deviations, along with supporting rationale, shall be reviewed by the BOCO/COCO, the legal office and the SCCO prior to submission to the approval authority.

b. Except as restricted by DFARS 201.4 the SCCO is the approval authority for individual deviations. (See ECPB Attachment 2, "[Review & Approval Thresholds](#)") Legal review and local policy review is required prior to submission to the SCCO for approval. Class deviations for Other Contracting, to include Installation requirements, shall be reviewed by the legal office and local policy office prior to submission to the SCCO for coordination. Upon SCCO coordination class deviations will be forwarded to AFMC/PKP for processing and submission to AFMC/PK for approval.

#### **1.6 Career Development, Contracting Authority and Responsibilities (FAR Subpart 1.6)**

##### ***1. Delegation of Contracting Authority***

a. Delegations and redelegations of contracting authority and clearance review/approval authority for AFPEO/C2&CS Programs, Other Contracting and ABW requirements are specified in ECPB Attachment 2, "[Review & Approval Thresholds](#)".

b. The SCCO redelegates general contracting authority to the ESC and 66 ABW BOCOs/COCOs, including the 38th EIG/PK, MSG/PK, and SSG/AQ.

c. SCCO authority may also be exercised by the ESC/PK Deputy Director and Technical Director. Unless otherwise specified all documents requiring approval or coordination by ESC/PK must be reviewed by a PKXC or AE staff analyst prior to submission to PK for action. GSUs should obtain local ACE and/or policy office review prior to submission of documents to their respective PKs for coordination or approval before submitting documents directly to ESC/PK.

d. Redlegation of Specific Contracting Authorities for Air Force PEO for Space Programs executed by ESC/ND and ESC/NI4 are posted on the ESC/PK Home Page under Delegations.

## **2. Legal Review**

a. Legal review is required for contract actions (solicitations, contracts, orders, contract/order modifications) with a total value (including both credits and debits) greater than \$1M. Legal review is not required for solely administrative actions, funding actions that only revise the obligated amount (with no other change to contract terms or conditions), or for unilateral orders that are issued against indefinite-delivery contracts that are less than \$10M. The COCO for PKO (66 CONS) may require legal review of lower dollar thresholds. GSUs, in conjunction with their local legal office, may also establish local legal review thresholds below these amounts.

b. Obtain legal review of competitive contract actions before the request for clearance. For noncompetitive actions, obtain legal review before contract award. (See [ECPB Para 1.90](#) for the clearance process.)

c. Legal review should be requested on the Staff Judge Advocate Coordination Sheet (AF Form 3059). If the file is submitted with missing or incomplete documentation, this should be annotated on the AFMC Contract File Content Index. Contracting Officer resolution of legal comments/recommendations are to be annotated on the AF Form 3059, on a separate Memo For Record signed by the Contracting Officer, or other signed documents containing comments/resolution. A "Noted" response to a legal comment is not considered an acceptable response.

d. Contracting Officers should also consult the legal office when using unique contract clauses; when there are questions regarding the scope of the contract; when there is doubt or controversy regarding the application or interpretation of a statute, directive, or regulation; or when unique problems such as claims, protest, defective pricing issues, etc., arise. A complete summary of the facts, the specific question/issue being raised, and relevant backup documentation should accompany the request for legal opinion. It is recommended that the request also be reviewed by the BOCO/COCO prior to submission to the legal office.

## **3. Actions Requiring PKXC Notification:**

PKXC is the Point of Contact (POC) for the items below. For the name of the current POCs, refer to the PKXC Focal Point List posted on the ESC/PK Intranet Homepage under "Local Process Guidance."

a. **AFAA, DODIG, and GAO Audits:** (*GSUs use local procedures*) If an auditor contacts a program office regarding contracting-related matters and the program office did not receive an official audit announcement letter, contact PKXC. The PKXC POC will verify whether or not the audit is valid, and will obtain a copy of the audit announcement letter. Individuals should not provide information unless an officially documented announcement letter from the Audit Agency has been received.

b. **Congressional Inquiries:** (*See [ECPB Para 33.1.d](#) for Congressional inquiries regarding protests.*) ESC/IG is the focal point for all Congressional Inquiries. All inquiries are to be immediately reported to ESC/IG and offices are to follow the guidance in ESC/CC Policy Memo 04-001, dated 08 Mar 04, regarding providing timely and accurate responses. ESC/IG will ensure

that a response (or interim response) is prepared for ESC/CC approval/signature within five days. For Hanscom AFB: ESC/PK coordination is required on all ESC/CC responses to Congressional Inquiries involving contracting issues. GSU Contracting Chiefs are to notify (e-mail or telecon) ESC/PK when a Congressional Inquiry at a GSU involves contracting issues to determine the level of ESC/PK involvement. ESC/CC Policy Memo 04-001 can be found at [https://centernet.hanscom.af.mil/command/policies/ESC\\_Policies/Congressional Inquiries - 2004.pdf](https://centernet.hanscom.af.mil/command/policies/ESC_Policies/Congressional_Inquiries_-_2004.pdf)

c. **Agency Protests & GAO Protests:** See ECPB Para 33.1.

***4. Ratification of Unauthorized Commitments (GSUs use local legal and policy office)***

a. See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for ratification approval authorities.

b. The responsible two-letter chief, Installation Commander, or officer in command of the tenant organization in which the unauthorized commitment occurred will transmit to the CO that provides contracting support to that organization, a complete documented file pertaining to the unauthorized commitment. This file should be submitted in a timely manner, i.e., within ten calendar days of discovery, and should be transmitted to the CO under a cover letter addressing the considerations at FAR 1.602-3 and each of the following matters in sufficient detail:

(1) All events/circumstances leading to the unauthorized commitment. Include the individual's written statement of facts.

(2) Explanation as to why the CO was not contacted to properly execute the unauthorized act.

(3) Certification that the affected supplies or services have been received and are useable for the purpose intended or, if not useable, an explanation of their status.

c. The CO will determine the adequacy of the above and will obtain additional documentation, if necessary. The CO will then complete the file by preparing a CO statement of facts which should include: 1) an analysis of the prices involved which supports a finding of whether or not the prices are fair and reasonable; 2) a description of actions taken, if any, to prevent recurrence of the unauthorized act; and 3) memorandum (with appropriate justification) of approval/disapproval of the ratification to be signed by the ratification approval authority. The CO should then forward the file to the local legal office for coordination, and then to the appropriate ratification approval authority. (Note: If the approval authority is the SCCO, see paragraph d. below.)

d. In situations where the BOCO/COCO is at the same level as the party that committed the action, the ratification file, as detailed above, should be reviewed by the BOCO/COCO and by the local legal office, then submitted to the SCCO through PKXC. (GSUs should obtain local legal and local policy review, and COCO coordination prior to submitting directly to the SCCO.)

**5. Contracting Officer Warrant Procedures**

a. ESC/PK is the Contracting Officer appointment authority and Warrant Board Chair for ESC (HAFB and ESC/HRP), for 66 CONS, and CPSG Contracting Officer Review Boards. Contracting Officers with unlimited warrants have authority and responsibility to enter into, approve, terminate, and take all other appropriate action with respect to their contracts. The 38th EIG/PK, SSG/AQ, and MSG/PK are delegated appointment authority and Chair for their respective organizations, and shall establish procedures to select and appoint their Contracting Officers. These procedures shall be modeled after the ESC/PK procedure but may be tailored to fit local organizational structures. Tailoring shall not result in procedures that are less stringent than the ESC/PK procedure.

b. ESC/PK Contracting Officer Nomination Process:  
(Applies to military and GS-12 candidates only. The nomination process does not apply to competitively selected GS-13 Contracting Officer positions since the qualifications of the candidate(s) are justified as part of the required personnel actions). BOCO/COCOs should discuss requested Contracting Officers' nominations with PK and upon verbal approval by PK are to submit a nomination package to the Policy Chief, PKXC. The nomination package will state the reason for the appointment (for example, to fill a vacancy, or to establish a new CO position), limitations to be placed on the warrant (if any), and should provide full details on the scope and other aspects of the position. The following items must also be included:

- (a) Candidate's resume
- (b) Statement by the candidate's first-line supervisor that resume qualifications were verified against applicant's personnel file
- (c) Narrations of the candidate's last three major contracting actions. If narrations cannot be furnished, state the reason in the letter.
- (d) Evaluation by the candidate's current first-line supervisor. Evaluations will be adjective-rated, that is, outstanding, above average, average, marginal or unknown, supported with a brief narrative for each of the following factors:

- 1 Technical competence - understanding of regulations and ability to practically apply them, quality of work produced, soundness of recommendations, solutions, and decisions.
- 2 Quantity of work produced.
- 3 Timeliness - accomplishment of work in order of priority; adherence to pre-established schedules.
- 4 Written communication - expression in a clear, concise, and easily understood manner.
- 5 Oral communication - consideration of both face-to-face and conference-type situations, as well as formal briefings, and expression of ideas in concise and convincing manner.
- 6 Cooperation - ability to work cooperatively with and maintain effective relationships with others, willingness to listen to other viewpoints and to assist others.
- 7 Stability - acceptance of criticism without loss of composure or effectiveness and ability to operate under pressure without harmful effect.

8 General business knowledge – ability to function in the role of business advisor.

(e) Privacy Act Statement. (Contact PKXC for a copy of the Privacy Act Statement)

c. ESC Warrant Board Membership & Review Board Meeting:

(1) The PKXC Policy Chief will review the BOCO/COCO request for completeness and to ensure that the candidate meets the qualification criteria. PKXC will then consult PK to schedule a Contracting Officer Review Board. The Board members will be PK (Director/Deputy, or Technical Director), who will serve as Board Chair, PKXC Chief, PKXF Chief, the gaining BOCO/COCO, and JA. The Chair and each member are voting members, and may seek advice, assistance, or information from any ESC source with respect to the candidate's qualifications.

(2) The Review Board will first discuss the qualifications of the candidate with the BOCO/COCO. The candidate will then be requested to discuss in depth his/her comprehension of major acquisition topics posed by Review Board members. At the conclusion of the Review Board each Board Member will provide a personal rating on each of the major areas discussed, plus an overall recommendation on the requested appointment. At any time during the meeting, the Chair may ask that the BOCO/COCO withdraw the nomination or that the review board be suspended without prejudice to the candidate.

(3) Following the review board meeting the PKXC Chief will document the acquisition areas discussed at the Review Board, summarize the adequacy of the candidate's responses to the questions posed during the Review Board, and ESC/PK's appointment decision.

d. PKXC is responsible for maintaining all records of Contracting Officer warrants. Individual Contracting Officer files will contain, at a minimum, the completed request for appointment, a non-verbatim summary of the Review Board session, the ratings and recommendations of the Review Board members, a copy of the issued Contracting Officer certificate, and any record relating to the CO's performance since appointment.

e. Qualified candidates who have held unlimited Contracting Officer warrants from other buying activities (other than ESC) after meeting a Review Board comparable to the ESC Review Board can request, through their BOCO/COCO, that the ESC formal Review Board be waived. The candidate's request should include a current resume, a copy of the previously held warrant, a description of the candidate's participation in the previous warrant board process, a description of the type of work performed while holding the previous warrant, and an evaluation by the candidate's current first-line supervisor (adjective-rated: outstanding, above average, average, marginal or unknown; and supported with a brief narrative). Upon review by PKXC for completeness the request will be forwarded to ESC/PK for approval/disapproval. Candidates may then be issued an ESC warrant, be required to meet with ESC/PK for informal interview to discuss their qualifications, or may be required to participate in an ESC formal Review Board.

f. Limited warrants will be issued by ESC/PK to qualified individuals outside of PK (e.g. JPPSO). Documentation of a candidate's qualifications will be provided to PKXC for records retention.

g. Contingency Contracting Officer (CCO) warrants: Candidates for Unlimited and Limited Contingency Contracting Officer warrants who have the required training and experience will be issued CCO warrants by ESC/PK without a review board. (Refer to AFFARS Appendix CC for

Contingency Contracting requirements). Documentation of the candidate's qualifications will be provided to PKXC for records retention.

h. ESC/PK may approve exceptions to the above nomination, qualification, and warrant board process.

i. Termination of Appointment: Termination may be made for cause if a Contracting Officer fails to maintain an adequate level of competence or otherwise become unqualified to hold a warrant. BOCOs/COCOs are also to notify PKXC when warranted individuals transfer to a position not requiring a warrant or when a Contracting Officer separates, retires, or changes duty stations outside of HAFB.

#### **6. ESC Quality Contracting Program**

a. The ESC Quality Contracting Program provides a framework for continuous assessment of the quality, effectiveness, and efficiency of the contracting function at ESC and to ensure that contracting actions reflect good business judgment, and are compliant with existing statutes, regulations, policy, and ESC directives and guidance. The program consists of post award reviews of contract files and special interest items conducted by PKX staff and quarterly post award file self-inspections conducted by 3 letter Buying Offices. Refer to [Annex 1.6](#) for the ESC/PK Directive on the Quality Contracting Program, which outlines the post award review process and goals.

b. GSU Contracting Chiefs are responsible for implementing and conducting the ESC Quality Review program at their organizations. GSU Contracting Chiefs are to determine the frequency of post awards reviews at their respective organizations and develop local procedures for implementation of the program.

### **1.90 Clearance Process (AFFARS Subpart 5301.90 & AFMCFARS Subpart 5301.90)**

The clearance procedures identified below have been established to provide for efficiency in the preparation/review/approval process.

#### **1. Definitions**

**Clearance Approving Authority (CAA):** Responsible for ensuring the policy objectives of AFFARS 5301.9001 are achieved in that contract actions effectively implement approved strategies and the negotiations/contract actions result in fair and reasonable business arrangements consistent with laws, regulations, and policies. The CAA approves the request by signing a clearance document.

**Clearance Reviewing Authority (CRA):** The primary advisor to the approving authority with regard to the specific request for clearance. The CRA is responsible for ensuring that the approving authority has the information needed to make an informed decision. The reviewing authority identifies deficiencies, assists in resolution, and advises the approving authority as appropriate.

**Integrated Product Team (IPT)/One Pass Pricing:** The process of concurrent requirements refinement, proposal development, fact-finding, and preliminary agreement between the Government and contractor in a noncompetitive acquisition. In this process, the Government and contractor IPT/One Pass members communicate in an ongoing, structured manner from early

planning stages through iterative model contract development and review of related cost or pricing data. (Reference tool: AFMC's *IPT Price Negotiation & Agreement Guide* found at the AFMC/PK Policy Vault on the WWW)

**Traditional Pricing:** For the purpose of noncompetitive acquisitions, the serial process of the Government defining the requirements and requesting a proposal; a contractor submitting a proposal to the Government; followed by Government review/evaluation of the proposal in order to establish an objective in preparation for negotiations.

## **2. Clearance Authorities/Re Delegations of Clearance Authority**

a. See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for clearance review/approval authorities.

b. Delegations and redelegations of clearance review/approval authority are specified in Attachment 2, "Review & Approval Thresholds". Redelegations of review or approval authority shall be in writing over the personal signature and title of the person vested with the authority. A copy of the redelegation shall be included in the official contract file.

c. For actions within the Contracting Officer's authority/delegated review and clearance thresholds, formal clearance documents are not required. The CO's signature on the contract document will signify that AFFARS 5301.9001 has been satisfied and that the contract is approved.

d. The BOCO/COCO, when serving as the CO, will have CO authority equal to the BOCO's/COCO's approval authority.

## **3. Contract Actions Requiring Clearance Review and Approval.**

The following actions require clearance review and approval:

a. An action intended to result in award of a negotiated contract or modification of any contract. (Exceptions: Actions that create an undefinitized contractual action (UCA), undefinitized change order, or undefinitized long lead contract are excluded. See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for UCA approval authorities. Also excluded are orders placed against ID/IQ contracts and GSA Schedules.)

b. An action intended to result in definitization of an Undefinitized Contract Action (UCA), an undefinitized change order, or an undefinitized long lead contract, or in the pricing of previously unpriced actions;

c. An action intended to result in issuance of a modification implementing a unilateral price determination;

d. Priced orders issued under basic ordering agreements; and

e. An action intended to result in the exercise of an option if option exercise is not in strict accordance with the previously approved pricing arrangement or other contract terms and conditions.

f. The clearance definition for noncompetitive actions contained in AFFARS 5301.9000(b)(2) also apply to Architect-Engineer (A&E) services, Broad Agency Announcements (BAA), Program Research and Development Announcements (PRDA), Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) requirements, where the Government negotiates with competitively selected sources.

**4. Determining the Value of Contract Actions**

Determine the clearance Review & Approval Thresholds as follows:

- a. Compute the total value of the basic instant acquisition plus:
  - (1) Any option. For example, a basic contract for \$300M with an option for \$250M would exceed a threshold of \$500M.
  - (2) The value of contingencies, such as ceilings, award fee, and performance incentives. For example, a CPAF contract with an estimated cost of \$450M and potential award fee amount of \$64M; or a multiyear contract where the value of the first program year is \$150M and the value of all program years is \$600M would exceed a threshold of \$500M.
  
- b. Use the sum of absolute values of the increases and decreases and not the net amount for modifications implementing both increases and decreases to the contract price. For example, an increase of \$8M and a decrease of \$3M would give the modification a "value" of \$11M.
  
- c. Use the "value" of the contract being modified:
  - (1) when the action significantly alters (e.g., restructures or rephases) the contract; and/or
  - (2) when the action involves the resolution of claims as a significant part of the consideration for a revised delivery schedule or reduced requirements.
  
- d. Use the cumulative value of all potential contracts in competitive acquisitions when multiple awards are contemplated. For example the following multiple award actions would exceed a threshold of \$500M:
  - (1) Three individual awards resulting from a single solicitation/requirement, where each contract is for a separate item in the solicitation and each contract is valued at \$200M.
  - (2) Two individual awards resulting from a single solicitation/requirement, where each contract is for a partial quantity of an item and one award is valued at \$250M and the other award is valued at \$300M.
  - (3) Four individual awards resulting from a single solicitation/requirement with a value of \$600M (even if a value of \$150M is established for each individual contract), where the purpose is to issue identical contracts to all awardees.
  
- e. Use the maximum potential value of the contract if a Best Estimated Quantity (BEQ) applies for evaluation and award purposes.
  
- f. For noncompetitive clearance use the negotiation objective inclusive of any requested settlement range. For competitive clearance use the highest proposed amount in the competitive range.
  
- g. Requirements must not be broken down into more than one transaction for the purpose of avoiding clearance at a higher echelon.

**5. Solicitation Review (GSUs utilize local policy office)**

- a. COs must thoroughly review all solicitations (competitive actions) and model contracts (sole source). In addition, BOCO review is required for solicitations/model contracts above the CO threshold.
- b. Solicitation amendments must also be reviewed if substantive changes are made. The reviewing authority for the contemplated clearance prescribed in ECPB Attachment 2, "[Review & Approval Thresholds](#)" must be the reviewing authority for the solicitation.
- c. If AE has participated in acquisition strategy planning, review by an AE analyst is required (after review by the CO & BOCO) when the SCCO is the SRA. Submit a copy of the solicitation (including all solicitation attachments and amendments) and a copy of ECPB Format 1314, Contract Document Review Record (available on the ESC/PK Homepage) or comparable request format.
- d. Services acquisitions (valued above the Simplified Acquisition Threshold) require review by the Designated Official (DO) prior to release of the solicitation and contract to ensure finalized metrics and performance based requirements are included. (See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for DO review & approval thresholds and authorities. For more information on DO responsibilities, see AFMC's "Management and Oversight of Services Process (MOASP)", which can be found at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/polvault/03mar/04/040308v.pdf> )

**6. Clearance Procedures (GSUs utilize local staff office)**

Clearance is an important step in the acquisition process since having an independent review helps to ensure that the most current statutory and regulatory rules have been incorporated, and also provides the opportunity to resolve any important contract issues that may have arisen during the process. The Contracting Officer is the individual responsible for requesting clearance.

