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### **T3.1.4 Delegations** Revised 7/2009

## **A Authority, Delegation, and Unauthorized Commitments** Revised 1/2017

### **1 Delegated Authority** Revised 9/2020

a. *Delegation.* The Administrator has authority to enter into contracts, leases, grants, cooperative agreements, and other transactions. Except for Airport Improvement Grants (AIP), the Administrator has delegated authority for managing these functions to the FAA Acquisition Executive (FAE). Based on the Administrator's delegation, the FAE has authority to appoint, and redelegate authority to, the Chief(s) of the Contracting Office (COCO), Contracting Officers (CO) and qualified non-contracting personnel. Except for the Purchase Card program, these delegations cannot be redelegated.

b. *Administrator's Review.* The Administrator must be notified of and given sufficient time to review, any non- AIP grant, cooperative agreement, or other transaction not defined in AMS with a cumulative value of \$10 million or more, and those with significant Congressional interest. (See AMS Procurement Guidance T3.8.1 Agreements, Cooperative Agreements, Gifts & Bequests, for additional information).

c. *Authority Granted.* Any delegation of authority must be in writing and state the authority and limitations it conveys. If authority is not included in the delegation, then that authority does not exist.

d. *Basis for Delegation.* Before delegating authority, the FAE considers the following:

- (1) That there is a demonstrated need for the authority;
- (2) That the delegation level will be commensurate with the need in terms of dollar value, complexity, and mission criticality;
- (3) That the individual meets the qualifications and certification standards for the authority. However, an individual's qualifications, without a demonstrated need for the authority, are not sufficient reason to grant authority; and
- (4) Other factors, such as organizational structure, total volume of the actions, complexity and dollar value of the work involved, and aggregate value of the anticipated actions that the individual will be processing.

e. *Purchase Card Delegation.* The FAE's approval is not required for individual Delegations of Procurement Authority (DPA) for the purchase card program. Procurement Guidance T3.2.6 Purchase Card Program addresses purchase card delegations.

f. *Delegation Records.* The FAE will provide a copy of all delegations of authority and any modifications, terminations/rescissions, or waivers to delegations to the COCO and the Acquisition Career Manager (ACM). The ACM will be the official record keeper for all delegations and must maintain copies of the delegations.

g. *Rescinding Delegation*. Except for the purchase card program and delegated authorities which are automatically rescinded due to the individual leaving the Acquisition and Contracting organization or receiving a new warrant, only the FAE may rescind a CO warrant or other procurement authority. Unless the delegation provided for automatic rescission, the rescission is to be by letter, state the general reason for rescission and the effective date. When a delegated authority is rescinded before its automatic rescission date or when there is no automatic rescission date, the written notice to the individual should be provided in advance of the rescission to ensure the individual does not make any unauthorized commitments.

Upon notification of the rescission, the original warrant or certificate of appointment is annotated as "rescinded". Reasons for rescission may include:

- (1) The need for the delegated authority no longer exists, for example, lack of a demonstrated need, retirement, resignation, termination of employment, issuance of a new warrant, or an assignment to another position.
- (2) Failure to comply with applicable requirements, limitations, policies, regulations, statutes, or delegated responsibilities;
- (3) Maintenance training/certification requirements have not been met, or failure to maintain all standards after appointment; or
- (4) Violation of a material portion of the ethics guidance for Federal employees and/or standards of conduct for Department of Transportation employees.

h. *Changes in Authority*. When the FAE modifies delegated authority, it must be in writing and delivered to the individual with sufficient advance notice and instructions to ensure that the individual does not make unauthorized commitments. Any increase or decrease in the dollar value or scope of an individual's authority requires issuing a new certificate of appointment or warrant and rescission of the previous delegated authority.

i. *Waivers*. The FAE may waive qualification and certification standards if circumstances clearly dictate need for delegation of authority, even though the employee does not fully meet required standards. Such a waiver is conditional, identifies duration, and must state the requirements that the individual must satisfy to become fully qualified.

