

CHANGE REQUEST COVER SHEET

Change Request Number: 10-21

Date Received: 12/3/2009

Title: Revise Various Procurement Thresholds

Name: Larry Wyborski

Phone: 202-493-4638

Policy OR Guidance: Policy

Section/Text Location Affected: 3.2.1.3.12.1, 3.2.1.2.4, 3.2.3.2, 3.2.2.4

Summary of Change: Ensure consistency and continuity of various Procurement Thresholds.

Reason for Change: Adds continuity by removing gaps and overlaps in various procurement thresholds identified.

Development, Review, and/or Concurrence: AJA-A1, AJA-A11, AGC, AJA-4, ARC

Target Audience: FAA Contracting Officers

Potential Links within FAST for the Change: None

Briefing Planned: No

ASAG Responsibilities: None

Potential Links within FAST for the Change: None

Links for New/Modified Forms (or) Documents (LINK 1) [null](#)

Links for New/Modified Forms (or) Documents (LINK 2) [null](#)

Links for New/Modified Forms (or) Documents (LINK 3) [null](#)

SECTIONS EDITED:

Acquisition Management Policy:

Section 3.2.1.3.11.1 : General [\[Old Content\]](#) [\[New Content\]](#) [\[RedLine Content\]](#)

Acquisition Management Policy:

Section 3.2.1.2.4 : Independent Government Cost Estimate [\[Old Content\]](#) [\[New Content\]](#)
[\[RedLine Content\]](#)

Acquisition Management Policy:

Section 3.2.3.2 : Policy [\[Old Content\]](#) [\[New Content\]](#) [\[RedLine Content\]](#)

Acquisition Management Policy:

Section 3.2.2.4 : Single-Source Selection [\[Old Content\]](#) [\[New Content\]](#) [\[RedLine Content\]](#)

SECTIONS EDITED:

Section 3.2.1.3.11.1 : General

Old Content: Acquisition Management Policy:

Section 3.2.1.3.11.1 : General

All procurements anticipated to exceed \$100,000 must be publicly announced on the Internet or through other means. This requirement does not apply to noncompetitive awards to SEDB (8(a)) firms and SDVOSB, emergency single source actions, purchases from an established qualified vendor list (QVL) or FSS, exercise of options, or changes. For actions under \$100,000, a public announcement is optional if it is not required by 3.2.1.3.12.2 .

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Section 3.2.1.2.4 : Independent Government Cost Estimate

Old Content: Acquisition Management Policy:

Section 3.2.1.2.4 : Independent Government Cost Estimate

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An independent Government cost estimate (IGCE) is required for any anticipated procurement action (to include modifications) whose total estimated value is \$100,000 or more, except for:

- Modifications exercising priced options or providing incremental funding;
- Delivery orders for priced services or supplies under an indefinite-delivery contract; or
- Acquisition of real property (i.e., land or space).

The CO may require an IGCE for procurement actions (to include modifications) anticipated to be \$100,000 or less.

New Content: Acquisition Management Policy:

Section 3.2.1.2.4 : Independent Government Cost Estimate

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The CO may require an IGCE for procurement actions (to include modifications) anticipated to be less than \$100,000.

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Section 3.2.1.2.4 : Independent Government Cost Estimate

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Section 3.2.3.2 : Policy

Old Content: Acquisition Management Policy:

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Defense Contract Audit Agency audits shall be requested on all cost reimbursement (CR) contracts that exceed \$100 million. In addition, an audit will be requested on at least 15% of all CR contracts under \$100 million. For other contracts, the FAA policy is to employ any method

of cost or price analysis to determine fair and reasonable prices for the procurement of products and services. Price analysis is the preferred method for evaluating competitive proposals.

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Section 3.2.2.4 : Single-Source Selection

Old Content: Acquisition Management Policy:

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The FAA may contract with a single-source when in FAA's best interest and the rational basis for the decision is documented. This rational basis may be based on actions necessary and important to support FAA's mission, such as emergencies, standardization, and only source available to satisfy a requirement within the time required. For procurements under \$10,000, there is no requirement for competition or single-source justification; requirements must not be split to meet this exception. This section 3.2.2.4 is not applicable to noncompetitive awards made to socially and economically disadvantaged businesses (SEDB)/(8(a)) or service-disabled veteran owned small businesses (SDVOSB) under AMS policy 3.6.

The decision to contract with a single-source may be made as part of overall program planning. The rational basis must be documented and approved as a part of program planning in the implementation strategy and planning document, a procurement plan, or as a separate document. If an Exhibit 300 is not required and the service organization determines that a procurement plan is unnecessary, an independent single-source justification must be documented and endorsed by the service organization and approved by the CO.

Market analysis should be conducted to support each single-source decision, except for emergencies. The method and extent of the analysis depends on the requirement.

The CO must document the objective criteria supporting the rational basis for the decision in writing. Examples of information that might be documented include results of market analysis, cost or price data, unique qualifications or performance capability, and past performance. Mere conclusions, without adequate objective supporting data, are insufficient.

After the decision to contract with a single source has been approved, a public announcement must be made for any action over \$100,000, except in emergencies. The purpose of the announcement is to inform industry about the basis for the decision to contract with the selected source.

A basic contract may be modified to exercise an option, or to satisfy a follow-on procurement for more of the same products or services without seeking additional competition when, based on market analysis, there is a rational basis not to compete the requirement and the rational basis is documented and approved as discussed in this subsection.

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