- a. The contracting officer should request the clearance review in a memorandum addressed to the CRA. The memorandum must identify the approval being requested (e.g., approval to award without discussions, approval to begin negotiations) and must include any pertinent acquisition information the contracting officer believes should be highlighted. The format found in [ECPB Annex 1.90.1](#) may be used for requesting clearance, and [Annex 1.90.2](#) may be used to prepare the clearance approval to proceed.
- b. For actions when the SCCO is the CRA (or CAA) the clearance review function will first be performed by a staff analyst (either an ACE or Policy Office analyst, dependent on the actual action). Documents/files presented for staff review must include evidence of CO review and of BOCO/COCO coordination. The staff reviewer will review the request for clearance (RFC) and supporting source documents to ensure that all RFC elements meet applicable clearance policy and objectives (see AFFARS 5301.9001). The CO is expected to resolve all comments with the staff reviewer prior to the submission of the RFC to PK. The RFC should be submitted to allow sufficient time for review and resolution of comments/issues before any formal review sessions.
- c. The Request for Clearance (RFC) should include:

- (1) For competitive acquisitions:
  - (a) The proposed award document;
  - (b) Determination of adequate price competition in accordance with FAR 15.403-1(c)(1)(ii)(B), if applicable;
  - (c) The proposed request for final proposal revisions, if applicable;
  - (d) Official contract file including all applicable file items in the AFMC Contract File Content Index;
  - (e) Source selection documentation, as applicable.

- (2) For noncompetitive acquisitions:
  - (a) The proposed award document; if the contract action involves a contract modification, include a copy of the contract (conformed, if appropriate);
  - (b) A preliminary price negotiation memorandum (PNM), in either standard narrative or briefing format. If a briefing format is used, ensure the requirements of FAR 15.406-3 are incorporated. When a briefing format is used, a review of the final PNM by the CRA reviewer is required prior to award. The preliminary PNM will comply with the requirements of FAR 15.406-1 to the extent the required information is available at the time the RFC is submitted. It must set forth a description of the contractor's proposed position, any field pricing recommendations, and the Government's negotiation objective;
  - (c) Official contract file including all applicable file items in the AFMC Contract File Content Index.

d. Presentation of clearance request as follows:

(1) For source selections, the source selection briefing prepared for the SSA that addresses the status of the source selection and the approval being sought (award without discussions or issuance of request for final proposal revision) may serve as the presentation for clearance approval.

(a) Submit the RFC to award without discussions after the source selection team has arrived at a consensus that award without discussions is appropriate. The clearance review must be accomplished before approval to award without discussions is secured from the SSA.

(b) When requesting approval to issue a request for final proposal revisions for any competitive action, submit the RFC when discussions are concluded.

(c) For guidance on source selection briefing contents, refer to the Air Force Source Selection Procedures Guide found in Part 15 (Source Selection Center) of SAF/AQC's "AFFARS Library" on the WWW.

(2) For noncompetitive acquisitions the preliminary PNM, in either briefing format or standard narrative format, may serve as the presentation for clearance approval to begin negotiations (if traditional pricing is used), or to conclude negotiations (if IPT pricing is used). If a briefing format is used, a review of the final PNM by the CRA is required prior to award.

(a) When traditional pricing is used, the RFC must be submitted prior to the beginning of negotiations with the contractor. When IPT pricing is used, the RFC must be submitted prior to concluding negotiations. Use of an IPT pricing approach presumes early and continuing involvement of the CRA for value-added insight during the process and to surface issues to the CRA and CAA, if necessary, prior to the formal RFC.

(b) No additional review or approval is required after clearance approval (or revised clearance approval) prior to contract award if the following criteria are met:

- (i) The RFC included a preliminary PNM in standard

narrative format.

(ii) The final settlement does not include revised or additional special contract requirements from those contemplated at time of clearance review and approval.

(iii) No substantial deficiencies were noted by the CRA during clearance review.

(c) If any of the above criteria are not satisfied, a subsequent review by the CRA is required before award can be made. For criteria d.(2)(b)(i) and (ii) above, the review must be limited to the final PNM and/or the revised portions of the award document, as applicable. If the criterion in d.(2)(b)(iii) is not met, the entire official contract file must be submitted for review. Any requirements for subsequent CRA review, if known at the time of clearance review, must be captured in a condition on the clearance document.

(d) Guidance on writing a preliminary PNM, PCM, or abstract is found in the Local Process Guidance-Pricing Section of the ESC/PK Homepage. A PNM/PCM guide can also be found at AFMC/PK's Policy Vault on the WWW.

## **2. DEFINITIONS OF WORDS AND TERMS (FAR Part 2)**

### **2.1 Definitions (FAR Subpart 2.1)**

**"Chief of the ABW Contracting Unit"** means, for ESC/PKO, the Strategic Planning & Operations Manager.

**"Designated Official"** refers to the Designated Official with Management & Oversight of Acquisition of Services Process (MOASP) authority for services acquisitions. The DO serves as Acquisition Strategy Panel (ASP) Chairman, Acquisition Plan (AP) Approval Authority, Source Selection Authority (SSA), and Solicitation Review/Contract Review authority to ensure that requirements are performance based and appropriate metrics are included in the contractual document. For services acquisitions within the AFPEO/C2&CS portfolio pre-award DO responsibilities are to be held by the individuals serving as ASP Chairman/AP Approval Authority/SSA as shown in ECPB Attachment 2, "Review & Approval Thresholds". The same individuals have post-award DO responsibilities.

**"Director"** means the Director of Contracting (ESC/PK), also designated as the "Senior Center Contracting Official" (SCCO).

**"Single Manager"** (SM) is defined by AFPD 63-1, "Capability Based Acquisition System". The term includes System Program Directors, GSU Commanders/Executive Directors, ALC System Program Directors, Materiel Group Managers, and Product Group Managers who serve as Single Managers of AFPEO/C2&CS programs. For the Air Base Wing this term refers to the Installation Commander. For R&D Contracting this term refers to the AFRL/VSB Space Vehicles and AFRL/SNH Sensor Lab Directors. Further delegation by the SM must be approved by ESC/CC. Single Managers at other Centers and Operating Locations managing AFPEO/C2&CS programs should utilize their own functional equivalents for reviews/coordination prior to submitting documents to ESC. In addition, Single Managers at GSUs will coordinate actions with the GSU Commander/Executive Director prior to submitting documents to ESC.

“**Systems Contract**” or “**Systems Contracting Office**” refers to contracts or contracting offices located at ESC, Hanscom AFB MA, and Operating Locations, exclusive of PKO and PKR.

### **3. IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST (FAR Part 3)**

#### **3.1 Safeguards (FAR Subpart 3.1)**

##### *Procurement Integrity*

See ECPB Attachment 2, “[Review & Approval Thresholds](#)” for procurement integrity act violations/possible violations reviewing authority.

### **4. ADMINISTRATIVE MATTERS (FAR Part 4)**

#### **4.1 Contract Execution (FAR Subpart 4.1)**

##### *Effective date (GSUs use local procedures)*

Normally, the effective date of the contract action will be the same as the mailing (award) date. If an agreement on an early or later effective date has been reached, fill in the actual effective date on the contractual document cover sheet (page 1). Otherwise, leave the effective date block blank. The effective date will then become the mail date which is received from PKXA during the distribution process. That effective date will also be electronically transmitted.

#### **4.2 Contract Distribution (FAR Subpart 4.2) (GSUs use local procedures)**

With the exception of bona fide emergencies, all requests for distribution of contract documents (except for PKO) must be accomplished by a CO-initiated, electronic request for distribution in accordance with Task Oriented Electronic Document Distribution (TOEDD) procedures described in Paragraph 2. below and as set forth in the Instructions section of the TOEDD request form. The CO may elect to have a buyer initiate the electronic request, provided that the CO is included as a "CC" addressee. For “paper” requests for distribution in the event of emergencies, refer to Paragraph 1. below.

##### ***1. “Paper” Request for Distribution ( Emergencies Only)***

In the case of bona fide emergencies, the CO may submit a paper/FAX request for distribution using the TOEDD substitute format as available via CONDAPS and as also published on CenterNet at <https://centernet.hanscom.af.mil/PK/PKX/TOEDD/LIBRARY/TOEDD-SUBSTITUTE.doc>, and listed at the TOEDD Page (<https://centernet.hanscom.af.mil/PK/PKX/toedd.htm>), *provided* that it is coordinated with PKXA in advance, that the complete package is received in PKXA before 3:00 PM, and that it includes/addresses all of the following:

- a. A copy of the signed, original contract/modification document;
- b. Zero errors on the ConWrite check-for-errors report;
- c. Buy Plan Milestone Actual Dates completed (up to Award Mailed);
- d. Completed and Error-Checked DD Form 350/1057 (if required);
- e. Other details as listed on the substitute format.

**2. Task Oriented Electronic Document Distribution (TOEDD)**

The basic objective of TOEDD is to improve PKXA centralized contract distribution operation, minimizing the handling of paper and thereby allowing better management of process quality and document quality.

TOEDD enables the buying office to use the email system to send an electronic task request in lieu of the paper ECPB Recommended Format 1343. Users can initiate a TOEDD request via the CONDAPS application as described on the ESC CenterNet at <https://centernet.hanscom.af.mil/PK/PKX/condaps/condaps-help.htm>

Each TOEDD request must be sent from the CO level or higher level within the cognizant buying office. However, the CO may elect to have a buyer initiate the request provided that the CO is CC'd on each TOEDD request. It is not acceptable for TOEDD requests to be sent to PKXA by contractor personnel. However, such requests, if otherwise acceptable, will be tentatively accepted by PKX with a reply sent back to the sender that PKX will not process the action any further until specific email confirmation has been received directly from the Contracting Officer that the particular action is ready for distribution.

The sender of the TOEDD request assures that: (a) distribution will not occur prior to receipt of electronic confirmation via a Status Report email from PKXA that the Pre-Distribution Processing task has been COMPLETED (or, in the case of a Same Day Mail Date, until after confirmation of receipt and approval from PKXA), that (b) the mail date stamped on the official contract file document and all other hard copies will agree EXACTLY with the official mail date confirmed by the task completion notice provided by ESC/PKXA, that (c) distribution will actually be accomplished on the official mail date, not earlier or later, and that (d) a hard copy of the task request and the corresponding ESC/PKXA completion notice will be retained in the official contract file, in lieu of the ESC 1343 previously used to document distribution.

The task request sent by the buying office is received by PKXA and either accepted or rejected. PKXA will reject requests that (a) do not include all data specified on the form, (b) do not have the required ConWrite check-for-errors report and PDF files attached, (c) do not have the checklist portion of the form completed, or (d) do not indicate that all required ConWrite processing (error check, DD350, Buy Plan, etc.) has been accomplished. Acceptance of the task request is automatically relayed by Outlook back to the buying office account and suspended to the PKXA task folder.

Acceptance of the task request provides the buying office with confirmation that PKXA has the action and will follow up with subsequent status updates if there are problems/questions and to eventually confirm that pre-distribution processing has been completed.

PKXA acceptance of the request indicates ONLY that PKXA has the request in hand.

For Same Day Mail Date actions, the buying office must not proceed until and unless PKXA accepts the task and confirms approval of the Same Day Mail Date request, after which the buying office must respond to the PKXA acknowledgement of receipt with a timely confirmation of the actual mail date stamped.

The buying office shall not affix a mail date stamp to the contract document cover page nor do any distribution of the document (electronic/hard copy, internal/external) until the buying office has received an Outlook Status Report from PKXA confirming that pre-distribution processing has been completed, after which the buying office will, as soon as practicable, send an electronic reply back to PKXA confirming the exact MAIL DATE actually used.

Additional details on the preparation, submittal, and processing of the TOEDD request are published as instructions included in the automated TOEDD task request form, a copy of which is also posted to the ESC CenterNet at <https://centernet.hanscom.af.mil/PK/PKX/toedd.htm> (click on “Request for PKX Pre-Distribution Processing – Normal.”)

### **3. Procedures**

a. Except for PKO which utilizes the Standard Procurement System (SPS), all ESC (HAFB) contractual documents will be prepared using ConWrite. Only PKXA will accept, electronically process, and officially distribute ESC (HAFB) contractual documents. Contracting offices will not distribute executed formal contractual documents in any shape, manner or form unless and until those actions have been processed via TOEDD, in which case PKXA will do electronic distribution via transmittal of files and data to the Air Force Knowledge System (AFKS), Navy-Air Force Interface (NAFI) Electronic Data Access (EDA) systems, and other central contract data repositories as may be required. The buying offices are responsible for the balance of distribution (i.e., addressees other than DFAS and DCMA), including ESC/FMF and/or other finance offices as may be required. Buying offices may arrange for distribution of supplemental hard copies and/or electronic copies to other addressees as necessary and appropriate.

b. Contract distribution requests received by PKXA before 3:00 PM will normally receive a mail date of the next work day. Documents arriving after 3:00 PM will normally receive a mail date of **no later than** two (2) work days later. PKXA will not back-date contractual documents. Requests for Same Day Mail Date processing must be received by PKXA before 3:00 PM.

### **4. Air Force Knowledge System (AFKS) (Not applicable to PKO)**

a. It is PKXA’s responsibility to transmit ConWrite contract data to AFKS and other central contract data repositories, such as NAFI, throughout the normal work day.

b. The CO must, before forwarding contractual instruments to PKXA for distribution, ensure that all transactions are accurately entered into ConWrite by requesting, receiving, saving to MS Word and printing a ConWrite check-for-errors report showing "zero errors". A “Ready for Award” (which automatically generates an error check) must also be initiated in ConWrite in order to flag the contractual action for distribution. An unedited, digital copy of the final error check report must be included with the TOEDD request and a printed copy included in the buyer's file. PKXA will reject requests to process and distribute any contractual instruments which are found to contain errors or which have not been entered into ConWrite, except in rare cases when critical, urgent requirements demand distribution prior to final validation by PKXA or error correction. Exceptions require that the CO process a waiver request through the BOCO for PKXA approval before PKXA distribution. Waiver requests will be accompanied by the most recent check-for-errors report, and must include definitive reasons for the criticality (i.e., why this action is significant) and urgency (i.e., why each award is necessary) of the action.

c. When contractual instruments have been distributed with a waiver and before final PKXA validation, PKXA will validate these after distribution.

d. When contractual instruments have been distributed before correction of ConWrite errors disclosed prior to distribution, the contracting office must correct all errors within ten (10) working days after distribution.

e. PKXA will retain a copy of each waiver request for exception to PKXA validation or correction of document in a suspense file. Delay in completing the correction of ConWrite errors beyond the time limits set in paragraph (d) above requires the contracting office to submit to PKXA a justification signed by the BOCO, and a revised schedule.

f. Where contractual instruments have not been completely entered into ConWrite prior to distribution, the contracting office will enter the instrument into ConWrite as soon as possible after distribution and notify PKXA when processing is complete and an error-free error check report has been received so that PKXA may complete distribution processing for that instrument.

#### **5. Support Contractor Access to AFKS and ConWrite**

a. Access to AFKS:

Support contractor personnel will normally not be authorized access to the AFKS system for any purpose.

b. Access to ConWrite:

Support contractor personnel may be authorized access to the ConWrite system for administrative purposes, however, no access shall be permitted until a separate user account has been established for the individual. The BOCO will request establishment of an account by submitting an e-mail or written request to PKXA clearly stating that (a) the specific individual is tasked under a current contract to provide administrative support to the buying office, (b) the support contract includes appropriate non-disclosure provisions, (c) such support is essential to meeting the contracting mission of the office, and (d) the support cannot be provided without access to ConWrite.

Individuals shall not divulge their ConWrite password to others, contractor or government, and shall not permit others to access the system using their account.

Support contractor personnel with authorized access to ConWrite are prohibited from using ConWrite in any manner so as to have the effect or appearance that a contractor employee is acting as an agent of the Air Force or is otherwise performing any inherently governmental function. This includes identifying contractor employees as the “buyer”, “contract negotiator”, or point of contact for any contracting action.

#### **6. ConWrite Support During Network Unavailability**

COs should become familiar with the “CD-ROM Backup & Emergency Standalone Operation” Procedures specified in the PK Homepage in the event of emergency situations when the network is unavailable. The Procedures can be found at <https://centernet.hanscom.af.mil/pk/pkx/conwrite/conwrite.htm#STANDALONE>

### **4.6 Contract Reporting (FAR Subpart 4.6) (GSUs use local procedures)**

#### **1. Processing DD Form 350 and DD Form 1057 (Where applicable; i.e., locations using ConWrite)**

- a. Complete DD Forms 350 and 1057 using ConWrite, except for PKO actions. For

PKO actions not using ConWrite, complete DD Forms 350/1057 using automated tools provided under the Standard Procurement System (SPS).

b. The CO is responsible for ensuring that all entries on the DD Form 350/1057 are accurate and complete before requesting PKXA distribution of the contract action. (See paragraph c. below regarding Blocks A2 and B3). The CO is responsible for ensuring that the check-for-errors function has been completed, all errors corrected, and the DD 350/1057 is updated/saved. The original DD 350/1057 printout must be signed/dated and included in the official contract file.

c. DD350 Report Number (Block A2) and Action Date (Block B3): Leave these blocks blank when submitting to PKXA. PKXA will complete them at the time of distribution. Three days after award, the buyer should go to the ConWrite Workbasket, open up the action, view the DD350 tab, and either (a) note the report number in order to annotate the file copy of the DD350 already signed by the CO, or (b) print out a complete copy of the DD350 to insert in the file *in addition to* the earlier copy that the CO had signed. In addition, PKXA will periodically extract the DD350 Report Number data from ConWrite and publish it to the CenterNet under the DD350 Reporting Section of the Contracting Automation Page.

d. Correcting DD350 errors: Care must be taken when completing/reviewing DD350 data. Some data fields are automatic fill-ins from the basic award or prior modifications, and if any of the data is erroneous, the error will continue until the buyer/CO makes a change to the data in those fields. If after award the buyer/CO discovers erroneous data in any DD350 data field(s), PKXA must be contacted via e-mail with the PIIN-SPIIN so that the contract action's original DD350 can be changed to a *correcting* DD350, allowing the buyer/CO to make the necessary corrections. When the corrections have been accomplished by the buying office, a second e-mail must be sent to PKXA stating that the correcting DD350 is now ready for approval and submission.

## ***2. Air Force Knowledge System (AFKS)***

a. ESC/PK through PKXA is the Office of Primary Responsibility (OPR) at ESC for the implementation and use of the contracting portions of the Air Force Knowledge System (to which the ConWrite is a subordinate, data feeder system). In the execution of this responsibility, PK will conduct continuing analyses of AFKS data and forward pertinent comments to the appropriate activities. AFKS data provides contracting management a tool to assist in the performance of its duties and responsibilities.

b. All ESC contracting offices, other than ESC/PKO and the GSUs, must use the AFMC ConWrite System, including its associated systems.

c. AFKS data is used to provide current, complete, and accurate data for the ESC PK Metrix management tool. Information about PK Metrix and other contracting topics is readily available via the ESC/PK Intranet Home Page: <https://centernet.hanscom.af.mil/PK> .

## **4.8 Government Contract Files (FAR Subpart 4.8)**

### ***1. Official Contact Files (GSUs use local procedures/optional for PKO)***

a. Official contract files are to be labeled with the contract/modification number on a label placed on the inside back cover of each file folder. When a contract/mod file requires several file folders the file label should also identify the contents and total number of files. For example,

"F19628-03-C-0001, Tabs 20-50, File 2 of 4" indicates that the complete contract file consists of four folders and that the second folder contains Tabs 20 through 50.

b. To ensure contract file uniformity, except for operational contracting, all ESC Hanscom buying office contract files are to contain AFMC's Systems and Logistics Contract File Content Index. For Operational Contracting and ESC buying offices not located at HAFB (such as ESC/HRPK), the COCO is to determine which file index is appropriate for their respective contract files, i.e., AFMC's Systems and Logistics Index, AFMC's Operational Services & Construction Index, or AFMC's Research and Development Checklist. For ESC GSUs the local GСУ PKs are to determine which file index is most appropriate for their respective GСУ contract files. The indices can be found on AFMC/PK's WWW page at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/pkpa/contractfile.htm>. In addition, the PKX Contract File Content Checklist is an excellent file development tool, and maximum use is recommended to continually improve the quality of contract files. The PKX Checklist can be found on the PK Homepage under "Favorites".

c. A Contract and Funding Summary should be maintained for each contract. This summary is to provide both the buyer and reviewer a quick reference to check the accuracy of the values being changed. This summary should contain current figures for each contract type and each type of funds obligated on the contract. Typical items requiring summarization are current face value, obligations, target/estimated amounts, and CLIN prices.

d. It is also highly recommended that a current, conformed working copy of the contract (also known as "buyer's file") be maintained for each contract. This file is to contain an annotated copy of the basic contract and all changes thereto, including attachments (e.g., the statement of work, specifications, etc.) in order to reflect the currently modified contractual arrangement. It is up to the CO to decide the method of annotation to be used; for example, if a hard copy is maintained pen-and-ink change, paste-over, or slip-sheet can be used, but all annotations must be clear. If possible this "buyer's file" can be maintained electronically and annotations may be made by tracking the changes while editing (i.e., showing strikethroughs, underscores, bar marks).