## **2 COCO Responsibilities** Revised 9/2020

a. The COCO is a position designated by the FAE that is delegated unlimited authority for procurement contract award and administration, leases, real estate transactions, cooperative agreements, non-Airport Improvement (AIP) grants, other agreements, and other transactions. The COCO, acting within the scope of the FAE's delegation, manages day-to-day contracting functions for FAA.

b. Specific responsibilities of the COCO include:

- (1) *Review/Approve Qualifications*. The COCO reviews and approves qualifications of personnel such as education, training, knowledge, and experience, being considered for

appointment as a CO or for other types of procurement authority.

(2) *Delegate Authority*. Except for delegations made pursuant to the purchase card program, the COCO formally requests delegation of authority in writing to the FAE.

(3) *Periodic Review*. The COCO, with the appropriate managers, periodically reviews delegations to validate that the delegations remain appropriate and needed, reviews individual's continuous learning to ensure requirements are being met, and periodically examines procurement actions to ensure authorized individuals do not exceed their delegated authority. All Level I and II warrants will be reviewed at least annually and Level III warrants will be reviewed at least every two (2) years.

### **3 1102/1170 Series Certification** Revised 9/2020

Individuals must meet training, education, and experience requirements to qualify for an 1102/1170 job series position. AMS Policy Section 5, Acquisition Career Program, outlines certification requirements for personnel once in the 1102/1170 series.

### **4 Contracting Officer Certificates of Appointment/Warrants (1102/1170 Series)** Revised 9/2020

a. *Limitations*. Warrants define the dollar and scope limitations of the authority. Warrants may be limited or unlimited. A limited warrant states a total dollar limitation for each transaction. The dollar value of a transaction includes the base year and all options and ceiling amounts, as defined by "total estimated potential value" in Appendix C of AMS policy. An unlimited warrant allows transactions at any dollar value. In addition to the dollar value, limited and unlimited warrants must expressly state any limitations of authority (other than limitations in applicable laws or regulations) and the specific types of transactions the CO is authorized to make.

b. *Warrant Levels*. The determination of warrant levels must be based on a demonstrated mission need for the authority. These warrant levels do not apply to purchase card delegations. Individuals must meet the training, education, and experience requirements for certification as outlined in AMS Policy Section 5, Acquisition Career Program, to qualify for a warrant unless the FAE grants a waiver in accordance with Section 1.i.

c. *Procedures for Obtaining Certificate of Appointment (Warrant)*.

(1) For the 1102 Series, the request for a certificate of appointment/warrant is prepared through the CO. Warrant Request Forms are located at the ACM Professions Portal at <https://ksn2.faa.gov/faq/AcquisitionProfessions/Pages/Default.aspx> (FAA only).

(2) For the 1170 Series, the request for a certificate of appointment/warrant is prepared through the real estate CO. Warrant Request Forms are located at the ACM Professions Portal at [https://ksn2.faa.gov/faq/AcquisitionProfessions/Pages/reco\\_home.aspx](https://ksn2.faa.gov/faq/AcquisitionProfessions/Pages/reco_home.aspx) (FAA only).

The manager ensures that there is a mission need; the individual meets the applicable

training, education, certification and experience requirements commensurate with the proposed delegated threshold prior to forwarding the warrant request to the COCO and Acquisition Career Manager (ACM). A sample of the warrant request and instructions are available at the above link.

(3) The ACM and COCO review the request and supporting documentation for completeness and evaluates the applicant's acquisition experience, training, and evidence of certification.