## **2. Source Selection Files**

Identify, protect, and maintain source selection documentation and records in accordance with FAR 3.104 and AFFARS Part 5315, as supplemented. Direct questions concerning data or documentation likely to constitute source selection documentation, its disposition, and its handling to the ESC Source Selection Office at ESC/AE or the local policy office at GSUs. After award source selection documentation should be maintained in a secure location in the respective buying offices.

## **3. Closeout of Contract Files (GSUs & ESC/PKO use local procedures)**

Buying offices are required to comply with FAR 4.8 and DFARS 204.8 for closing out contract files. The effectiveness of timely completion of contract closeout actions relies upon effective communication and cooperation between the buying office and the cognizant FM/Program Control Office. The BOCO for each Systems and R&D buying office will designate at least one Closeout Focal Point to serve as the lead administrator for closeout actions and also as liaison with PKXA with respect to ConWrite closeout issues. The BOCO will advise PKXA via e-mail whenever there is a change in Closeout Focal Points. For guidance on close-out procedures buying offices should refer to the *ESC/PK's Contract Closeout Procedures Guide* (March 2003 version) which can be found at

[https://centernet.hanscom.af.mil/PK/PKX/Closeout/co\\_guide.doc](https://centernet.hanscom.af.mil/PK/PKX/Closeout/co_guide.doc). This Guide provides local closeout process guidance, closeout tips, and closeout lessons learned that will guide buying offices through the closeout process from the time that contract performance has been completed until the contract files are sent to the Federal Records Center. Additional guidance can be found in the *AFMC Contract Closeout Guide* at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/guides.htm>

#### **4.70 Uniform Procurement Instrument Identification Numbers (PIINs) (DFARS Subpart 4.70)**

a. Except for ESC/PKO which should maintain separate registers for its contracting actions, all ESC (HAFB) buying offices must obtain PIINs by using the PK automated Contract Instrument Number Log (CINL), which is a part of the Contract Data & Applications System (CONDAPS). Should CINL be non-operational for an extended period, obtain PIIN assistance by calling PKXA at x3-2912.

b. Contracting personnel at GSUs should follow local procedures, except to the extent that some locations (MSG, CPSG, HRK) may require assignment of blocks of F19628 "RS" Supplementary PIINs, as noted in paragraph c.

c. Supplementary PIINs. The supplementary PIIN prefix assigned to F19628 is RS. ESC/PKXA will assign numbers or allocate blocks of "RS" numbers to each F19628 buying office as may be required. This would include any GSU office which had at one time used the F19628 DODAAN and/or which does not already have a unique Supplementary PIIN prefix of its own.

d. For more detailed information users should refer to the ESC/PK Buying Office Codes page on CenterNet at [https://centernet.hanscom.af.mil/PK/PKX/amis\\_pms/allcodes.htm](https://centernet.hanscom.af.mil/PK/PKX/amis_pms/allcodes.htm).

#### **4.95 Transfer of a Contract to ESC (HAFB) (GSUs use local procedures)**

Contracts/orders transferred to ESC for management and administration must be reviewed by both the gaining CO and legal office as soon as practicable, but no later than 30 days after receipt of files at ESC. These reviews should encompass the complete contract, including all modifications and the entire contract file. The review should determine whether: the contract is legally sufficient, all necessary approvals have been obtained, the contract contains all required and applicable clauses, and the contract represents a sound business arrangement. If a significant problem is discovered the issue/problem is to be elevated to the ESC BOCO, who is to contact the former CO and BOCO for resolution of the issue/problem. The buying office must also enter the contract/order into ConWrite. Consult PKXA if difficulties are encountered in entering necessary information into ConWrite.

## **5. PUBLICIZING CONTRACT ACTIONS (FAR Part 5)**

### **5.1 Dissemination of Information (FAR Subpart 5.1)**

#### **Posting Solicitations to HERBB**

a. The ESC Business Opportunities section of the Hanscom WWW Site, known as HERBB, serves as ESC's gateway to FedBizOpps (FBO), which is the single Government-wide Point of Entry (GPE) where Government business opportunities greater than \$25,000 can be accessed electronically by the public. The HERBB URL is: <http://www.herbb.hanscom.af.mil/>. HERBB interfaces directly with the FBO by posting a notice on the FBO for each new solicitation created on HERBB, and posting an attachment of links to each document uploaded on HERBB. Buying offices should post all competitive solicitations that could result in contract awards greater than \$25,000 (actions using FACNET excluded) to HERBB in lieu of posting directly to the FedBizOpps page. Due to interface constraints HERBB does not automatically transmit changes to the acquisition information fields. If the acquisition description or other information fields changes on the HERBB page, a FBO Modification must be posted using ESC's Desktop FedBizOpps Synopsis Creator in order to post the same changes on FedBizOpps. If assistance is required in posting a solicitation on HERBB, contact the appropriate technical or policy point of contact at the telephone number(s) that appear on the HERBB main menu.

b. The Contracting Officer must screen all solicitation data prior to posting on HERBB. Information that is classified, For Official Use Only, or "sensitive unclassified" that would be inappropriate for public release shall not be made electronically available. Solicitations should encourage contractors to respond to solicitations electronically to the maximum extent possible, by Diskette or CD-ROM. Instructions on electronic format for receipt of proposals are available from ESC/AE program focal points.

c. In order to comply with Section 803 of the National Defense Authorization Act of FY2002, HERBB is the vehicle that must be used to post requirements/evaluation criteria of ITSP BPA orders exceeding \$100K (reference DFARS 208.404-70).

d. If other techniques are not used, actions over \$10,000 to \$25,000 may be posted to ESC's Business Opportunities Page to satisfy the requirement of FAR 5.101(a)(2). To set up a new user account, contact ESC/AE at x3249.

### **5.2 Synopses of Proposed Contract Actions (FAR Subpart 5.2)**

#### **Synopsis Preparation/Coordination/Transmission (GSUs use local procedures)**

a. The method for transmitting synopses to the Federal Business Opportunities (FedBizOpps) page is the Desktop FedBizOpps Synopsis Creator, found at <http://herbb.hanscom.af.mil/cbd/default.asp?cbd=synopsis>. The Synopsis Creator formats synopses for e-mail transmission to FedBizOpps. Verbiage from a MS Word document can be cut & pasted into the Synopsis Creator. Once fields are completed, click on the "submit" button, and the synopsis will be sent through ESC/AE who in turn submits it to FedBizOpps.

b. Synopses should be reviewed/coordinated on by the Program Manager. It is the CO's responsibility to ensure that all the data in the synopses are accurate and complete prior to clicking on the "submit" button. Once submitted, printouts of the synopsis must be included in the official contract file. (See subparagraph e. below for "retrieving synopses") For PKR actions

if the NOCA Description block is the same as the Sources Sought Synopsis Description the NOCA need not be re-coordinated.

c. In order to encourage maximum small business participation COs should include in the Description block of the Synopsis Creator, the requirement that the synopsis respondent is to specify in its response whether it is a large business, small business, very small business, small disadvantaged business, 8(a) concern, women-owned small business, HUBZone small business, veteran-owned small business or service-disabled veteran-owned small business. Also require that respondents specify whether they are a U.S. or foreign-owned firm.

d. Retrieving Copies of Synopses: Start at <http://www.fedbizopps.gov> (Main FBO page). Click the Find Business Opportunities "GO" button, to bring up the search page. Then click on the radio button under "Documents To Search". Next, select the other search criteria you are looking for, and click the "Start Search" button, at either the top or bottom of the page. Once the synopsis is located, print a copy and place it in the contract file.

### **5.3 Synopses of Contract Awards (FAR Subpart 5.3)**

#### ***1. Synopses of Contract Awards (GSUs use local procedures)***

For contract awards exceeding \$25,000 it is the CO's responsibility to synopsize the awards by using the Desktop FedBizOpps Synopsis Creator found at: <http://herbb.hanscom.af.mil/cbd/default.asp?cbd=synopsis>. Printouts of the synopsis must be included in the official contract file. See paragraph 5.2.d, above, for the procedure to retrieve synopses from FedBizOpps. (Note that the synopsis of contract award is a separate action from the 1279 report, required by FAR 5.303 and DFARS 205.303(a) and typically known as "Congressional Notifications". See paragraph 5.3.2. below)

#### ***2. Announcement of Contract Awards (GSUs use similar local procedures)***

a. COs are responsible for the preparation and transmittal of the DD-LA(AR)-1279 Report. COs are required to follow Mandatory Procedure (MP) 5305.303, "Announcement of Contract Awards" found in Part 5 of SAF/AQC's "AFFARS Library" on the WWW for guidance on 1279 report format, content and procedures (AFFARS 5305.303).

b. Individual orders against IDIQ and GSA Federal Supply Schedule (FSS) contracts, including ESC ITSP orders against GSA Blanket Purchase Agreements (BPAs) do not require 1279 Reporting. The required FAR 5.303 public notification is made by the awarding IDIQ/GSA Contracting Officer at the time of the Contract/Schedule contract awards using the total estimated amount of the awards. It is the responsibility of the awarding IDIQ/GSA CO to keep track of the total orders to see if a supplemental notification is required (i.e., if the total orders exceed the original notification amount). If an order is expected to exceed the reported ceiling of an IDIQ contract a contract modification must first be processed and reported prior to issuance of the order.

c. As a reminder, the 1279 must be submitted to SAF/LLP by close of business three workdays before the date of the proposed contract award. In addition, SAF/LLP must be provided telephone notification no later than 1300 hours (Washington DC time) on the day before award. For source selections the identity of the successful offeror and face value of the award must also be provided by telephone to SAF/LLP no later than 1300 hours (Washington DC time) on the day before the anticipated award. Once SAF/LLP approves an award date, no formal or informal

announcement of contract award to the contractor (or any other party) is permitted until after 5:00 PM, Washington, DC time. (MP 5305.303)

#### **5.4 Release of Information (FAR Subpart 5.4)**

##### ***Publications Release (GSUs use local public affairs office)***

It is Air Force policy to encourage publication of scientific and technological advances and information developed under its contracts. The Public Affairs Office, ESC/PAM, must review and clear all planned publications and all forms of publicity relating to information developed under ESC contracts for the approval of the CO. Contractor requests for public release of information must also be reviewed by the Public Affairs Office.

#### **6. COMPETITION REQUIREMENTS (FAR Part 6)**

##### **6.3 Other Than Full and Open Competition (FAR Subpart 6.3)**

###### ***1. Justifications***

See Mandatory Procedure (MP) 5306.3, "*Other Than Full and Open Competition*" for content and approval procedures for J&As requiring Senior Procurement Executive (SPE) approval, and Informational Guidance (IG) 5306.304-93 for guidance on scope. The MP and IG can be found in Part 6 of SAF/AQC's "AFFARS Library" on the WWW (AFFARS 5306.303-2). Additional guidance can also be found in the *AFMC J&A Preparation Guide and Template* available at the AFMC/PK Policy Vault on the WWW.

###### ***2. Approval of the Justification***

- a. See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for a complete listing of J&A approval authorities.
- b. J&As submitted to the Competition Advocate, ESC/PK, for coordination or approval should be submitted through an ESC/AE or PKXC staff analyst after legal review and coordination. . GSU J&As are to be reviewed by their local ACE or policy office (as well as the local legal office) prior to submission to ESC/PK for coordination or approval. At the time of formal J&A submittal all comments should have been resolved and necessary coordination/signatures obtained. AE/PKXC staff analysts are also available to review drafts of J&As.
- c. International Agreement Competitive restrictions (IACRs) require only CO approval. (AFFARS 5306.302-4(c))
- d. At HAFB copies of all approved J&As are to be sent to PKXC to comply with the impediment tracking requirements of AFI 63-301, Air Force Competition and Commercial Advocacy. PKXC will also conduct periodic review of J&As approved below the Competition Advocate level in accordance with AFI 63-301, Air Force Competition and Commercial Advocacy.

## **6.5 Competition Advocates (FAR Subpart 6.5)**

### ***1. ESC Hanscom AFB, ESC/HRP, and CPSG***

John M. Lyle, Col, USAF, ESC/PK, [John.Lyle@hanscom.af.mil](mailto:John.Lyle@hanscom.af.mil), DSN 478-2201, Comm. (781) 377-2201

Alternate: Robert Youtt, ESC/PK, [Robert.Youtt@hanscom.af.mil](mailto:Robert.Youtt@hanscom.af.mil), DSN 478-2201, Comm. (781) 377-2201

### ***2. SSG***

Melvin W. Carr, Jr., SSG/AQP, [Melvin.Carr@Gunter.af.mil](mailto:Melvin.Carr@Gunter.af.mil), DSN 596-3151, Comm. (334) 416-3151

Alternate: William D. McKinney, Col, USAF, SSG/AQ, [Dave.McKinney@Gunter.af.mil](mailto:Dave.McKinney@Gunter.af.mil), DSN 596-5614, Comm. (334) 416-5614

### ***3. MSG***

Charles Brackenhoff, Lt. Col, USAF, MSG/PK, [Charles.Brackenhoff@wpafb.af.mil](mailto:Charles.Brackenhoff@wpafb.af.mil), DSN 787-4053, Comm. (937) 257-4053

Alternate: Patricia Kittles, MSG/PKA, [Pat.Kittles@wpafb.af.mil](mailto:Pat.Kittles@wpafb.af.mil), DSN 787-5992, Comm. (937) 257-5992

### ***4. 38 EIG***

Karen F. Nobles, 38 EIG/PK, [Karen.Nobles@tinker.af.mil](mailto:Karen.Nobles@tinker.af.mil), DSN 884-9394, Comm. (405) 734-9394

Alternate: Samuel E. Cochran, 38 EIG/PK, [Sam.Cochran@tinker.af.mil](mailto:Sam.Cochran@tinker.af.mil), DSN 884-9907, Comm. (405) 734-9907

Note: ESC/PK also serves as Alternate Competition Advocate to all GSUs, as required.

The ESC Competition Advocates also serve as their respective organization's Task Order and Delivery Order Ombudsmen. (See ECPB Paragraph 16.5)

## **7. ACQUISITION PLANNING (FAR Part 7)**

### **7.1 Acquisition Plans (APs) (FAR Subpart 7.1)**

#### ***1. Acquisition Strategy Planning – Coordination***

a. Prior to ESC/PK's involvement in any program meeting (i.e., Quick Preliminary Acquisition Strategy Session (QuickPASS), Acquisition Strategy Panel (ASP), heading check, etc.), the CO must provide an informal briefing to PK.

b. See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for acquisition strategy planning.

**2. ESC Acquisition Strategy Panels (ASPs)**

All ESC ASPs are to be scheduled through the Acquisition Strategy Panel Process (ASPP) Secretariat located in ESC/AE (or local ACE at the GSUs if applicable). Consult the ASPP Secretariat for ESC Center Level ASP membership. Waivers to the ASP requirement and delegations are to be processed through the ASPP Secretariat. See ECPB Attachment 2, “[Review & Approval Thresholds](#)” for ASP Chair.

**3. Single Acquisition Management Plans (SAMPs)**

The SAMP serves as the strategic planning document to describe all relevant issues and approaches from cradle to grave. SAMP general information and approval requirements are found at AFFARS 5307.104-91. For the preparation of SAMPs, use the SAMP Guide found in Part 7 of SAF/AQC's "AFFARS Library" on the WWW. See ECPB Attachment 2, “[Review & Approval Thresholds](#)” for SAMP approval authorities.

**4. Acquisition Plans (APs)**

For the preparation and coordination of APs, use the *AFMC Acquisition Plan Preparation Guide* available at AFMC/PK's Policy Vault on the WWW. For Acquisition Plan approval authorities, see ECPB Attachment 2, “[Review & Approval Thresholds](#)”.

**5. Services Acquisitions**

All AFMC services acquisitions, whether acquired through a contract or task order issued within DoD or outside of DoD, that fall under the Management and Oversight of Acquisition of Services Process (MOASP) require an ASP (or equivalent) and an AP, which includes the Acquisition Strategy Content included in Attachment 1 of AFMC/CC 8 Mar 04 Memo, “*AFMC Management and Oversight of Acquisition of Services Process (MOASP)*”. Approval to proceed with the acquisition must be obtained from the appropriate Designated Official (DO). Refer to the AFMC MOASP found at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/polvault/03mar/04/040308v.pdf> and ECPB Attachment 2, “[Review & Approval Thresholds](#)” for DO authorities and thresholds.

**8. REQUIRED SOURCES OF SUPPLIES AND SERVICES (FAR Part 8)**

**8.4 Using Schedules (AFMCFARS Subpart 5308.404)**

**Ordering Procedures for Optional Schedule Use (GSUs use local small business office)**

For schedule acquisitions over \$100,000, when schedule holders include multiple small businesses but the competition is not restricted to small businesses, written coordination from the small business specialist required by AFMCFARS 5308.404(b)(93) must be included in the contract file. In addition, when there is a disagreement between the CO and small business specialist, the file must also include written documentation regarding the resolution of disagreements with written concurrence by the COCO.

## **9. CONTRACTOR QUALIFICATIONS (FAR Part 9)**

### **9.4 Debarment, Suspension, and Ineligibility (FAR Subpart 9.4)**

#### *Use of lists (GSUs use local procedures)*

The "Contractor Responsibility" Tab of the AFMC Contract File Content Index must include documentation by the CO or buyer that the Excluded Parties List System (EPLS) was reviewed before the release of a solicitation; after bid opening or receipt of proposals; and prior to award to verify that contractors or prospective contractors are eligible for award. The Excluded Parties List System (EPLS), available on the PK Intranet Homepage, is the final authority for determining the current status of suspended or debarred contractors. For listed firms, proceed in accordance with FAR 9.405. Unless the action was posted electronically PKO should verify by annotating the abstract of bids/proposals.

### **9.5 Organizational and Consultant Conflict of Interest (FAR Subpart 9.5)**

Due to the increase in the potential for conflicts of interest between contractors bidding for new work and A&AS contractors supporting ESC program offices an Organizational Conflict of Interest (OCI) Ombudsman and OCI Review Panel have been established by ESC/CC Policy Memo 04-005, dated 19 Mar 04. This policy memo standardizes ESC's approach to OCI issues at ESC; designates the ESC Staff Director, ESC/CO, as the OCI Ombudsman for contractors wishing to raise issues at the center level; and establishes an OCI Review Panel to review all contractor submitted OCI Mitigation Plans after review by the CO and JA, but before final approval, in order to focus on providing a consistent OCI policy at ESC. ESC/CC OCI Policy Memo 04-005 can be located at:

[https://centernet.hanscom.af.mil/command/policies/ESC\\_Policies/Organizational%20Conflicts%20of%20Interest.pdf](https://centernet.hanscom.af.mil/command/policies/ESC_Policies/Organizational%20Conflicts%20of%20Interest.pdf).

## **10. MARKET RESEARCH (FAR Part 10)**

a. ESC/AE is the OPR for market research support to HAFB acquisition personnel. Market research results are to be documented either in the contract file under the "Source List/Market Research Results" Tab of the AFMC Contract File Content Index, or the file should indicate the office location of the results.

#### **b. *Commercial Determinations***

Though FAR 10.002(e) does not specify the format for documenting the results of market research that justifies the determination that an item or service meets the statutory definition of "commercial", a memorandum of record or "Determination and Findings" for the official file is recommended. (SAF/AQC 24 Jan 01 Memorandum which can be found by clicking on the following link: <http://www.safaq.hq.af.mil/contracting/whatsnew/files/ItemandPrice.pdf> .)

## **11. DESCRIBING AGENCY NEEDS (FAR Part 11) - No ECPB Coverage**

## **12. ACQUISITION OF COMMERCIAL ITEMS (FAR Part 12) - No ECPB Coverage**

### **13. SIMPLIFIED ACQUISITION PROCEDURES (FAR Part 13)**

#### **13.1 Procedures (FAR Subpart 13.1)**

##### ***1. Base Contracting Support to Systems Contracting Offices (Not applicable to GSUs)***

a. Each Contracting Office has the authority to contract using Simplified Acquisition Procedures (SAP) outlined in FAR Part 13. This applies to commercial purchases up to the \$5,000,000 threshold. Each Contracting Officer may enter into agreements with and procure items from the Federal Supply Schedules (FSS), Defense Automated Printing Service (DAPS), Federal Prison Industries, National Industries for the Blind (NIB), and NISH (the central agency designated to represent participating nonprofit agencies serving people with severe disabilities other than blindness).

b. PKO may, based on manpower constraints, make off-the-shelf, local, SAP purchases under \$100,000 non-commercial or under \$5,000,000 commercial and purchases of items available from the FSS, DAPS, Federal Prison Industries, National Industries for the Blind, and NISH for a systems contracting office.

(1) To obtain PKO support for the purchase of services:

(a) Obtain approval from the Strategic Planning and Operations Manager or the Contracting Squadron Commander of PKO to accept the work;

(b) Submit through the Automated Business Services System (ABSS) to PKO a funded AF Form 9, Purchase Request, with suggested sources listed.

(2) Limitations to PKO support are:

(a) With the exception of commercial software that will be purchased without modification, PKO cannot purchase software and data of any kind.

(b) For FSS items, the systems buying offices shall make the purchase if the requirement exceeds the maximum ordering limitation on the GSA contract.

(c) Requests for items to be provided to contractors as Government Furnished property (GFP) must be coordinated through the appropriate program/project manager with the assistance of program/project office manufacturing personnel and the systems contracting office CO.

(3) Coordinate exceptions to any of the above procedures with the Strategic Planning and Operations Manager or the Contracting Squadron Commander of PKO.

##### ***2. Government-wide Purchase Card (GPC (aka IMPAC))***

ESC/PKO is the OPR for the Hanscom AFB Government-wide Purchase Card (GPC) Program. Guidance and information regarding the GPC Program at Hanscom is located on the PK Home Page under Operational Contracting/Purchase Card Program.

### **14. SEALED BIDDING (FAR Part 14) - No ECPB Coverage**

## **15. CONTRACTING BY NEGOTIATION (FAR Subpart 15)**

### **15.2. Solicitation and Receipt of Proposals and Information (FAR Subpart 15.2)**

#### ***1. RFP Reference Room***

Buying offices are encouraged to post all documents referenced in the RFP on HERBB (GSUs may use their dedicated Business Opportunities pages); however, when that is not possible program offices should establish a room to be used as a RFP reference library. The room must be available to all prospective offerors who meet applicable security requirements. The applicable program/project manager must appoint a point of contact (POC) for the reference room and ensure that all potential offerors are treated fairly and equally in the use of the room. In addition, the reference room shall not contain third party proprietary data not approved for release outside of the Government, documents that are available via the WWW, or documentation that might jeopardize the integrity of the acquisition. Suggested procedures for establishing an RFP reference room are outlined below:

(1) Each POC should develop specific rules for the use of the reference room by potential offerors; e.g., sign in/sign out procedures, hours of operation, handling of classified information, etc. The rules will contain provisions to allow offerors to copy documents or contracts.

(2) The POC should provide a copy of the reference room rules to the CO.

(3) Locate the reference room on Government premises. (Government-occupied facilities at MITRE are considered Government premises.)

(4) Establish the reference room sufficiently in advance of an RFP to allow potential offerors adequate research time. It may be established when the first of the RFP sections is available in draft form. Add other pertinent documents as they become available.

(5) Close the reference room on the date proposals are due.

(6) The synopsis of proposed contract actions as required by FAR 5.2 is the document for notifying potential offerors of the establishing of the reference room. Include the following statement in the synopsis announcing the reference room: “The establishment of this RFP reference room does not obligate the Government to award a contract, nor does it restrict the Government as to its ultimate acquisition approach or to any other lawful action regarding this potential acquisition.”

(7) The POC should develop and update as necessary an index of all documents in the reference room. It is also suggested that this index be posted on HERBB.

#### ***2. Use of Draft Requests for Proposals (DRFPs)***

All DRFPs should be released to industry via the ESC Business Opportunities section of the Hanscom WWW Site known as HERBB. GSUs may use their dedicated Business Opportunities pages.

**3. Contract Writing Support (GSUs use local procedures)**

Upon request from contracting offices, the Contract Automation section of PKX will provide guidance regarding the construction of all solicitation and contract documents under ConWrite, including resolution of ConWrite Check-for-Error issues. The Contract Automation section will work closely with the designated 3-letter ConWrite focal points to make sure that ConWrite users are informed of the latest changes and problems and also to arrange for basic ConWrite training. Additional guidance for ConWrite users can be found on the ESC/PK Intranet Home Page in the form of manuals, tips and hints, and Computer Based Training (CBT) modules.

**4. Updates to Solicitations Prior to Award**

Updates to clauses and provisions included in RFPs are not required solely to incorporate FACs, DCNs, etc. received after the release of the RFP. However, clauses and provisions directed for inclusion by law or regulation on a specified date shall be incorporated into RFPs or requests for final proposal revisions. In either case, the addition of the mandatory clauses and provisions into the RFP must be identified to all offerors that have submitted proposals.

**5. Pre-Solicitation/Pre-Bid/Pre-Proposal Conferences**

Do not incorporate copies of conference/briefing questions and answers into the solicitation. If the solicitation requires revision due to conference/briefing questions and answers, process a formal solicitation amendment to incorporate specific revisions.

**6. Incorporation of Technical Proposal (GSUs use local procedures)**

Incorporating contractor technical proposals is most appropriate when contracting for R&D studies and analyses. This occurs primarily in ESC/PKR acquisitions. In systems contracting, contractor technical proposals are not normally incorporated; however, COs are encouraged to "capture" unique contractor technical approaches by means of statement of work changes, or other methods, short of technical proposal incorporation. In some cases, such as when offerors are requested to include eventual contract documents (e.g. Integrated Management Plan (IMP), Performance Work Statement (PWS), etc.) into their technical proposals, incorporation of those technical proposals may be appropriate. Do not incorporate the contractor's cost proposal.

**15.3 Source Selection (FAR Subpart 15.3)**

**1. Source Selection Authorities**

For Source Selection Authorities see ECPB Attachment 2, [“Review & Approval Thresholds”](#).

**2. Final Proposal Revisions**

When discussions have been held, before forwarding the contracts to the offerors for signature; or when using the “split proposal process”, before requesting the complete proposal; or when awarding without discussions following initial evaluation of complete proposals, the CO shall resolve all clearance comments with the CRA/CAA. Provide the responses to the comments to the CRA who will, in turn, coordinate the response with the CAA. When the SCCO is the CRA, responses must be cleared with the cognizant ACE analyst, and if required by the GSUs, cognizant policy group, before submittal to the SCCO. Do not release the request for final

proposal revisions or request the complete proposal until a satisfactory resolution to the comments is reached by the CRA/CAA.

**3. Source Selection Assistance**

Lower dollar value source selections not receiving direct support from the ACE should refer to the Source Selection Resource area of the ESC Acquisition Center of Excellence’s page on the Centernet for examples, templates, forms and useful guidance. The area can be accessed at <https://centernet.hanscom.af.mil/acqdev/PMTB/SS-Process/SSP-default.htm>.

**15.4 Contract Pricing (FAR Subpart 15.4)**

**1. ESC Cost/Price Information Matrices & Templates (GSUs use local procedures)**

The CO is encouraged to use the cost/price templates contained on the PK Intranet Homepage as a guide to the types of cost/price information that can be requested in both competitive and non-competitive solicitations. Pricing related documents/templates can be accessed via the ESC Intranet by selecting "Local Process Guidance" from the "ESC/PK Intranet Home Page" and then selecting "Pricing Local Process Guidance". The purpose of the templates is to identify in Section L of the RFP the cost or pricing data or other information to be submitted in support of proposals. Use of contractor reports or formats is encouraged and should be used in all cases where they provide the information identified by the templates. COs are encouraged to involve PKXF in the template selection process. If the estimated value of the action exceeds the thresholds for PKXF’s support (paragraph 15.4.3, below), and pricing support has been waived, the CO must coordinate the choice of templates with PKXF before inclusion in the solicitation.

**2. ESC Procedures for Defective Cost or Pricing Data (GSUs use local legal and pricing offices)**

a. PKXF is the Office of Primary Responsibility (OPR) for recording and tracking all post-award DCAA, GAO, and other Government activity defective pricing allegations. PKXF will ensure that all defective pricing audit reports and dispositions are reported in accordance with Contract Policy Memo 02-C-02, “Contract Audit Follow-Up (CAFU)”, dated 14 Jun 02, which can be found at <http://www.safaq.hq.af.mil/contracting/policy/das-pol-2002.cfm>. PKXF will also provide advice/training to COs, as needed, on the processing, resolution, and disposition of defective pricing cases. GSUs should notify the ESC Defective Pricing Focal Point at PKXF upon receipt of a defective pricing audit. The Focal Point will then provide guidance with regards to current reporting requirements.

b. Procedures:

(1) Upon receipt of a post-award report alleging defective pricing, whether initiated by the CO, ACO, DCAA, GAO, or other Government activity, the CO will send a copy to JA and promptly establish milestone dates for accomplishing each major step in the resolution process in accordance with the following time standards:

<u>EVENT</u>	<u>DAYS AFTER AUDIT RECEIPT</u>
CO Receipt of Post-Award Audit	---
Send copies to JA and PKXF requesting input	5

CO initial analysis to JA	15
CO letter to Contractor providing audit copy and asserting basis for defective pricing	20
Receipt of Contractor response and input from JA and PKXF	50
Receipt of supplemental audit/evaluation of Contractor rebuttal, if necessary	95
Establish negotiation objective and obtain review by the BOCO/COCO*	110
Complete negotiations	140
Distribute supplemental agreement	145

\*BOCO/COCO review not required when prenegotiation objective incorporates DCAA audit recommendations and the action is noncontroversial and/or low dollar.

Note: If the Government cannot negotiate a timely settlement due to an unresponsive contractor, the CO should consider determining the price adjustment unilaterally under the "Disputes" clause within 180 days of receipt of the audit.

(2) Forward a copy of the audit report with a request for price analysis and a copy of the milestone schedule to PKXF.

(3) Provide the CO's initial analysis to JA within 15 days after receipt of the audit report. The CO may use the "CO Checklist for Defective Pricing Audits," in developing the initial analysis. (See [ECPB Annex 15.4](#) for the checklist.) Hold a discussion with JA before preparing the initial written analysis if the initial analysis shows that the audit is unsupported or that there is no defective pricing. If the CO determines that defective pricing does not exist, and does not accept the DCAA recommendations on the basis that pertinent data was not withheld, or that the Government evaluators were aware of the data, the CO shall document the file accordingly. Forward the file for review by the BOCO/COCO.

(4) When the buying office has advance notice from DCAA of defective pricing, work the issue on the basis of a draft DCAA report so that the formal audit can be disposed of more timely.

(5) To foster timeliness and efficiency, do not make unnecessary requests to DCAA for additional data. Accordingly, written requests to DCAA for additional information on defective pricing audits require BOCO/COCO approval.

(6) The PKXF price analyst will review the audit report and related documentation; obtain any additional information required from legal, technical, and other contracting advisors; and prepare and submit to the CO a written recommended Government position. The CO will review the PKXF report, and, if in agreement, will sign and date it to show concurrence. If not in agreement, prior to signing, the CO will coordinate with PKXF to revise the report, to the mutual satisfaction of both parties. The date the report is signed by the CO will be deemed the resolution date for reporting purposes.

(7) Use a team approach in evaluating complicated defective pricing cases (i.e., periodic meetings of DCAA, PKXF, JA and contracting personnel). The CO will chair the team. This should reduce lead times and eliminate communication gaps.

(8) Upon receipt of the PKXF recommendation the CO will forward the Government objective and documentation, including legal advice, to the BOCO/COCO for concurrence before the Government's position is presented to the contractor.

(a) If defective pricing exists the CO will initiate the necessary action with the contractor to recover amounts due the Government. PKXF will participate and will prepare the memorandum required by FAR 15.407-1. Each memorandum will contain the rationale for, and details of, actions taken by the CO relative to the defective pricing, and will be signed by the price analyst, reviewed and signed by the supervisory contract price analyst, and approved and signed by the CO. Distribute defective pricing memoranda the same as Price Negotiation Memoranda (PNM).

(b) Before the CO negotiates an agreement, or issues a final decision, which may result in a defective pricing reduction at an amount less than the "amount questioned" by DCAA in the relevant audit report, the CO shall submit the file to the BOCO/COCO for review and approval.

(9) Normally, resolve defective pricing by negotiation. However, where the contractor is unresponsive but the Government is clearly convinced there is defective pricing, the CO should seriously consider using a final decision pursuant to the "Disputes" clause without waiting further for contractor inputs. The CO should obtain legal review prior to issuing the final decision.

c. The Government is entitled to interest on any overpayment due to defective pricing. The requirement to collect the interest and the computation methodology are set by statute, and, therefore, are non-negotiable (i.e., no compromise is allowable, even as part of an overall settlement). Because the interest computation requires that the amount of overpayment be determined by month, DCAA's assistance will usually be needed to compute the interest due.

**3. Requesting or Waiving Pricing Support (GSUs use local procedures, thresholds, and pricing support)**

a. Unless waived in accordance with c., below, PKXF shall perform cost or price analysis on all proposals over \$10,000,000. The COCO for ESC/PKO may request pricing support for lower dollar thresholds.

b. The CO may request that PKXF perform cost or price analysis for any negotiated contractual action, regardless of value, if in the CO's judgment it is in the best interest of the Government. Each request shall specify why PKXF support is necessary.

c. PKXF may waive the requirement for pricing support at the request of the BOCO. If a waiver is granted, before submitting the contractual action for clearance, the final PNM/PCM must be reviewed by a PKXF Pricing Chief. If a Preliminary PNM is not prepared, the pricing documentation that supports the Government objective must be reviewed by a PKXF Pricing Chief. COs are to request waivers using ECPB Format 1436 available on the PK Intranet Homepage (see paragraph 15.4.1). In addition to the instructions contained on Format 1436, the following guidance applies to Block 3. of the form:

(1) State the reasons waiver is requested (e.g. - low dollar value; low complexity; highly labor intensive; little or no materials involved; on-going experience with the contractor(s); rates and factors readily available from (identify source); etc.). Be specific and detailed.

(2) Indicate how the fairness and reasonableness of each major cost element will be determined and indicate the source and currency of the information.

d. The granting of a waiver does not preclude the CO from requesting informal PKXF support and PKXF will remain available to provide advice as necessary.

**4. Proposal Analysis & Negotiation - CO Responsibilities (GSUs use local pricing support)**

a. Upon proposal(s) receipt, the CO shall:

(1) Obtain verification from the Program Manager/Project Monitor that the proposal(s) is technically compliant with the RFP.

(2) Verify that the proposal(s) is fully responsive to the terms and conditions of the RFP and that there is adequate cost information for evaluating the reasonableness of the price or determining cost realism. If applicable, verify that the contractor submitted cost or pricing data in compliance with FAR 15.403-4 and Public Law 87-653 (the Truth in Negotiations Act) in the type and format described in the RFP.

b. Upon compliance with the above, the CO shall:

(1) Request the Program Manager/Project Monitor perform an evaluation of the technical content of the cost proposal(s) as to labor categories and hours, quantities and types of materials, extent and need for travel, and any other direct estimated cost elements. The request for technical evaluation should be coordinated with the PKXF price analyst to ensure the evaluation results in appropriate data being provided in a useable format. The evaluation shall clearly indicate the methodology used by the evaluator, and the basis for the conclusions reached. Technical evaluations must be reviewed and signed by the responsible Government Program/Project Manager. After verifying the adequacy and quality of the evaluation, forward a copy to the PKXF price analyst.

(2) For actions above the thresholds set forth in paragraph 15.4.3, above, submit a request for cost/price analysis to PKXF.

(3) For actions below the threshold, or where PKXF pricing support is waived, ensure that required cost or price analysis is performed and the contract file documented accordingly.

c. When establishing acquisition milestone schedules, COs shall allow sufficient preparation time for all members of the Government team, including field pricing, audit, and PKXF pricing personnel. Coordinate proposed Clearance briefing/negotiation schedules with PKXF well in advance to ensure price analyst availability.

d. The CO or buyer (contract negotiator/contract manager) will normally be the Government lead in discussions/negotiations. The CO/buyer should conduct a pre-negotiation conference to ensure that each team member understands the Government position and strategy before the start of actual briefings/discussions/negotiations.

e. The CO shall ensure that complete agreement has been reached with the contractor(s) and pertinent Government agencies regarding the statement of work and all contract terms and conditions before requesting final proposal revisions/reaching final price settlement.

**5. Proposal Analysis & Negotiation - Pricing Personnel Responsibilities (GSUs use local procedures)**

a. Upon request, PKXF will provide advice and assistance to the CO in determining appropriate contract type, the extent and type of analysis required, acquisition milestone schedules, structuring of incentives, format and special instructions relating to the type and extent of cost or pricing data required to be submitted, etc.

b. Upon request, PKXF will prepare and transmit to the ACO and/or cognizant audit office a detailed request for cost analysis and/or audit review. Requests will specify areas of analysis, types of information required, and the date ESC requires the report.

c. PKXF will integrate field and technical input together with comparative price analysis data, prepare a written preliminary PNM/PCM and/or pricing portions of the clearance briefing, as required.

d. Within five (5) working days following completion of negotiations, PKXF will submit to the CO a final PNM/PCM, in original and three (3) copies.

**6. Field Pricing Support - DCAA Financial Liaison Advisors (FLAs) (GSUs use local FLA where available)**

DCAA has designated two FLAs for ESC and Contracting Offices are encouraged to use their services. DCAA's FLAs can provide advice on accounting and financial matters, coordinate audit requests and services, explain audit report findings, arrange for DCAA support at negotiations, provide specialized training and support, perform market research, provide financial advice during requirements planning, perform life cycle financial management as well as perform regression and other quantitative analysis. FLAs are also available to be part of ESC's Integrated Product Support Teams (IPTs) and will support or be part of ESC's Source Selection Evaluation Boards. Further, FLAs are available to support commercial acquisitions by verifying commercial catalog/list prices, obtaining historical pricing information, verifying contractors' customarily offered discounts or commercial warranties, providing information on the financial health of contractors as well as evaluating other commercial terms and conditions. (AFMC/PK 30 Nov 01 Memo, "Defense Contract Audit Agency (DCAA) and Commercial Acquisition" which can be found at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/infoltrs.htm>). FLAs may be contacted at either (781) 377-2627 or (781) 377-5830.

**7. Price Negotiation Memorandums (PNMs) and Price Competition Memorandums (PCMs) (GSUs use local procedures)**

When preparing PNMs and PCMs COs/buyers should refer to AFMC's PNM/PCM Guide which can be found in the AFMC Policy Vault on the WWW. When the CO or buyer prepares the PNM/PCM a copy of the PNM (or PCM) Checklist (Attachment A (or B) of the Guide) should be included in the contract file.

**8. One Offer Situations in Competitive Acquisitions**

When only one offer is received from a responsible source during a competitive acquisition the CO must (1) perform market research to determine if the one offer was based on adequate price competition, and (2) must review the situation to determine if adequate information exists to determine the price reasonableness of the offer. PKXF may be asked to assist in this review. If

the CO concludes that adequate information exists for a price reasonableness determination he/she must make a written determination that the conditions of FAR 15.403-1(c)(1)(ii)(A) exist. The determination must be reviewed/approved at a level above the CO prior to contract award (FAR 15.403-1(c)(1)(ii)(B)).