(4) The certificate of appointment must include a warrant number, dollar limit of warrant authority, and any other applicable limitations, such as restrictions to certain types of transactions. If approved, the FAE signs the delegation and returns it to the ACM for distribution.

d. *Displaying Warrant and Other Certificate of Appointment.* COs must prominently display the original warrant or other certificate of appointment so that information about their authority and any limitations is readily available to the public and FAA personnel.

e. *Skills Currency/Continuous Learning.* To maintain the delegated authority, individuals must maintain appropriate 1102/1170 series certification level. Acquisition professionals must earn 80 Continuous Learning Points (CLP) of skills currency training every two (2) years. COCOs monitor continuous learning requirements for individuals' delegated authority. If an individual does not earn 80 CLPs every two (2) years, the FAE may rescind or modify the warrant or certificate of appointment to decrease the dollar and/or specific type of transaction authority.

## **5 Procurement Authority Delegated to Other Qualified Individuals** Revised 7/2021

a. *Redelegation.* Individuals delegated procurement authority from the FAE under this subsection cannot redelegate that authority.

b. *Delegation of Reimbursable Agreement Authority (DRAA).* For Small Scale Reimbursable Agreements (SSRAs) with a value of less than \$30,000, a DRAA may be granted to qualified non-1102s by the FAE through a written request. This delegation does not allow the individual to obligate funds nor is certification required. This authority cannot be further delegated, and personnel cannot "sign for" or "sign over" another's authority.

c. *Displaying the DRAA.* Personnel must prominently display the DRAA to make information on the authority and any limitations readily available to the public and FAA personnel.

## **6 Ratification of Unauthorized Commitments** Revised 4/2022

a. *General.*

(1) *Contracting Authority.* Only a Contracting Officer or other qualified individual delegated procurement authority, acting within the scope of his or her delegated authority,

may enter into contracts, orders, leases or agreements and may obligate funds on behalf of the Government.

(2) *Unauthorized Commitments.* An unauthorized commitment is a contract, order, lease, or agreement made by an FAA employee or manager (including an executive), other than a CO or other authorized person that is not binding because the person who made the agreement lacked the authority to commit the Government. An employee without proper authority who commits the Government is acting improperly. The employee will be held accountable and disciplined according to Human Resources Policy Manual (HRPM) ER-4.1 Standards of Conduct, and ER-4.5, FAA Procedures for Disciplinary and Adverse Actions, as applicable.

(3) *Organizational Responsibility.* FAA organizations must make every effort to prevent unauthorized commitments. Unauthorized commitments are serious acts of misconduct. Managers must ensure each of their employees is aware of policy and procedures related to unauthorized commitments and conduct and discipline rules for unauthorized commitments in ER-4.1, Standards of Conduct, and ER-4.5, FAA Procedures for Disciplinary and Adverse Actions.

(4) *Ratification.* Ratification is the act of approving an unauthorized commitment by an individual having the authority to do so. Although FAA's policy is to avoid unauthorized commitments, under certain approved circumstances such commitments may be ratified using the procedures in this section and converted into a legal contract.

(5) *Ratifying Official.* A ratifying official has the authority to ratify unauthorized commitments. The Chief of the Contracting Office (COCO) has authority to ratify unauthorized commitments for the FAA. This ratifying authority cannot be delegated below this position.

(6) *Local Implementation.* All FAA organizations must follow the procedures in this section. Contracting offices and other organizations may issue additional implementing procedures if they do not contradict the procedures in this section.

b. *Procedures for Ratification.* When an organization discovers an unauthorized commitment, the organization must take immediate action to ratify the commitment and have the cognizant procurement office convert it to a legal transaction. Procedures for ratification are:

(1) The employee's manager, assisted by the person who committed the unauthorized act, prepares a Ratification Memorandum of Facts containing the following information:

- (a) A detailed description of the circumstances that caused the unauthorized commitment;
- (b) Reasons why normal procurement procedures were not followed;
- (c) A description of the bona fide Government need that required the commitment;