**9. TINA Waiver Process**

a. FAR 15.403-1(c)(4) designates the HCA as the approval authority to waive the requirement of the Truth In Negotiation Act (TINA) for contractors to submit certified cost or pricing data in support of a proposed contract price in exceptional cases. The waiver should be requested only in exceptional cases and the waiver authority cannot be delegated (FAR 15.403-1(c)(4)). For PEO Programs, the HCA is the PEO. For Other Contracting actions to include Installation requirements, the HCA is AFMC/CC.

b. Section 817 of the National Defense Authorization Act for FY03 further directed that the HCA may only issue waivers upon a determination that: (i) the property or services being purchased by the government cannot be reasonably obtained without the grant of the waiver; (ii) the price can be determined reasonable without submission of cost or pricing data; and (iii) there are demonstrated benefits to granting the waiver. (Ref: [SAF/AQC Policy Memo \(03-C-08\), 26 MAR 03](#): Exceptions and Waivers to the Truth in Negotiations Act). The requirements of the FY03 Authorization Act do not affect the blanket waiver requirements established by the DoD for the Canadian Commercial Corporation and non-fee cost reimbursement contracts with non-profit organizations. (Ref: DFARS 215.403-1(c)(4))

c. All TINA waiver requests at ESC are to be processed by the CO with coordination by the program manager, BOCO/COCO, PKXF, PK, and JA prior to submittal to the HCA for approval. For Other Contracting actions, the waiver package must show ESC/CC (or CA) coordination before it is submitted by PK to AFMC/PK (who will in turn, review and submit it to AFMC/CC). A TINA Guide and additional details for processing the waiver can be found on AFMC/PKP's pricing subject area on the WWW at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/pkpc/tina.htm>.

**10. Follow-Up on Contract Audit Recommendations (Implementation of DoDD 7640.2) (GSUs use local Pricing/Policy Office)**

a. When documenting final disposition of contract audit reports the CO is to coordinate all correspondence, memoranda, and audit report disposition notifications through PKXF before transmittal to the auditor.

b. When definitive price negotiations are expected to exceed the dollar limitations specified in paragraph 15.4.3, above, PKXF must participate in pricing claim and final repricing proposals. COs are to report to PKXF those pricing actions below the dollar limitations which have DCAA audit recommendations that meet the criteria for reporting.

c. PKXF is the reportable audit focal point for ESC and for any GSU that does not have its own audit focal point. GSUs that have their own reportable audit focal point should use local procedures and do not need to coordinate with the ESC/PKXF focal point. GSUs that do not have their own reportable audit focal point should contact the ESC focal point upon receipt of a reportable audit to receive current guidance. PKXF is responsible for administering reportable contract audits from the date of receipt through final disposition. PKXF will update the required reporting system based on inputs from the three-letter contracting offices at least quarterly. In

addition, PKXF will prepare the semiannual report and verify this report against the list of reportable audits submitted by DCAA.

(1) PKXF will submit the semiannual status reports for the periods ending 31 March and 30 September to arrive at HQ AFMC/PKPC within ten calendar days after the end of each period.

(2) PKXF will update the HQ AFMC PK Audit Reporting System (PARS) database on quarterly basis. (GSUs submit to PKXF by the third calendar day after the end of each quarter).

**11. Profit Reporting Process (GSUs use local procedures)**

DFARS 215.404-76 requires AFMC contracting activities to report profit statistics. The WWW-based Weighted Guidelines (WWWGL) program performs this reporting function automatically whenever a final DD1547 is printed. The ability to print final 1547s is limited by the WWWGL program to individuals who have been specifically granted this authority. "Black" programs may continue to use PC-WGL and should submit profit reporting through the PKXF focal point. Mr. Scott Hadfield, ESC/PKXF, is the focal point for Weighted Guidelines (WGL) issues and profit reporting.

**15.5 Preaward, Award, and Postaward Notifications, Protests, and Mistakes (FAR Subpart 15.5)**

**Debriefing of Successful and Unsuccessful Offerors (GSUs use local procedures)**

AE and JA will review and coordinate on all proposed debriefing charts for source selections using median and agency procedures for both the successful and unsuccessful offerors and will normally attend all post award debriefings. The debriefings will normally be held at the contractor's facilities. See AFFARS 5315.5 for ground rules and procedures. Contact AE for debriefing templates.

Unless otherwise directed by the Source Selection Authority, the letter requests for Final Proposal Revision (or in the case of the split proposal process, the Complete [including Cost] Proposals) should include a statement that win or lose, the Government plans to conduct a post-award debriefing. In order to insure the availability of key people from the Government and the company, provide a date for planning purposes that is within ten (10) working days of scheduled contract award.

**15.6 Unsolicited Proposals (FAR Subpart 15.6) (GSUs use local procedures)**

ESC/PKXC is the POC for the receipt and processing of Unsolicited Proposals (UPs). For the name of the current POC refer to the PKXC Focal Point List posted on the ESC/PK Intranet Homepage under "Local Process Guidance". Information in UPs must be protected from unauthorized disclosure at all times, therefore, offices receiving UPs are to use the AFMCVA 64-105 cover sheet and ensure that it remains attached to the UP during reviews. An electronic copy of the cover sheet, as well as AFMC's Unsolicited Proposal Guide, can be found at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/pkpa/unsolpro.htm>

## **16. TYPES OF CONTRACTS (FAR Part 16)**

### **16.4 Incentive Contracts (FAR Subpart 16.4)**

#### ***1. Award Fee Determining Official (FDO)***

See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for FDO authorities for ESC Programs. Space Programs executed by ESC/ND and ESC/NI4 are to refer to the AF Space Programs PEO's redelegation letter posted on the ESC/PK Homepage under "Delegations".

#### ***2. Provisional Award Fee Payments***

a. Provisional award fees are to be used only in CPAF contracts, and the CO determination authorizing the use of provisional award fee payments must address the requirements specified in AFMC/PK Policy Memo 2004-PK-02, dated 08 Jan 04, and be included in the official contract file. COs are to also follow the guidance of AFMC/PK Policy Memo 2004-PK-02, dated 08 Jan 04, for AFMC policy when establishing and administering regarding provisional award fee payments. Additional guidance is found in the AFMC Award Fee Guide. Both the memo and guide can be found in AFMC/PK's Policy Vault on the WWW.

b. For all ACAT I and II programs and high visibility award fee decisions, prior to notifying the contractor regarding the FDO decision on award fee payment, SAF/AQ must be notified of all award fee decisions, both for provisional and final payments. SAF/AQCK can be contacted regarding format for informing SAF/AQ.

### **16.5 Indefinite Delivery Contracts (FAR Subpart 16.5)**

#### ***Ordering under multiple award contracts (FAR Subpart 16.505) and AFFARS 5316.505(b)(5)***

##### **Task Order/Delivery Order Ombudsman (FAR 16.505(b)(5) and AFFARS 5316.505(b)(5))**

The ESC Competition Advocates are the Task Order/Delivery Order Ombudsmen for ESC orders placed under multiple award IDIQ contracts and orders placed under the GSA Federal Supply Schedules (including BPAs issued under the Information Technology Service Program (ITSP) and other ESC BPA programs). Issues from industry involving task/delivery order competitions that are not resolved at the CO level are to be addressed to the Task/Delivery Order Ombudsman. The role, name, address, telephone number, and e-mail address of the appropriate Task/Delivery Order Ombudsman should be included in all presolicitation exchanges with industry, in the solicitation/contract, and request for task/delivery order proposal.

(See [ECPB Paragraph 6.5](#) for the names/addresses/phone numbers of the Competition Advocates/Task & Delivery Order Ombudsmen)

## **17. SPECIAL CONTRACTING METHODS (FAR Part 17)**

### **17.5 Interagency Acquisitions Under the Economy Act (FAR 17.5, DFARS 217.500, DoDI 4000.19)**

a. Economy Act D&Fs must be approved by a General Officer or SES. If an organization has a General Officer/SES in their chain of command that GO/SES shall sign the D&F as the approval

authority. In the absence of a GO/SES the approval authority is ESC/CC or CA; for Other Contracting the approval authority is ESC/CS.

b. For services acquisitions, the approval authority is the Designated Official (DO) as long as the DO is at the GO/SES level; if not GO/SES, elevate to the next DO who is at the GO/SES level. (See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for DO authorities.)

c. Before initiating Economy Act orders, requirements and contracting offices should refer to the guidance provided in SAF/AQC's Economy Act Guide found in Part 5317 of SAF/AQC's "AFFARS Library" on the WWW.

## **17.74 Undefined Contract Actions (UCAs) (DFARS Subpart 17.74)**

### **1. Authorization**

a. See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for UCA approval authorities.

b. BOCOs/COCOs should periodically review UCA data and take appropriate action to reduce the total number of active UCAs, reduce delinquent UCA dollars on hand, and increase the number of on-time UCA definitizations. Management attention by BOCOs/COCOs should also be given to UCAs at risk of not meeting established definitization dates. ESC/PKXC will periodically contact HAFB COs regarding the status of outstanding UCAs and report UCA status to PK. In order to comply with AFFARS 53317.7404-3, BOCOs/COCOs should ensure that UCAs that are more than one year old are reported to SAF/AQC.

c. For the acquisition of long-lead items initiated with appropriated advance procurement funds, refer to Informational Guidance (IG) 5317.74 which can be found in Part 5317 of SAF/AQC's "AFFARS Library" on the WWW.

## **18. RESERVED IN FAR (FAR Part 18)**

## **19. SMALL BUSINESS PROGRAMS (FAR Part 19)**

### **19.2 General Policy (FAR Subpart 19.2) (GSUs use local procedures)**

a. It is the COs responsibility to ensure that a fully coordinated DD Form 2579, Small Business Coordination Record, is accomplished in accordance with DFARS 219.201(d). The DD Form 2579 is generated at the beginning of the acquisition by the contracting office and electronically submitted to the Small Business Specialist at ESC/BC for coordination, who will, in turn, forward the form to the Small Business Administration (SBA) Procurement Center Representative (PCR) for coordination. Coordination will be evidenced by e-mail notification back to the originating office by ESC/BC. Upon award, award data must be inserted onto the DD Form 2579 and forwarded to ESC/BC. Guidance on the procedures for completing the DD Form 2579 is found on the PK Homepage under "Local Process Guidance" under Small Business training.

## **19.5 Set-Asides for Small Business (FAR Subpart 19.5)**

### **Rejecting Set-Aside Recommendations**

a. If the small business specialist recommends that a proposed acquisition be set-aside, the small business specialist will return the unsigned DD Form 2579 to the CO. If the CO disagrees with the set-aside recommendation, the CO will furnish written notice to the Small Business Office in accordance with FAR 19.505(a) and 19.506(a).

b. According to FAR 19.505(b), the SBA may file an appeal of the CO's rejection of a small business set aside to the HCA. The HCA for PEO programs is the PEO, and for Other Contracting the HCA is the SCCO. (AFFARS 5301.601(a)(i) and AFMCFARS 5301.601(a)(i)(B))

c. If an SBA appeal on a small business program is filed with the agency head (SAF/AQ), the file required by Mandatory Procedure (MP) 5319 "Small Business Program" must be prepared by the CO and coordinated through the small business specialist, legal office, and PKXC (GSUs use local small business, legal, and policy staff) before submittal to ESC/PK. In addition, the CO must prepare the transmittal letter for PK signature forwarding the file to HQ AFMC/CDB. (MP 5319 can be found in Part 5319 of SAF/AQC's "AFFARS Library" on the WWW.)

## **19.7 The Small Business Subcontracting Program (FAR 19.7)**

### **Reviewing the Subcontracting Plan**

The Subcontracting Plan Review and Analysis Checklist included at [ECPB Annex 19.1](#) may be used as a tool for the CO's subcontracting plan review. For "Changes" clause contract modifications, complete only item numbers 1-7 of the checklist.

## **19.8 Contracting With the Small Business Administration (The 8(a) Program) (FAR Subpart 19.8)**

### **SBA Appeals**

If an SBA appeal on an 8(a) program is filed with the agency head (SAF/AQ), the file required by Mandatory Procedure (MP) 5319, "Small Business Program" must be prepared by the CO and coordinated through the small business specialist, legal office, and PKXC (GSUs use local small business, legal, and policy staff) before submittal to ESC/PK. In addition, the CO must prepare the transmittal letter for PK signature forwarding the file to HQ AFMC/CDB. (MP 5319 can be found in Part 5319 of SAF/AQC's "AFFARS Library" on the WWW.)

## **20. RESERVED IN FAR (FAR Part 20)**

## **21. RESERVED IN FAR (FAR Part 21)**

## **22. APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS (FAR Part 22) - No ECPB Coverage**

## **23. ENVIRONMENT, CONSERVATION, OCCUPATIONAL SAFETY, AND DRUG-FREE WORKPLACE (FAR Part 23) - No ECPB Coverage**

**24. PROTECTION OF PRIVACY AND FREEDOM OF INFORMATION (FAR Part 24)  
- No ECPB Coverage**

**25. FOREIGN ACQUISITION (FAR Part 25) - No ECPB Coverage**

**26. OTHER SOCIOECONOMIC PROGRAMS (FAR Part 26) - No ECPB Coverage**

**27. PATENTS, DATA, AND COPYRIGHTS (FAR part 27) - No ECPB Coverage**

**28. BONDS AND INSURANCE (FAR Part 28) - No ECPB Coverage**

**29. TAXES (FAR Part 29) - No ECPB Coverage**

**30. COST ACCOUNTING STANDARDS ADMINISTRATION (FAR Part 30) - No  
ECPB Coverage**

**31. CONTRACT COST PRINCIPLES AND PROCEDURES (FAR Part 31)**

**31.1 Applicability (FAR Subpart 31.1)**

**Advance Agreements**

- a. Precontract cost agreements may be used when:
  - (1) the prospective contractor elects to incur costs at its own risk before the effective date of a resulting contract and requests precontract cost recognition; and
  - (2) the CO agrees that the Government shall recognize precontract costs the same as if incurred after the effective date of any resulting contract.
  
- b. The precontract cost agreement may be written in essentially the following format:

“Subject to approval as required by law and regulation, the undersigned agree to include a clause in any contract resulting from negotiations with (*insert company name*) under (*insert solicitation number*) that all costs not in excess of \$(*insert dollar amount*) incurred by the prospective contractor after (*insert date*), and before the contract effective date, shall be recognized the same as if incurred after the effective date of the resulting contract.

The parties agree that the Government shall not accept any benefit of the prospective contractor’s efforts, give no direction or encouragement, and make no payments until a contract is awarded.

If no contract results from these negotiations, the prospective contractor is responsible for any incurred costs. Any incurred costs shall not be used as the basis of a claim against, or construed as an obligation of the Government.” (Include any specific cost categories and any other limiting details).

(signed)  
Contracting Officer

(signed)  
Prospective Contractor

- c. Precontract cost agreement approval thresholds are the same as the issuance of a UCA of the same value. (See ECPB Attachment 2, “Review & Approval Thresholds” for UCA approval authorities.)
  
- d. Obtain legal review before issuing the agreement.

## **32. CONTRACT FINANCING (FAR Part 32)**

### **32.6 Contract Debts (FAR Subpart 32.6)**

#### **Deferment of Collection (FAR Section 32.613)**

- a. The authority to negotiate terms and conditions related to deferment of debt collection and/or debt installment procedures (not the amount of debt owed) rests with the CO.
- b. The CO will ensure that the proposal for debt collection deferment/debt installment contains, at a minimum, the information required under FAR 32.613(b) or (c), depending upon the circumstances.
- c. The CO will prepare an evaluation of the contractor's proposal including the Government's position on terms of the deferment/installment agreement to be negotiated. Obtain coordination by the local FM and local legal office prior to negotiating the terms of the deferment/installment payments.

### **32.7 Contract Funding (FAR Subpart 32.7)**

#### **1. Solicitation Release Prior to Formal Funding (Operational Contracting)**

Refer to paragraph (j) of the “Air Force Guide on Contract Financing” for installation-level contract funding. The Guide can be found in Part 5332 of SAF/AQC's “AFFARS Library” on the WWW.

#### **2. Committing Funds and Processing Purchase Requests (PRs and MIPRs) (GSUs use local procedures)**

To establish a documented basis allowing for prompt decommitment of excess funds from purchase requests the CO shall annotate Section G, Contract Administration Data, of contracts/modifications/orders by typing either the word “PARTIAL” OR “COMPLETE” in capital letters for each PR number in Section G. The word “PARTIAL” indicates that the excess funds on the PR are not to be decommitted and remain available for further obligation. Conversely, the word “COMPLETE” indicates that excess funds remaining on the PR, if any, are to be decommitted and that no further obligations against that PR can be made.

#### **3. Limitation of Cost or Funds (GSUs use local procedure and pricing offices)**

- a. The CO should not issue contract modifications for new work, changes in existing work, or time extensions until resolution of the overrun or additional funds request. The CO must immediately advise the program manager of the situation.
- b. The CO must promptly notify the contractor in writing to provide the latest date by which additional funds may be obligated to continue the contract without a Government-caused delay of work; the reason for the increase in rate of expenditure or estimated cost; and a cost breakdown by element of cost of the total estimated cost overrun, clearly showing the elements which changed from the original estimate. This must include the original estimate, cost to date, cost to complete, revised estimate and adjustment, in tabular format.

(1) If the contractor's estimate of the overrun is greater than the monetary limitation of ECPB Subpart 15.4.3, the CO is to initiate a request to PKXF for cost analysis, including audit review and technical evaluation of the contractor's submission. Use this threshold to determine mandatory PKXF involvement in overruns; however, seek PKXF assistance whenever ESC fact-finding at the contractor's plant is deemed appropriate, or when contemplating negotiation of changes in CPIF sharing arrangements.

(2) If there is a Cost Performance Reporting (CPR) or Cost/Schedule Status Report (C/SSR) requirement in the contract, initiate a request for Program Office/Cost Analysis Division review and assessment of the contractor's overrun submission simultaneous with the request to the Pricing Division referenced in paragraph (a) above.

(3) Determine whether the supplies or services of the contract are still required.

(4) Maintain adequate follow-up to assure that the decision as to whether the overrun will or will not be funded is provided, and process the funding action or initiate the termination action according to the decision made.

(5) Advise the ACO of the action in process.

c. Reimbursement of costs incurred under contracts referred to in FAR 32.704 is limited, in the case of a fully-funded cost contract, to the estimated cost set forth in the contract schedule, and, in the case of an incrementally funded cost contract, to the amount of funds allotted to the contract for payment of costs. A contract cost overrun condition exists when the contractor is unable to complete the overall required contract effort within the contract estimated cost, whether the contract is fully or incrementally funded. Contract Line Items (CLINs) on either fully or incrementally funded contracts cannot be funded above the estimated cost of the CLIN. An appropriate contract modification increasing the estimated cost of the CLIN must be accomplished prior to funding the CLIN over the estimate.

d. Do not encourage contractors to use their own funds to support cost overruns. Request the ACO to provide an estimate of the interim funding that would be required to assure continuation of contract performance pending a decision by the Government whether to fund an existing or forecasted overrun. Interim funding is permissible prior to receipt of audit.

e. Upon receipt of a late notification that a contract has been overrun, the CO will:

(1) Determine the date by which the contractor should have provided notice.

(2) Determine the reason for the overrun, recognizing that the burden of explanation rests with the contractor.

(3) Consider whether there is any possibility that the overrun could have been foreseen.

(4) Address requests for overrun funding on physically completed contracts on a case-by-case basis.

(5) File the basis for the CO's decision to fund the overrun (unexpected increase in negotiated overhead rates with no evidence of inadequate accounting procedures or performance, for example) in the file and furnish a copy to PKXF.

(6) If the CO decides to refuse to fund the overrun, the CO will notify the contractor, giving the reasons for the refusal. Furnish a copy of the decision letter to PKXF.

(7) If the CO decides to fund an overrun, the CO will coordinate with the cognizant administering activity to substantiate the amount of the overrun to be funded.

#### ***4. New Start Validation***

Before obligating any funds on actions that constitute a "new start" the CO must ensure that a fully coordinated "new start" validation form is placed under Tab 1 of the contract file. (See AFFARS 5332.702-90 and SAF/AQ Memo, Congressional New Start Notification for Investment Appropriations, dated 01 Feb 00). SAF/AQC's Memo, as well as the New Start validation form, can be found in Part 5332 of SAF/AQC's "AFFARS Library" on the WWW.)

### **33. PROTESTS, DISPUTES, AND APPEALS (FAR Part 33)**

#### **33.1 Protests (FAR Subpart 33.1)**

##### ***1. GAO Protests***

a. Pursuant to AFFARS 5333.104-90(a), the CO shall follow the procedures contained in Mandatory Procedure (MP) 5333.104-90 "Protests to the GAO" located in Part 5333 of SAF/AQC's "AFFARS Library" on the WWW.

b. ESC/PKXC is the ESC protest focal point to receive notifications of GAO protests and to maintain internal data on all GAO protests received. (For the name of the current POC refer to the PKXC Focal Point List posted on the ESC/PK Intranet Homepage under "Local Process Guidance"). The focal point will provide official notification to the CO within 24 hours after receipt from SAF/AQCX. As the protest focal point, PKXC is required to review the CO's Statement Of Facts (SOF) and other pertinent documents, as appropriate, prior to the CO's submission to SAF/AQCX or GCQ to make sure the agency report is complete. GSUs are required to obtain local policy review prior to submission to PKXC.

c. Immediately upon receipt of notification of a GAO protest or potential GAO protest, the CO is to inform JA (GSUs may use local JA), the appropriate program manager, PKXC, and for pre-award protests, the assigned ACE analyst. PKXC will notify PK.

(1) No later than one business day of receiving the protest, the CO must provide copies of all protests and, if applicable, GAO reports or other information to JA for review. In addition, the CO must e-mail to [gaoprotests@petagon.af.mil](mailto:gaoprotests@petagon.af.mil) the name, phone number, fax number, and e-mail address of the contracting officer and local attorney assisting in the protest defense.

(2) No later than three business days of receiving the protest, the CO shall consult with JA to determine whether a stay is required and an override recommended. If a stay is not required then discuss with JA whether contract performance should be suspended or the contract terminated, and if corrective action should be taken or a summary dismissal requested.

(3) No later than five business days after the Air Force received the protest provide the Statement of Facts and Table of Contents to JA and the PKXC protest focal point.

(4) The CO is responsible for SAF/AQCX and SAF/GCQ electronically receiving the Statement of Facts and Table of Contents (including a listing of any requested documents deemed irrelevant and being provided in a separate binder) not later than 15 calendar days from the date SAF/AQCX is notified of the protest (or seven days from the date the express option is invoked

by the GAO). In addition, the CO is to electronically provide this information to the PKXC protest focal point.

d. COs must notify both ESC/IG and PKXC when Congressional Inquiries about protests against award are received.

e. Requests for approval to award a contract (pre-award protest) or to continue contract performance (post-award protest) must be processed in an expeditious manner to ensure a timely decision by the Head of the Contracting Activity (HCA). The CO and program manager must work with the JA program attorney in preparing the required documentation. Pursuant to AFFARS 5333.104-90(b), the request must be signed by a GO/SES or, if not available, by the installation commander or deputy.

For PEO programs, the HCA is the PEO (AFFARS 5301.601(a)(i)). Refer to Mandatory Procedure (MP) 5333.104-90 for procedures on obtaining approval to award the contract/continue with performance.

For Other Contracting actions, the HCA is AFMC/CC (AFFARS 5301.601(a)(i)). This authority is not delegable. The request package provided to AFMC/CPK should include a Staff Summary Sheet requesting the override with local coordination (to include local legal office; local ACE or Policy Group; local PK/Contracting Chief) and signature by the appropriate authority (i.e., GO/SES or, if not available, by the installation commander or deputy). In addition, include a complete, unsigned Determination & Findings and the program office justification memo. AFMC/CPK will prepare the notice for the GAO. Refer to AFMC/CPK's Protest Override Page at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/CPK/CPK/CPKA/protest.htm> for a synopsis of the process, to include a Staff Summary Sheet and D&F template.

## **2. Agency Protests**

a. For agency protests filed below the ESC/PK level, it is recommended that COs prepare an agency report using the format contained in Mandatory Procedure (MP) 5333.104-90, "Protests to the GAO" found in Part 5333 of SAF/AQC's "AFFARS Library" on the WWW.

b. For agency protests filed at the ESC/PK or ESC/CC/CA/CS level, COs (including GSU COs) must submit a complete protest file that includes all facts and documents for an agency report as required by MP 5333.104-90. In addition, COs are required to prepare the decision letter for the resolution authority's signature. Coordinate both the agency report as well as decision letter through the local JA and local staff office prior to submission to ESC/PK.

c. For agency protests filed below the ESC/PK level, provide the following information to the PKXC protest focal point:

- (1) Date protest received;
- (2) Solicitation/Contract# and program name;
- (3) Summary of protest/issues;
- (4) Date protest decision was made;
- (5) Disposition of protest (i.e., denied or sustained);
- (6) If protest was sustained, identify what corrective action was taken and the date.

### **33.2 Disputes and Appeals (FAR Subpart 33.2)**

#### **CO's Decision**

Extensions to the required 60-day CO's final decision to the contractor must be approved by the BOCO/COCO. The decision extension request to the BOCO/COCO must include historical information, the reason(s) for delay, and any other pertinent facts.

#### **33.214 Alternative Dispute Resolution (ADR) (FAR Section 33.214)**

The ESC ADR Champion is Larry Coe, ESC/AE.

### **34. MAJOR SYSTEM ACQUISITION (FAR Part 34) - No ECPB Coverage**

### **35. RESEARCH AND DEVELOPMENT CONTRACTING (FAR Part 35) (GSUs use local procedures)**

#### **35.1. Broad Agency Announcements (BAAs) (FAR Subpart 35.016)**

##### **1. Procedures**

a. Prepare BAAs in synopsis format in accordance with FAR 5.207(b), (c), and (e), and include the following statement in the BAA: "Offerors must mark their proposals with the restrictive language stated in FAR 15.609(a)." Coordinate BAA synopses with the BOCO/COCO.

b. BAAs may include the Government funding estimate, level of effort estimate, or contemplated performance period.

c. Before a BAA is published:

(1) The requiring activity is required to provide documents required in FAR 35.016(b)(1-3) and,

(2) The CO must document the file that a BAA is appropriate for the requirement.

d. Upon receipt of proposals the requiring office must:

(1) Competitively evaluate proposals that fall within the scope of the open announcement.

(2) Classify proposals into one of the following three categories:

(i) Category I: Well conceived, scientifically and technically sound proposals pertinent to program goals and objectives, and offered by a responsible contractor with the competent scientific and technical staff and supporting resources needed to ensure satisfactory program results. Proposals in Category I are recommended for acceptance and normally are displaced only by other Category I proposals.

(ii) Category II: Scientifically or technically sound proposals requiring further development and are recommended for acceptance, but are at a lower priority than Category I.

(iii) Category III: Proposals not technically sound or do not meet agency needs.

e. After evaluation of the proposals:

(1) The requiring office must forward to the CO:

(i) The results of the technical evaluation and the proposal(s) selected for funding;

(ii) A description of changes desired in any proposer's statement of work, including the basis for the change;

(iii) Data requirements identified on DD Form 1423, Contract Data Requirements List. This form is not required for delivery of a technical report;

(iv) A purchase request for each proposal selected for funding; and  
(v) A copy of each proposal and supplementary material received in response to the announcement.

(2) The CO is required to:

(i) For proposals selected for funding:

(A) Advise offerors of contract type, estimated award date, level of effort, and delivery schedule;

(B) If needed, send offerors a model contract (include modifications contemplated in the offerors statement of work) requesting agreement or identification of any exceptions;

(C) Request offerors to provide supporting cost data for DD Forms 1423, if used;

(D) Obtain completed certifications and representations and SF 33, Solicitation, Offer, and Award, or equivalent;

(E) Complete proposal evaluations and negotiations. Competitive range determinations and final proposal revisions are not required for BAAs;

(F) Award contracts in accordance with FAR 15.504.

(ii) For technically acceptable proposals not selected for funding, and technically unacceptable proposals:

(A) When requested, provide debriefings according to FAR 15.505 and 15.506;

(B) Advise offerors that a copy of each final report from any resultant contract(s) is available, subject to national disclosure policy and regulations;

(C) Send notices of nonselection to offerors whose proposals were not selected for funding.

f. Code DD Form 350, Block C3 "A--Competed Action" for all BAAs.

**g. *Announcements by the Defense Advanced Research Projects Agency (DARPA) and other DoD agencies.***

AFMC contracting activities acting as contracting agents for DoD agencies should proceed with awards for competitively selected proposals received in response to the announcements when the:

(1) Agency provides the contracting activity with a copy of the announcement, including all publications incorporated by reference, and documentation required in FAR 35.016(b)(1-3) and in ECPB 35.1, paragraph 1.e. (1) above.

(2) Announcement satisfies the definition of a BAA as described in FAR 35.016(a), and the requirements of FAR 35.016(a) and 35.016(b) as supplemented;

(3) Technical evaluation process is shown to be equivalent to ECPB 35.1, paragraph 1.d. above.

**2. *Program Research and Development Announcements (PRDA)***

a. A "PRDA" is a synopsis of a requiring activity's interest in new and creative research or development solutions to scientific or engineering problems with the intent to solicit proposals. The PRDA may be an appropriate contracting method for exploratory research that has general application and is not system specific (e.g., not related to the development of a specific weapon system or a specific hardware development effort).

b. PRDAs are used to contract for research and development in the same manner as BAAs in accordance with FAR 35.016.

c. PRDAs should contain at least one proposal submission date/time. The submission dates/times may be spread over a number of months most compatible with the availability of resources necessary to evaluate and fund the proposals. Use the same ECPB procedures as specified for BAAs.

d. The content and format of a PRDA should be in accordance with FAR 35.016(b).

e. Code DD Form 350, Block C3 "A--Competed Action" for all PRDAs.

## **35.2. Indemnification Against Unusually Hazardous Risks (AFFARS 5335.070)**

### ***1. Radio Frequency (RF) Spectrum Management Procedures***

The following procedures should be followed in obtaining spectrum certification and frequency authorization, if the latter is required.

a. The policy and procedures of AFI 33-118, "Radio Frequency Spectrum Management" should be followed to obtain spectrum certification approval and USAF radio frequency (RF) authorizations of wireless RF devices that use or are planned to use the radio frequency (RF) portion of the electromagnetic spectrum

b. Spectrum certification proposal(s), presented on the DD Form 1494, "Application for Equipment Frequency Allocation", should be submitted through the CO to the program manager for processing through the ESC Spectrum Management Office.

c. Frequency assignment proposal(s) should be submitted, in Standard Frequency Action Format (SFAF), through the CO to the program manager for processing through the ESC Spectrum Management Office.

d. Further administrative guidance and additional instructions are available from the ESC Spectrum Management Office, (781) 377-7511, 66 MSG/SCB, 30 Hamilton Street, Hanscom AFB, MA 01731-2802

## **36. CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS (FAR Part 36) - No ECPB Coverage**

### **37. SERVICE CONTRACTING (FAR Part 37)**

#### **37.1 Service Contracts--General (FAR Subpart 37.1)**

##### ***1. Contractor Identification Requirements:***

To comply with OFPP Letter 93-1, Management Oversight of Services Contracting (<http://www.acqnet.gov/AcqNet/Library/OFPP/PolicyLetters/>), support contractors (prime and subcontractors) providing contracting administrative support must not be identified as the individual responsible (or government point of contact) for any contract action (solicitations, contracts, modifications), or identified as the individual responsible for a contract action in letters or other written/electronic communication. Support contractors must also comply with their contracts' Access to Air Force Installations clause (AFFARS 5342.490-1 and AFFARS 5352.242-9000).

**2. Approval Requirements for Services Contracts**

a. Acceptance by the CO of a performance-based purchase request with the required AFFARS 5337.170-3(a) statement signifies certification that the services purchased through the DoD contract or task order are, in fact, performance-based.

b. The CO must approve all services acquisitions purchased through a DoD contract or task order under \$5M that are not performance-based and evidence approval in the contract file. For non-performance based services acquisitions \$5M+ the Service Acquisition Designated Official (DO) authority listed in ECPB Attachment 2, "[Review & Approval Thresholds](#)", is the approval authority.

c. For services procured through a contract or task order awarded by an agency other than DoD (Economy Act actions) refer to [ECPB para 17.5.b](#).

**37.2 Advisory and Assistance Services (A&AS) (FAR Subpart 37.2)**

**1. Determination/Decision Document (DDD) Delegation**

CC has delegated to CS the authority to approve Advisory and Assistance Services (A&AS) Determination/Decision Documents (DDD) from \$50,000 to \$49,999,999.

**2. Information Technology Services Program (ITSP) Support**

Contracting offices are required to follow ESC's "Information Technology Services Program (ITSP) Government User's Guide" when establishing and utilizing ITSP support at ESC. The Guide can be found at the ITSP II HERBB WWWsite at [http://www.herbb.hanscom.af.mil/esc\\_opps.asp?rfp=R189](http://www.herbb.hanscom.af.mil/esc_opps.asp?rfp=R189).

**37.5 Management Oversight of Service Contracts**

**1. Service Acquisition Designated Official (DO) Acquisition Authorities**

Refer to ECPB Attachment 2, "[Review & Approval Thresholds](#)" for DO review and approval authorities and delegations for services acquisitions.

**2. Process**

Pre- and post-award management and oversight for Air Force services acquisitions \$2B or more; IT services acquisitions over \$32M a year/over \$126M total program costs/or over \$378M total life cycle costs; and Under Secretary of Defense Acquisition, Technology and Logistics (USD (AT&L)) special interest acquisitions must follow the services contracts oversight process set forth in the USD (AT&L) Acquisition of Services letter dated 31 May 02 located at: <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkv/acqofsvcs.doc>.

In addition, Air Force services acquisitions \$100M to <\$2B; any acquisition pursuant to an A-76 study involving 300 or more FTEs; and any acquisition designated by the AFAE as special interest acquisitions must also follow the USAF Management and Oversight of Acquisitions of Services Process (MOASP) found at [https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkv/usaf\\_moasp.doc](https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkv/usaf_moasp.doc).

AFMC services acquisitions from \$5M to \$100M; IT services acquisitions \$5M to \$32M a year/ \$126M or less total program costs/or \$378M or less total life cycle costs; and any A-76 study involving less than 300 FTEs acquisitions must follow the procedures in AFMC/CC's 8 Mar 04 Memo, "AFMC Management and Oversight of Acquisition of Services Process (MOASP)". The Memo defines DO responsibilities, management controls, as well as acquisition strategy content. The memo can be found at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/polvault/03mar/04/040308v.pdf>.

Unless directed otherwise by the PEO, services acquisitions in the AFPEO/C2 & CS portfolio are to follow similar management controls and process as set for in the AFMC MOASP.

**38. FEDERAL SUPPLY SCHEDULE CONTRACTING (FAR Part 38) - No ECPB Coverage**

**39. ACQUISITION OF INFORMATION TECHNOLOGY (FAR Part 39)**

***Use of AFWay***

According to SAF/AQC 29 Aug 03 Memo and AF-CIO Policy Memo 03-12, AFWay is mandatory for purchases of desktop and notebook computers. The SAF/AQC Memo also provides guidance for adding contracts to AFWay as well as an AFWay Users' Guide. The Memo can be found at [http://www.safaq.hq.af.mil/Contracting/policy/das\\_info.cfm](http://www.safaq.hq.af.mil/Contracting/policy/das_info.cfm).

**40. RESERVED IN FAR (FAR Part 40)**

**41. ACQUISITION OF UTILITY SERVICES (FAR Part 41) - No ECPB Coverage**

**42. CONTRACT ADMINISTRATION AND AUDIT SERVICES (FAR Part 42)**

**42.4 Correspondence and Visits (FAR Subpart 42.4)**

***Letters of Direction to Contractors***

In the administration of a contract, correspondence is sometimes sent pursuant to the terms of the contract to enforce, interpret, or clarify contract terms and conditions, or to provide direction consistent with contract terms and conditions. Such correspondence is not meant to constitute a contract change within the meaning of FAR 43.1. To formally notify the contractor of this, the CO may choose to include a disclaimer paragraph substantially as follows:

"The Government believes that your performance according to this instruction is within present contract requirements. If you disagree, you must notify the CO in writing within seven (7) calendar days after you receive this letter."

(Note: The cutoff date in the above disclaimer may vary if the contract includes a different limitation negotiated under FAR clause 52.243-7, Notification of Changes.)

**43. CONTRACT MODIFICATIONS (FAR Part 43)**

## **43.2 Change Orders (FAR Subpart 43.2)**

### ***1. General***

When possible, the CO should include definitive work statements in undefinitized change orders to minimize the need for clarification, redirection of effort, and delay in change order definitization.

### ***2. Issuing Change Orders (GSUs use, as appropriate)***

a. In cases where the Configuration Control Board (CCB) makes conditional Engineering Change Proposal (ECP) approval in the CCB directive, the CO should attempt to resolve all comments or conditions via face-to-face discussions, telephonic discussions, or correspondence, as appropriate, with the contractor. When the comments or conditions cannot be resolved, return the ECP to the CCB for concurrence or further direction. The CO will not incorporate an ECP into a contract until receiving an unconditional CCB directive.

b. When notifying a contractor of the results of CCB action on an ECP, the CO letter will state that (1) the ECP was determined to be either technically acceptable, technically acceptable with comments, or rejected, and (2) the CCB action does not constitute authority to proceed until otherwise directed by the CO.

### ***3. Correcting, Revising, or Superseding Change Orders***

Correcting, revising, or superseding a change order may invalidate an existing not-to-exceed (NTE) price; therefore, the CO should obtain written contractor confirmation of the existing NTE prior to authorizing the change. Change order corrections, revisions, or supersessions require CCB action.

## **44. SUBCONTRACTING POLICIES AND PROCEDURES (FAR Part 44) - No ECPB Coverage**

## **45. GOVERNMENT PROPERTY (FAR Part 45)**

### **45.4 Contractor Use and Rental of Government Property (FAR Subpart 45.4)**

#### **Government-Furnished Computer Time (Not applicable to GSUs)**

In performance of an R&D effort, the Government may furnish on a no-charge, non-interference basis, computer time/use on the Air Force Research Laboratory (AFRL), Hanscom Research Site computer system. Written authorization by the appropriate AFRL's Space Vehicle Directorate or Sensors Directorate director identifying the computer equipment and hours must be included in the official contract file.

**46. QUALITY ASSURANCE (FAR Part 46)**

**46.6 Material Inspection and Receiving Reports (FAR Subpart 46.6)**

**Requirements for Data Acceptance**

Contracting offices are to require submittal of a DD Form 250 to collectively account for completed data items that require submittal only by letter of transmittal.

**47. TRANSPORTATION (FAR Part 47) - No ECPB Coverage**

**48. VALUE ENGINEERING (FAR Part 48) - No ECPB Coverage**

**49. TERMINATION OF CONTRACTS (FAR Part 49)**

**49.1 General Principles (FAR Subpart 49.1) (GSUs use local procedures)**

**Authorities and Responsibilities (GSUs use local procedures)**

Termination Contracting Officer (TCO) authority rests with Hanscom Contracting Officers who have been issued unlimited CO warrants. COs with unlimited warrants have authority and responsibility to enter into, approve, terminate, and take all other appropriate action with respect to their contracts. COs are to use the AF Form 3056 and follow the AF Form 3056, Termination Authority, procedures CO located in Part 5349 of SAF/AQC's "AFFARS Library" on the WWW.

**49.4 Termination for Default (FAR Subpart 49.4)**

**1. Termination of Fixed-Price Contracts for Default (GSUs use local legal office; advise local PK/Contracting Chief)**

For ACAT I, II, and III Programs, prior to issuing a cure notice, show cause notice, or termination notice, the CO shall obtain legal review and coordination, and notify both PK and the PEO of the pending action. After issuance the CO shall provide SAF/AQCK copies of the issued cure/show cause notices and termination notices as required by AFFARS 5349.402-3. SAF/ACQK must also be notified of any other notice that could result in high-level AF interest.

**2. Termination of Cost-Reimbursement Contracts for Default (GSUs use local legal office; advise local PK/Contracting Chief)**

For ACAT I, II, and III Programs, prior to issuing a termination notice, the CO shall obtain legal review and coordination, and notify both PK and the PEO of the pending action. After issuance the CO shall provide SAF/AQCK copies of the termination notices as required by AFFARS 5349.403. SAF/ACQK must also be notified of any other notice that could result in high-level AF interest.

**49.5 Contract Termination Clauses (FAR Subpart 49.5)**

**Special Termination Costs (GSUs use local procedures)**

Requests for use of DFARS 252.249-7000, Special Termination Costs, must provide complete supporting rationale for special termination cost (STC) coverage as specified at AFFARS 5349.501-70(a). (See also DFARS 249.501-70). Requests are to be jointly prepared by the

program and contracting offices and coordinated through the Single Manager, FMC, and PKXF, prior to submittal to PK, who will forward to SAF/AQCK.