- (d) A statement about the benefit to the FAA from acquiring the unauthorized supplies or services received;
  - (e) The dollar value of the commitment;
  - (f) Rationale for the contractor selected and identification of other sources considered;
  - (g) The name of the individual who made the unauthorized act;
  - (h) A statement about the actions taken to preclude the situation from recurring;
  - (i) Confirmation that the employee's manager has taken timely and appropriate action to address the unauthorized act in accordance with the agency's policy and guidance, including the HROI – Table of Penalties at [https://employees.faa.gov/org/staffoffices/ahr/program\\_policies/policy\\_guidance/hr\\_policies/hrpm/HROI/er/tbltext/](https://employees.faa.gov/org/staffoffices/ahr/program_policies/policy_guidance/hr_policies/hrpm/HROI/er/tbltext/), the FAA Table of Disciplinary Offenses and Penalties at [https://employees.faa.gov/org/staffoffices/ahr/program\\_policies/policy\\_guidance/hr\\_policies/hrpm/hroi/er/tblchart.pdf](https://employees.faa.gov/org/staffoffices/ahr/program_policies/policy_guidance/hr_policies/hrpm/hroi/er/tblchart.pdf), and treated and evaluated on a “case-by-case” basis under the law according to appropriate criteria and evidence;
  - (j) A specific recommendation that the transaction be approved and ratified;
  - (k) A determination that funds are now available and were available at the time the unauthorized commitment was made; and
  - (l) Any other pertinent facts including invoices, receiving reports, or other evidence concerning the transaction.
- (2) A Procurement Request (PR) or, if under the micro purchase threshold, a Temporary Purchase Card (TPC) Requisition providing evidence of available funding must be attached to the Memorandum of Facts along with a copy of the invoice (if applicable).
- (3) The Memorandum of Facts must be signed by the employee who made the unauthorized commitment. By signing the Memorandum of Facts, the employee attests that the information is accurate and complete. The employee's manager must then sign the Memorandum of Facts. If the employee has separated from the FAA, then the organization having access to information about the unauthorized commitment prepares the Memorandum of Facts and the former employee's supervisor/manager signs it. The cognizant CO must then also review the Memorandum of Facts to ensure accuracy and completeness. After the CO's initial review and concurrence, the Line of Business/Staff Office Senior Financial Manager must then sign the Memorandum of Facts.
- (4) Legal review and concurrence is obtained before submitting the Memorandum of Facts to the cognizant procurement office for the CO's formal determination.

(5) After legal concurrence, the Memorandum of Facts along with the applicable PR/TPC Requisition and a copy of the invoice (if applicable) are transmitted to the cognizant procurement office for ratification action.

(6) When the procurement office receives a PR, a copy of the invoice (if applicable), and a properly documented Memorandum of Facts, the CO makes a written determination, as described below, and forwards the ratification action to the ratifying official. The CO written determination and ratifying official approval or disapproval must be in a separate Ratification Decision Memorandum.

(a) *CO Determination.* Before recommending approval of a ratification and as a part of the CO's review and determination, the CO:

- (i) Determines the price to be fair and reasonable;
- (ii) Recommends that payment be made;
- (iii) Determines that the settlement of the unauthorized commitment would not involve a contract dispute subject to AMS Policy 3.9; and
- (iv) Determines that the purchase would have been authorized had the purchaser followed established procedures.

(b) If an affirmative determination can be made in all areas of subparagraph (a) above, the CO addresses the following regarding the unauthorized commitment as part of the Ratification Decision Memorandum and sends it to the ratifying official:

- (i) A statement that the price is fair and reasonable;
- (ii) A statement recommending approval of the unauthorized commitment;
- and
- (iii) A copy of all supporting documentation.

(c) If the CO, after legal concurrence, is unable to make an affirmative determination in all areas of subparagraph (a) above, the Ratification Decision Memorandum states the CO's reasons that an affirmative determination cannot be made, recommends that the action not be ratified, and offers an alternative solution to resolving the unauthorized commitment.

(d) The ratifying official will then consider the CO determination and determine whether to approve or disapprove the CO determination regarding the unauthorized commitment.