**49.70 Special Termination Requirements (DFARS Subpart 49.70)**

**Congressional Notification of Significant Contract Terminations (GSUs use local procedures)**

COs are responsible for submitting the information required by DFARS 249.7001(d) to SAF/AQCK at least 5 days before the proposed termination date, and must ensure that the termination notice is not issued until contacted by SAF/LLP. (See also AFFARS 5349.7001)

**50. EXTRAORDINARY CONTRACTUAL ACTIONS (FAR Part 50) - No ECPB Coverage**

**51. USE OF GOVERNMENT SOURCES BY CONTRACTORS (FAR Part 51) - No ECPB Coverage**

**52. SOLICITATION PROVISIONS AND CONTRACT CLAUSES (FAR Part 52) - No ECPB Coverage**

**53. FORMS (FAR Part 53) - No ECPB Coverage**

**91. AFMC MAINTENANCE, OVERHAUL, AND MODIFICATION CONTRACTING (AFMCFARS Part 91) - No ECPB Coverage**

**92. TECHNICAL SERVICES (ECPB Part 92)**

**MITRE C3I Federally Funded Research & Development Center (FFRDC) Support**

a. ESC has contracted with the MITRE Corporation for scientific research and analysis, development, acquisition, and systems engineering and integration support for Command, Control, Communications, and Intelligence (C3I) on selected projects and programs. MITRE, as the C3I FFRDC, can be assigned one of the following roles for an assigned project: General Systems Engineering and Integration (GSE&I), Systems Research and Planning (SR&P) and Research and Experimentation (R&E). Refer to ESC Instruction 64-103, Establishing and Utilizing MITRE C3I FFRDC Support (dated 1 Oct 03) for specific policies, procedures, and responsibilities related to MITRE support.

b. To provide contractual recognition for MITRE's assigned role and to facilitate cooperation with industry contractors, RFPs and contracts using MITRE will incorporate an appropriate enabling clause. The applicable Project Work Statements (PWS) will also indicate MITRE's role and identify the name of the applicable contractor, contract number and specific enabling clause governing MITRE's relations with the contractor.

c. When using an enabling clause, it is recommended that the applicable Contract Data Requirements List (CDRL) contain a line item entry requiring delivery of data pursuant to the enabling clause.

d. On ESC contracts that require MITRE to review the effort and/or products of the contractor on an intermittent basis when requested by ESC an intermittent technical review clause is appropriate. The level of MITRE participation must be coordinated with MITRE management

and ESC/XPB and a one-time contract or program clause approved before negotiations begin (Refer to ECPB Subpara 1.1.3.1).

**Appendix CC. CONTINGENCY OPERATIONAL CONTRACTING SUPPORT PROGRAM (COCSP)(AFFARS Appendix CC) (GSUs use local procedures)**

See ESC/PK Operational Instruction 64-1, "Wartime Material Support" and associated documents which can be found on the ESC/PK Intranet Home Page at <https://centernet.hanscom.af.mil/PK/PKC/contplan.htm> . This operating instruction establishes procedures for the Contracting Directorate to support accelerated fieldings for Wartime Material Support. Also included at this home page is the Contingency Operational Contracting Support Plan (COCSP), which provides instructions for contracting support in the event of an emergency/contingency situation at HAFB and identifies procedures for deployments.

**Appendix DD. SIMPLIFIED ACQUISITION OF BASE ENGINEER REQUIREMENTS (SABER) PROGRAM (AFFARS Appendix DD) - No ECPB Coverage**

**ANNEX 1.3**

**Determination/Memorandum  
For One-Time -Use Provisions/Clauses**

**One -Time-Use Provision/Clause Determination/Memorandum**

SOLICITATION/CONTRACT NUMBER: \_\_\_\_\_

CLAUSE TITLE: \_\_\_\_\_

CLAUSE DATE: \_\_\_\_\_

UNIFORM CONTRACT FORMAT SECTION: \_\_\_\_\_

APPLICABLE FAR PART/SUBJECT AREA: \_\_\_\_\_

INITIATOR NAME: \_\_\_\_\_ PHONE #: \_\_\_\_\_

JUSTIFICATION: \_\_\_\_\_

\_\_\_\_\_

LANGUAGE: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I have determined that this one-time-use provision/clause does not duplicate or deviate from the FAR and FAR Supplements and is necessary for use in this contractual action.

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

\_\_\_\_\_  
Date

Office Symbol: \_\_\_\_\_

Phone: \_\_\_\_\_

**ANNEX 1.6**  
**ESC/PK Directive – Quality Contracting Program**

The significant changes made to the AF and AFMC FAR Supplement, coupled with the delegations made by ESC's Program Executive Officers (PEOs), Designated Acquisition Commander (DAC), and Senior Center Contracting Official (SCCO) have empowered acquisition managers with additional authorities, flexibility, and latitude to conduct their contracting mission. Our contracting Officers, also, have been empowered to exercise sound business judgment, take calculated risks, and provide effective leadership.

Associated with these changes is an increased responsibility by all contracting professionals to ensure that contract actions comply with existing statutes, regulations, policy, and PEO/DAC/SCCO directives and guidance, as well as reflect good business judgment. Therefore, in order to ensure quality contracting at ESC, I am issuing this directive that establishes an ESC-wide Contracting Quality Program as a tool for internal assessment of our contracting health and to improve overall performance. This program provides a framework of ongoing, post award reviews and self-inspections that will continuously assess the quality, effectiveness, and efficiency of our contracting operations, identify areas for potential improvement and training, and share innovative contracting procedures and best practices.

The ESC Contracting Quality Program will include the following two types of reviews:

1. Self-Inspections: All Buying Offices Chiefs (including GSU PKs) are to establish a quarterly self-inspection program in their organizations with a goal of reviewing at least 50% of all actions (exclusive of administrative and funding actions) awarded during the previous quarter. Contract actions awarded in earlier periods can also be included if the Buying Office Chief chooses to include them in the self-inspection. These reviews are to be accomplished either by a Contracting Officer "peer review" within the division or by "buddying" with another division and conducting cross division reviews. Contracting Officers are not to review their own actions. PKX Automation will assist in identifying the contract actions. Results of the self-inspections are to be provided to the Chief, PKX, Policy & Clearance.

2. Staff Reviews: Analysts from PKX, Policy & Clearance (and their counterparts at the GSUs) will conduct monthly staff reviews of individual post award files and/or reviews of selected special interest items (such as DD 350s, J&As, delivery/task orders) at various three letter buying offices. In addition to providing an independent post award compliance review analysts will also identify center-wide problem areas, identify contracting best practices, and provide PK an independent assessment of the directorate's contracting function. Results of these reviews, including analyses of possible root causes of problems/deficiencies, will be provided to the Buying Office Chief, as well as to PK.

My goal is that most contracting actions awarded within a year will benefit from some type of an independent post award review.

Tools to be used to conduct both the self-inspection and the staff reviews include the PKX File Checklist, the AFMC Unit Compliance Inspection (UCI) Checklist, other applicable checklists (such as the PNM/PCM Checklist) and any other in-house division checklists.

**ANNEX 1.6 Continued...**

Prior to the start of the staff review the Buying Office Chief will be provide a list of contract files that will be reviewed and the date of the staff review. The identified contract files should be available at the start of the review and staff reviewers provided an adequate area to conduct the reviews. Staff reviewer will record comments/findings and, if necessary, will consult the buyer/CO for clarification during the review. COs will be provided the review comments (and a copy will also be provided to the Buying Office Chief). COs are expected to take corrective action and provide written responses to the staff reviewer within two weeks. A report, consisting of review comments, COs corrective actions, and an analysis of possible root causes of problems/deficiencies, will be provided to the Buying Office Chief. Buying Office Chiefs are expected to initiate division-wide corrective action and training (as necessary). A copy of the report will also be made available to PK.

The results of both self-inspections and staff reviews will be continuously analyzed to identify strengths, areas for improvement through additional guidance and/or training, and to identify best practices that can be shared with the contracting community.

//APPROVED//  
BONNIE D. TAYLOR, SES  
Date: 22 July 2003

**ANNEX 1.90.1 – Sample Format for Clearance Request**

For Official Use Only

Negotiation Sensitive or

Source Selection Information—See FAR 3.104

REQUEST FOR CLEARANCE REVIEW/APPROVAL

TO: (1)

SUBJECT: (2)

1. I hereby request approval to: (3) award without discussions; request final proposal revisions; begin negotiations (traditional pricing was used); or conclude negotiations (IPT pricing was used).

2. Documents/documentation required by [ESC Contract Process Book Part 1.90.6](#) are provided.

3. Pertinent information:

- a. Program Type
- b. Brief Program/Contract Action Description
- c. Anticipated Value

4. Summary: (4)

5. Planned Acquisition Milestones: (5)

6. Points of Contact:

Negotiator: \_\_\_\_\_, Phone: \_\_\_\_\_

Price Analyst: \_\_\_\_\_, Phone: \_\_\_\_\_

Signature of Contracting Officer/Date

Name:

Office Symbol:

Phone:

- (1) Office Symbol of reviewing/approving authorities. (See ECPB Attachment 2, "[Review & Approval Thresholds](#)" for authorities.)
- (2) Program Title and Document Number
- (3) Choose whichever is appropriate
- (4) Include any information considered useful to the reviewing/approving authorities, e.g., significant point for negotiation not directly related to pricing/not addressed in the preliminary PNM, any unresolved issues, significant issues raised during negotiations, unusual terms and conditions, etc.
- (5) Include the remainder of the planned acquisition schedule, e.g., dates for beginning/concluding negotiations, dates for requesting/receiving final proposal revisions, date for award of contract(s).

**ANNEX 1.90.2 – Sample Format for Clearance (Approval to Proceed)**

For Official Use Only  
Negotiation Sensitive or  
Source Selection Information – See FAR 3.104

**CLEARANCE**

Reference: Request for Clearance dated

Subject:

1. As the clearance approving authority designated by ESC/CC 21 Jun 04 Memorandum, “Delegation of Acquisition Authorities”, and based on the clearance reviewing authority’s recommendation to me, I hereby approve the reference request.
2. The Air Force negotiating team is authorized to negotiate a settlement not to exceed \$\_\_\_\_\_, the total objective of \$\_\_\_\_\_ plus \_\_\_\_\_%, without additional approval by this office.\*
3. Conditions on this approval are:\*\*

(Signature/Date)

\_\_\_\_\_  
Name:  
Title:  
Office Symbol:

Notes:

\* Enter the range in which the approving authority will forego personal involvement in the approval of a revised objective. This paragraph may be modified as appropriate. It only applies to noncompetitive acquisitions; omit for competitive acquisitions.

\*\*List any conditions on the clearance. If there are no conditions, omit this paragraph.

**ANNEX 15.4**  
**CO CHECKLIST FOR DEFECTIVE PRICING AUDITS**

**Background Facts**

1. Are the facts stated in the audit report consistent with the events that actually occurred during negotiation of the contract actions? (If not, how do they vary?)
2. If submitted data was defective:
  - a. To what extent did the defect affect the government's prenegotiation objective?
  - b. To what extent did the defect affect the final negotiated price (i.e., did the contractor orally disclose the defect, etc.)? Unless disclosed prior to final price agreement, the defect is legally presumed to have resulted in negotiation of a higher price.
3. If disclosures were made by the offeror before final price agreement that involve the data which DCAA maintains to have been defective, did the offeror make a meaningful submission such that the CO/PKXF could have understood the significance of the new data to the price/cost of the contract action without extensive government analysis?
4. If DCAA maintains that more current data existed, as of the date of final price agreement, than the data offeror disclosed to the government to support its price proposal:
  - a. When was this more current data reasonably available to the contractor (i.e., internal to the company whether known to the company's negotiators or not)?
  - b. What effect would this more current data have had on the government's prenegotiation position (and why)?
  - c. What effect would this more current data have had on the final negotiated price (and why, if different than b. above)?

**Sweeps**

5. Did the offeror provide cost or pricing data (for the first time) concurrent with submission of its certificate (or at any other time after final price agreement, but before award)?
6. If so, did that supplemental data relate to the suspected defects on which the DCAA's defective pricing position is presently based?
7. If so, how did the CO handle the impact of the supplemental data in relation to the pricing of the contract action?

**Offsets**

8. Offsets are cost or pricing data not disclosed prior to final price agreement which, if disclosed, would have supported a higher cost than the data which was submitted to support the offeror's proposal.

**ANNEX 15.4 (Cont'd)**

- a. Are offsets claimed by the contractor?
- b. If so, have the offsets been "certified" as a contractor claim?
- c. Did contractor "knowingly" fail to disclose during price negotiations the data that is now claimed as an offset?
- d. What effect, if any, would the offset cost or pricing data have had on price negotiations if the data had been submitted to the government prior to final price agreement?

**Interest**

9. Has the contractor received payment for any of the items of which the price(s) have been overstated as the result of the defective pricing?
10. For each affected line item, when, and by how much was contractor overpaid?

**ANNEX 19.1**

**SUBCONTRACTING PLAN REVIEW AND ANALYSIS CHECKLIST**

Contract/Solicitation No. \_\_\_\_\_

Company Name \_\_\_\_\_ Division \_\_\_\_\_

Location \_\_\_\_\_

- |   |     |    |
|---|-----|----|
| 1. Has the CO met the requirements of FAR 19.705 and DFARS 219.705? | Yes | No |
| 2. Does a Commercial Plan Apply? (FAR 19.701 & 19.704(d))           | Yes | No |
| 3. Does a Master Plan (MP) Apply? (FAR 19.701 & 19.704(b))          | Yes | No |

If a Master Plan applies:

- |   |     |    |
|---|-----|----|
| a. Effective period is _____.                       |     |    |
| b. Is evidence of ACO approval provided?            | Yes | No |
| c. Is ACO approval on file at ESC/BC?               | Yes | No |
| 4. Does a Comprehensive Plan Apply? (DFARS 219.702) | Yes | No |

If a Comprehensive Plan applies, will the plan still be in effect on the anticipated date of contract award?	Yes	No
--	-----	----

- |   |     |    |
|---|-----|----|
| 5. Are proposed goals expressed as percentages? (N/A for Comprehensive Plans)<br>(FAR 19.704(a)(1)) | Yes | No |
|---|-----|----|

Goals:

- a. Small Business (SB) \_\_\_\_\_%
- b. Veteran-Owned Small Business (VO-SB) \_\_\_\_\_%
- c. Service-Disabled Veteran-Owned Small Business \_\_\_\_\_%
- d. HUBZone Small Business \_\_\_\_\_%
- e. Small Disadvantaged Business (SDB) \_\_\_\_\_%

**NOTE: DFARS 219.705-4 requires SDB goals of less than 5% be approved two levels above the CO.** If approval of the goal is required, is it shown? Yes No

- f. Women-Owned Small Business (WO-SB) \_\_\_\_\_%

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g. Is anticipated use of Historically Black Colleges and Universities (HBCUs) and Minority Institutions (MIs) in the SDB goal addressed? (DFARS 219.704(a)(1)) Yes No  
(N/A for Commercial subcontracting plans)

6. Does the plan contain a statement of the total dollars planned to be subcontracted for an individual plan; OR a statement showing the offeror's total projected sales, expressed in dollars and total projected value of subcontracts to support the sales for a commercial plan; and separate amounts that are planned to be subcontracted to SB, Veteran-Owned SB, Service-Disabled Veteran-Owned SB, HUBZone SB, SDB and Women-owned SB, and if applicable, total projected subcontracts to support the sales for a commercial plan? (FAR 19.704(a)(2) and 52.219-9(d)(2)(i)) Yes No

- a. Total Subcontract Dollars \$ \_\_\_\_\_
- b. SB Subcontract Dollars \$ \_\_\_\_\_
- c. Veteran-Owned SB Subcontract Dollars \$ \_\_\_\_\_
- d. Service-Disabled Veteran-Owned SB Subcontract Dollars \$ \_\_\_\_\_
- e. HUBZone SB Subcontract Dollars \$ \_\_\_\_\_
- g. SDB Subcontract Dollars \$ \_\_\_\_\_
- \_\_\_\_ f. Women-Owned SB Subcontract Dollars \$ \_\_\_\_\_

7. Does plan include description of principal types of supplies and services to be subcontracted and identification of the types planned for subcontracting? (FAR 19.704(a)(3)) Yes No

Check appropriate box:

- a. Small Business \_\_\_\_\_
- b. Veteran-Owned SB \_\_\_\_\_
- c. Service-Disabled Veteran-Owned SB \_\_\_\_\_
- d. HUBZone SB \_\_\_\_\_
- e. SDB \_\_\_\_\_
- f. Women-Owned SB \_\_\_\_\_
- g. Other Business Categories \_\_\_\_\_

8. Is the method used to develop proposed goals stated? (FAR 19.704(a)(4)) Yes No

9. Is the method used to identify potential sources for solicitation purposes described (i.e., existing company source list, veteran service organizations, Procurement Marketing and Access network (PRO-Net) of the SBA)? (FAR 19.704(a)(5)) Yes No

10. Does the plan include a statement as to whether or not the offeror included indirect costs in establishing subcontract goals, and a description of the method used to determine the proportionate share of indirect costs to be incurred with: (FAR 19.704(a)(6))

- |                                      |     |    |
|--------------------------------------|-----|----|
| a. SB                                | Yes | No |
| b. Veteran-Owned SB                  | Yes | No |
| c. Service-Disabled Veteran-Owned SB | Yes | No |
| d. HUBZone SB                        | Yes | No |
| e. SDB                               | Yes | No |
| f. Women-Owned SB                    | Yes | No |

11. Is the name of an individual employed by the offeror who will administer the offeror's subcontracting program and a description of the duties of the individual included? (FAR 19.704(a)(7))

Yes No

a. Name \_\_\_\_\_

b. Title \_\_\_\_\_

12. Does plan describe the efforts contractor plans to undertake which will ensure SB/Veteran-Owned SB/Service-Disabled Veteran-Owned SB/HUBZone SB/SDB/Women-Owned SB firms have equitable opportunity to compete for subcontracting? (FAR 19.704(a)(8))

13. Is flowdown clearly and adequately covered: (FAR 19.704(a)(9))

a. "Utilization Clause," 52.219-8? Yes No

b. Will subcontractors (other than SB concerns) that receive subcontracts in excess of \$500K (\$1M for construction) be required to adopt a plan in consonance with the clause at 52.219-9? (N/A for Comprehensive Plans) Yes No

14. Does plan contain assurances that contractor will (FAR 19.704(a)(10)):

- |  |     |    |
|--|-----|----|
| a. Submit periodic reports showing compliance?                     | Yes | No |
| b. Cooperate in any studies or surveys as may be required?         | Yes | No |
| c. Submit required Standard Forms 294 and/or 295?                  | Yes | No |
| d. Ensure that its subcontractors agree to submit SFs 294 and 295? | Yes | No |

15. Does plan contain description of types of records that will be maintained to demonstrate compliance with requirements and goals (including establishing source lists and a description of

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the offerors efforts to locate SB/Veteran-Owned SB/Service-Disabled Veteran-Owned SB/HUBZone SB/SDB/Women-Owned SB firms and to award subcontracts to them)? (FAR 19.704(a)(11))

Yes	No
-----	----

16. Does plan, as submitted, clearly demonstrate a program to provide maximum practicable opportunity for SB/Veteran-Owned SB/Service-Disabled Veteran-Owned SB/HUBZone SB/SDB/Women-Owned SB participation?

Yes	No
-----	----

17. Do you believe an incentive clause would be appropriate? (19.705-1)

Yes	No
-----	----

**ECPB ATTACHMENT 1 – JULY 2004 EDITION**  
**Procedures for Other Transaction (OT) for Prototype Agreements**

“Other transactions” is the term commonly used to refer to the 10 U.S.C. 2371 authority to enter into transactions other than contracts, grants or cooperative agreements. The Department currently has temporary authority to award “other transactions” (OTs) in certain circumstances for prototype projects that are directly relevant to weapons or weapon systems proposed to be acquired or developed by the Department.

"Other Transactions" for prototype projects are acquisition instruments that generally are not subject to the federal laws and regulations governing procurement contracts. As such, they are not required to comply with the Federal Acquisition Regulation (FAR), its supplements, or laws that are limited in applicability to procurement contracts. (OSD OT Guide, Jan 01, Updated Aug 02)

The Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) “Other Transactions (OT) Guide for Prototype Projects” dated Jan 2001 (updated Aug 02) provides overarching guidance concerning these agreements and provides a framework for the Agreements Officer, Project Manager and other members of the government team to consider and apply, as appropriate, when structuring an OT agreement for a prototype project. This guide contains mandatory requirements and must be consulted when considering the use of an OT. The Assistant Secretary of the Air Force (Acquisition) (SAF/AQ) policy memorandum, 6 May 97, provides Air Force guidance for executing an OT for prototype program.

The OSD guide, the required AFMC procedures for awarding OTs, as well as additional OT information is posted on the AFMC Other Transaction for Prototype WWW page at <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkt/otjump.htm>.

The following procedures for Other Transaction (OT) for Prototype Agreements at ESC

1. Authority to Enter into a Section 845 Agreement

Prior to forwarding a written request to enter into a Section 845 agreement to AFMC/PK, ESC/PK coordination must be obtained through either ESC/AE or ESC/PKXC.

2. Delegation of Authority

When ESC/PK has been delegated signature authority for Section 845 OT agreements, ESC/PK may redelegate authority to Agreement Officers\* on a case-by-case basis. Process requests for PK redelegation through ESC/AE or ESC/PKXC.

3. Review and Approvals

The review and approval thresholds and procedures for OT agreements, and OT modifications, are the same as for procurement contract actions of the same value, except that all new OT agreements must also be approved by ESC/PK prior to award. All OT awards and modifications, except for administrative actions, must also be reviewed by ESC/JA prior to award.

4. Congressional Notification

The Agreements Officer is responsible for processing the Congressional notification and public announcement required by AFFARS 5305.303.

**ECPB ATTACHMENT 1 – JULY 2004 EDITION Continued...**

\* Agreements Officer: The Contracting Officer in the 3letter office is typically the OT Agreement Officer. He/she has the authority to enter into, administer, or terminate OTs for prototype projects and make related determinations and findings.

**ECPB ATTACHMENT 2 – JULY 2004 EDITION  
REVIEW & APPROVAL THRESHOLDS**

Single Manager: The term Single Manager (SM) is referenced throughout this document and is defined by AFPD 63-1, “Capability Based Acquisition System”, 10 Jul 03. The term includes System Program Directors, GSU Commanders/Executive Directors, ALC System Program Directors, Materiel Group Managers, and Product Group Managers who serve as Single Managers of AFPEO/C2&CS programs. For the Air Base Wing this term refers to the Installation Commander. For R&D Contracting, this term refers to the AFRL/VSB Space Vehicles and AFRL/SNH Sensor Lab Directors. Further delegation by the SM must be approved by ESC/CC. Single Managers at other Centers and Operating Locations managing AFPEO/C2&CS programs should utilize their own functional equivalents for reviews/coordination prior to submitting documents to ESC. In addition, Single Managers at GSUs will coordinate actions with the GSU Commander/Executive Director prior to submitting documents to ESC.

Designated Official: The term Designated official (DO) as used in this document refers to the Designated official with Management & Oversight of Acquisition of Services Process (MOASP) authority for services acquisitions. The DO serves as Acquisition Strategy Panel (ASP) Chairman, Acquisition Plan (AP) Approval Authority, Source Selection Authority (SSA), and Solicitation Review/Contract Review authority to ensure that requirements are performance based and appropriate metrics are included in the contractual document. For services acquisitions within the AFPEO/C2&CS portfolio pre-award DO responsibilities are to be held by the individuals serving as ASP Chairman/AP Approval Authority/SSA as shown on the following threshold charts. The same individuals have post-award DO responsibilities.

**Individual Deviations (except as restricted by DFARS 201.4)**

References: FAR Subpart 1.403, DFARS 201.403, AFFARS & AFMCFARS 5301.403, and ESC/CC 21 Jun 04 Memo, “*Delegation of Acquisition Authorities*”

AFPEO/C2&CS Programs, Other Contracting & Installation Requirements: Authority is delegated to the SCCO.

**Legal Review Requirements**

References: AFFARS & AFMCFARS 5301.602-2; ESC/CC 21 Jun 04 Memo “*Delegation of Acquisition Authorities*”

Contract documents with a total value (including both credits and debits) greater than \$1M require legal review.

Excludes funding actions and unilateral delivery/task orders <\$10M.

Chief of the Contracting Office for the Air Base Wing may require legal review of lower dollar thresholds. GSUs, in conjunction with local legal office, may also establish lower local legal review thresholds.

**ECPB ATTACHMENT 2 – JULY 2004 EDITION - REVIEW & APPROVAL THRESHOLDS Continued...**

<b>Ratification Approval Authority</b>
References: FAR 1.602-3, AFFARS 1.602-3; ESC/CC 21 Jun 04 Memo “ <i>Delegation of Acquisition Authorities</i> ”
AFPEO/C2&CS Programs, Other Contracting, & Installation Requirements: The Buying Office Contracting Official (BOCO)/Chief of the Contracting Office (COCO) delegated as the ratification approval authority as long as they are at least one level above the party responsible for the action.

<b>Solicitation Review, Clearance Review &amp; Approval Authorities</b>			
References: AFFARS & AFMCFARS 5301.90, ESC/CC 21 Jun 04 Memo, “ <i>Delegation of Acquisition Authorities</i> ”			
	<b>Solicitation Review Authority (SRA)*/Clearance Review Authority (CRA)</b>	<b>Clearance Approval Authority (CAA)</b>	
		<b>Competitive</b>	<b>Noncompetitive</b>
<b>&lt;\$10M &amp; IT acquisitions &lt;\$15/ \$30M***</b>	SRA/CRA – CO**	Delegated to CO**	Delegated to CO**
<b>\$10M (\$15/\$30M for IT****) to &lt;\$500M</b>	Buying Office Contracting Official (BOCO)/Chief of the Contracting Office (COCO) w/authority to redelegate for Performance Price Tradeoff (PPT) actions.	Source Selection Authority (SSA)	Delegated to SM w/authority to delegate actions <\$100M
<b>\$500M and Up (AFPEO/C2&amp;CS Programs, Other Contracting)</b>	SCCO	SSA	ESC/CC***** (May be delegated on a case-by-case basis)
<b>\$500M and Up (Installation Requirements for the ABW)</b>	SCCO	SSA	66 ABW/CC (May be delegated on a case-by-case basis)
*If AE has participated in acquisition strategy planning, review by an AE analyst is required (after review by the CO & BOCO) when PK is the SRA.			
**Only Contracting Officers (COs) with unlimited warrants may have this authority. GSUs may establish more restrictive thresholds.			
*** <\$15/\$30M means less than \$15 in a single FY or less than \$30M for all FYs.			
**** \$15/\$30M to <\$500M means \$15M to <\$500M in a single FY or \$30M to <\$500M for all FYs.			
*****The Deputy for Acquisition and Deputy for Support have the authority to act on behalf of the PEO.			

**ECPB ATTACHMENT 2 – JULY 2004 EDITION - REVIEW & APPROVAL THRESHOLDS Continued...**

<b>Procurement Integrity Act Violations/Possible Violations Reviewing Authority</b>	
References: FAR 3.104-7, AFFARS & AFMCFARS 5303.104-7; ESC/CC 21 Jun 04 Memo, “ <i>Delegation of Acquisition Authorities</i> ”	
PEO Programs: IAW AFFARS the BOCO/COCO is the reviewing authority.	
Other Contracting, to include Installation Requirements for the ABW: Reviewing authority delegated by the SCCO to the COCO.	

<b>Approval Authorities for Other Than Full &amp; Open Competition (J&amp;As)</b>	
References: FAR 6.304, DFARS 206.304, AFFARS 5306.304; ESC/CC 21 Jun 04 Memo “ <i>Delegation of Acquisition Authorities</i> ”	
<i>Up to \$500K</i>	CO
<i>&gt;\$500K-\$10M</i>	Competition Advocate
<i>&gt;\$10M - \$50M AFPEO/C2&amp;CS Programs</i>	Delegated to SM if he/she holds the rank of General Officer (GO) or Senior Executive Service (SES). PEO (ESC/CC)* retains authority if the SM is not a GO or SES.
<i>&gt;\$10M - \$50M Other Contracting, Installation Requirements for the ABW</i>	Delegated to SM if he/she holds the rank of General Officer (GO) or Senior Executive Service (SES). ESC/CC retains authority if the SM is not a GO or SES.
<i>&gt;\$50M</i>	SAF/AQ (Not Delegable)
*The Deputy for Acquisition and Deputy for Support have the authority to act on behalf of the PEO.	

<b>Acquisition Strategy Planning</b>	
Reference: ESC/CC 21 Jun 04 Memo, “ <i>Delegation of Acquisition Authorities</i> ”	
All noncompetitive actions >\$500K and competitive actions \$10M and up require evidence of involvement/concurrence from the following offices (at the appropriate level): Hanscom Small Business Office*; JA; EN (or equivalent technical support); FM; AE or PKX; and the Competition Advocate. This may be evidenced by required signatures on formal documents (e.g. J&A) or be informal (e.g. e-mail) for offices providing input but not formal coordination. If necessary, non-concurrences must be elevated through the 2-letter chain up to ESC/CC with the exception of installation requirements for the ABW, in which non-concurrences must be elevated up to the 66 ABW/CC.	
*Coordination with the Hanscom Small Business Office is required if a competitive action is estimated to be \$7M or more, and the action is not entirely reserved for small business.	
GSUs may rely on local functional equivalents or utilize Hanscom AFB support/personnel when appropriate. Other Centers and Operating Locations managing AFPEO/C2&CS programs should utilize their own functional equivalents prior to submitting documents to ESC.	

**ECPB ATTACHMENT 2 – JULY 2004 EDITION - REVIEW & APPROVAL THRESHOLDS Continued...**

<b>Acquisition Strategy Panel Chair</b>	
References: AFFARS & AFMCFARS 5307.104-90, ESC/CC 21 Jun 04 Memo, “ <i>Delegation of Acquisition Authorities</i> ”	
<b>All ACAT I</b>	Phase I – PEO (ESC/CC)* Phase II SAF/AQ (unless delegated to PEO)
<b>ACAT II</b>	PEO (ESC/CC)* (may be delegated if agreed to by SAF/AQ)
<b>ACAT III</b>	PEO (ESC/CC)* (may be delegated on a case-by-case basis)
<b>Other Contracting &lt;\$100M</b>	Delegated to SM
<b>Other Contracting \$100M &amp; Up</b>	Center Commander (ESC/CC) (May be delegated on a case-by-case basis)
<b>Installation Requirements for the ABW</b>	66 ABW/CC (may be delegated by ABW/CC)
<b>Commodity Council Acquisitions</b>	Commodity Strategy Official (CSO)
<b>IT Service Acquisitions (applicable to both PEO and non-PEO IT service acquisitions) &gt;\$32M/year, &gt;\$126M total program costs or &gt;\$378M total Life Cycle Costs (IAW DoDI 5000.2 amounts based on FY2000 constant-year dollars) (See OUSD 31 May 02 Memo, “Acquisition of Services”)</b>	OASD/NII
<b>Services Acquisitions (not within PEO portfolio)</b> – See “ESC Services Acquisitions Designated Official (DO) Authorities” table at the end of this attachment.	
*The Deputy for Acquisition and Deputy for Support have the authority to act on behalf of the PEO.	

<b>Acquisition Plan/Single Acquisition Management Plan/Commodity Acquisition Management Plan Approval Authorities</b>	
References: FAR Subpart 7.1, DFARS 207.1, AFFARS 5307.104-91 and -92, & AFMCFARS 5307.104-92; ESC/CC 21 Jun 04 Memo, “ <i>Delegation of Acquisition Authorities</i> ”	
<b>ACAT ID</b>	SAF/AQ is the SAMP approval authority, with additional approval by the USD(AT&L) for the acquisition strategy aspects.
<b>ACAT IAM</b>	SAF/AQ is the SAMP approval authority, with additional approval by ASD(NII) for the acquisition strategy aspects.
<b>ACAT IC, IAC, &amp; II</b>	SAF/AQ
<b>All ACAT III</b>	Delegated to Single Manager (SM)
<b>Continued on next page...</b>	

**ECPB ATTACHMENT 2 – JULY 2004 EDITION - REVIEW & APPROVAL THRESHOLDS Continued...**

<b>Acquisition Plan/Single Acquisition Management Plan/Commodity Acquisition Management Plan Approval Authorities Continued...</b>	
<i>Other Contracting &lt;\$100M</i>	Delegated to SM
<i>Other Contracting \$100M &amp; Up</i>	Center Commander (ESC/CC) (may be delegated on a case-by-case basis)
<i>Installation Requirements for the ABW</i>	66 ABW/CC (May be delegated by 66 ABW/CC)
<i>Commodity Council Acquisitions</i>	Commodity Strategy Official (CSO)
<i>IT Services Acquisitions (applicable to both PEO and non-PEO IT service acquisitions) - &gt;\$32M/year, total program costs &gt;\$126M or total Life Cycle Costs &gt;\$378M (IAW DoDI 5000.2)</i>	OASD/NII
<i>Services Acquisitions (not within PEO portfolio) – See “ESC Services Acquisitions Designated Official (DO) Authorities” table at the end of this attachment.</i>	

<b>Source Selection Authorities</b>	
References: AFFARS & AFMCFARS 5315.303; ESC/CC 21 Jun 04 Memo, “ <i>Delegation of Acquisition Authorities</i> ”	
<i>All ACAT I</i>	ASAF(A)
<i>All ACAT II; Other Contracting Actions \$500M and Up</i>	PEO, Center Commander for Other Contracting. (ESC/CC)*
<i>ACAT III and Other Contracting Actions \$10M (\$15/\$30M for IT) to &lt;\$500M**</i>	Delegated to SM w/authority to redelegate actions <\$100M
<i>&lt;\$10M &amp; IT acquisitions &lt;\$15/\$30M*** (Includes Installation Requirements for the ABW)</i>	CO
<i>Installation Requirements for the ABW (Using Median and Agency Procedures)</i>	66 ABW/CC (May be delegated by 66 ABW/CC)
<i>IT Services Acquisitions (applicable to both PEO and non-PEO IT service acquisitions) - &gt;\$32M/year, total program costs &gt;\$126M or total Life Cycle Costs &gt;\$378M (IAW DoDI 5000.2)</i>	OASD/NII
<i>Services Acquisitions (not within PEO portfolio) – See “ESC Services Acquisitions Designated Official (DO) Authorities” table at the end of this attachment.</i>	
*The Deputy for Acquisition and Deputy for Support have the authority to act on behalf of the PEO.	
**<\$15/\$30M to <\$500M means \$15 to less than \$500M in a single FY or \$30M to less than \$500M for all FYs.	
***< \$15/\$30M means less than \$15M in a single FY or less than \$30M for all FYs.	

**ECPB ATTACHMENT 2 – JULY 2004 EDITION - REVIEW & APPROVAL THRESHOLDS Continued...**

<b>Award Fee Determining Official (FDO)</b>	
References: AFMCFARS 5316.401; ESC/CC 21 Jun 04 Memo, “ <i>Delegation of Acquisition Authorities</i> ”	
Competitive: FDO to be designated by the SSA. For actions where the CO is the SSA, the Program Manager will be the FDO.	
Noncompetitive (AFPEO/C2&CS Programs): The SM will be the FDO with authority to redelegate.	
Noncompetitive (Other Contracting, to include Installation Requirements for the ABW): The SCCO will be the FDO with authority to redelegate.	

<b>Economy Act D&amp;F Authority</b>	
References: FAR 17.503(c), DFARS 217.500(b), and DoDI 4000.19, para 4.4 (This includes orders under a task or delivery order contract entered into by the other agency. (Pub. L. 105-261, Section 814.))	
<b><i>AFPEO/C2&amp;CS Programs</i></b>	General Officer (GO)/Senior Executive Service (SES) in program management chain.
<b><i>Other Contracting, to include Installation Requirements for the ABW</i></b>	ESC/CS
<b><i>Services Acquisitions</i></b>	Services Acquisition Designated Official (DO) as long as GO/SES level; otherwise elevate to a DO at GO/SES level. (See DO table at the end of this attachment for thresholds)

<b>Undefined Contract Action Approval Authorities</b>	
References: DFARS 217.74, AFFARS 5317.74; ESC/CC 21 Jun 04 Memo, “ <i>Delegations of Acquisition Authorities</i> ”	
<b><i>&lt;\$10M</i></b>	Delegated to CO*
<b><i>\$10M to \$100M</i></b>	Delegated to SM w/authority to redelegate
<b><i>&gt;\$100M AFPEO/C2&amp;CS Programs &amp; Other Contracting</i></b>	ESC/CC** (May be delegated on a case-by-case basis)
<b><i>&gt;\$100M Installation Requirements for the ABW</i></b>	66 ABW/CC
*GSUs may establish more restrictive thresholds.	
**The Deputy for Acquisition and Deputy for Support have the authority to act on behalf of the PEO.	

**ECPB ATTACHMENT 2 – JULY 2004 EDITION - REVIEW & APPROVAL THRESHOLDS Continued...**

<b>ESC Services Acquisitions Designated Official (DO) Authorities (not in AFPEO/C2&amp;CS Portfolio)</b>			
References: AFFARS 5337.503-90; ESC/CC 21 Jun 04 Memo, “ <i>Delegation of Acquisition Authorities</i> ”; AFMC/CC 8 Mar 04 Memo, “ <i>AFMC Management and Oversight of Acquisition of Services Process (MOASP)</i> ”; “ <i>USAF MOASP Process</i> ”; and USD (AT&L) 31 May 02 Memo, “ <i>Acquisition of Services</i> ” (See web addresses at end of this table for AFMC & USAF MOASPs as well as USD(AT&L) Memo.)			
<i>Total Estimated Services Acquisition Value*</i>	<i>Information Technology (IT) Services Value*</i>	<i>A-76 Studies*</i>	<i>Designated Official*</i>
\$2B and Up			USD (AT&L) or AFAE
	>\$32M/year, total program costs >\$126M or total Life Cycle Costs >\$378M (est. based on FY2000 constant yr dollars IAW DoDI 5000.2)		OASD/NII
>\$100M to <\$2B		300+ Full Time Equivalent (FTEs)	AFPEO/CM
		<300 FTEs	HQ AFMC
>\$10M to \$100M	>\$10M to \$32M/year, <126M total program costs, or total Life Cycle Costs <\$378M (est. based on FY2000 constant year dollars IAW DoDI 5000.2)		Delegated to 2 Ltr SM
\$5M to \$10M	\$5M to \$10M		Delegated to 2 Ltr SM (further redelegable to one level below.)
*Excludes special interest acquisitions identified by the USD(AT&L), AFAE, or AFPEO/CM			
<ol style="list-style-type: none"> <li><b>DO Authority:</b> The DO serves as the Source Selection Authority (SSA), the Acquisition Strategy Panel (ASP) Chairman, the Acquisition Plan Approval Authority, and Solicitation Review/Contract Review authority and is required to ensure that requirements are performance based and appropriate metrics are included in documents. DOs are also responsible for required post award reviews and reporting of significant cost/schedule/other performance metrics IAW AFMC MOASP.</li> <li><b>Waivers:</b> DOs cannot waive performance based requirements/metrics without prior approval of AFMC/PK per AFMC MOASP.</li> </ol>			
<i>Continued on next page...</i> Attachment 2, Pg 7-8			

**ECPB ATTACHMENT 2 – JULY 2004 EDITION - REVIEW & APPROVAL THRESHOLDS Continued...**

**DO Authorities (not in AFPEO/C2&CS Portfolio) continued...**

3. **Economy Act Actions:** Authority to approve all services acquisitions through any contract or task order awarded by an agency other than DoD is the DO as long as GO/SES level; otherwise elevate to a DO at GO/SES level.
4. **Web Addresses:**  
AFMC MOASP: <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkp/polvault/03mar/04/040308v.pdf>  
USAF MOASP: [https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkv/USAF\\_moasp.doc](https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkv/USAF_moasp.doc)  
USD (AT&L) Memo: <https://www.afmc-mil.wpafb.af.mil/HQ-AFMC/PK/pkv/acqofsvcs.doc>