*c. Notice of Infractions.*

(1) An unauthorized commitment made by an individual is considered an infraction. The individual's manager must work closely with their servicing Labor and Employee Relations

(LER) office on how to best handle the infraction. Circumstances will determine the offense and the proposed adverse or disciplinary action taken consistent with ER-4.1, Standards of Conduct, and ER-4.5, FAA Procedures for Disciplinary and Adverse Actions.

(2) Upon receipt of a request for ratification from an organization, the cognizant division manager of the contracting office forwards a notice of infraction to the next level manager/supervisor above the supervisor/manager who signed the Memorandum of Facts. The notice advises the second level manager/supervisor that the action violates Federal law and FAA policy and guidance; reminds him or her of the proper procurement process; offers to provide written material or mini-training sessions (when possible) to orient the organization to the procurement process; requests every effort be made to avoid future violations; and, when appropriate, requests the widest possible distribution of the notice within the organization. This notice must not include any personal information regarding the employee or any personnel-related matters specific to the employee.

*d. Disciplinary Actions for Making Unauthorized Commitments.*

(1) Individuals who make unauthorized commitments, and their immediate manager are subject to possible disciplinary actions. The recommended levels of disciplinary penalties for employees and managers are contained in ER-4.1, Standards of Conduct, and ER-4.5, FAA Procedures for Disciplinary and Adverse Actions.

(2) Any unauthorized commitment made by a non-manager/supervisor with the approval of his or her manager/supervisor is an infraction against the manager/supervisor and not the non-manager/supervisor.

*e. Avoiding Ratification.*

(1) When individuals who have not been delegated procurement authority need products or services, or when individuals with delegated procurement authority need products or services estimated to exceed their delegated authority, they must consult with the procurement office for support and guidance to avoid unauthorized commitments.

(2) An unauthorized commitment occurs when someone, other than a CO or other authorized individual, enters into an agreement on behalf of the Government but does not have authority to do so or to obligate the Government.

(3) To avoid a ratification action, an office requiring products or services must ensure that its employees are familiar with the procurement process and are aware of the consequences of unauthorized commitments.

(4) Individuals who have not been delegated procurement authority and who need supplies or services must contact either the person within their organization who has delegated procurement authority or the cognizant procurement office for assistance. The following are examples of types of procurement and areas of the procurement process that may involve individuals outside of the procurement offices, and circumstances in which procurement authority may be delegated to individuals other than a CO. (For more information about procurement methods generally used by individuals outside of the procurement office, see AMS Procurement Guidance T3.2.2.5, Commercial and/or

Simplified Purchase Method.)

(a) *Government Purchase Card*. FAA employees may be delegated authority to procure supplies and services using the Government purchase card.

(b) *Blanket Purchase Agreement (BPA)*. A procurement vehicle, awarded by a CO, for ordering supplies or services that may authorize other specific individuals to order supplies or services from the vendor.

(c) *Convenience Check*. FAA employees delegated purchase card authority may use convenience checks when a vendor does not accept the Government purchase card for on-the-spot, over-the-counter purchases of supplies and services and the additional requirements of AMS T3.2.6A.2 are met.

(5) *Existing Contracts*. Contracting Officer Representatives, resident engineers, etc., must be careful not to direct a contractor to perform any task that would result in a change to the cost, schedule, or scope of the contract, unless such action is authorized by the CO. It is easy through conversation and during the normal daily interaction with the contractor to inadvertently direct the contractor to perform tasks that result in cost or schedule impact. If such direction is given without the delegated authority, or the express authorization of the CO, the result is an unauthorized commitment.

(6) *Contract Renewals*. A contract awarded for a base period of performance plus options means that the Government is only committed for the base period. Each option period requires a contract modification before the beginning of the option period to authorize continued performance. Performance following the initial contract period must not begin until the contract has been properly modified to authorize continued performance. The requiring office is responsible for requesting a contract modification to exercise options and for providing the funds to continue performance. Individuals who serve as the Government's point of contact on a contract with option provisions should be familiar with the contract terms. Placing an order or directing tasks against an expired contract results in an unauthorized commitment. Before the beginning of the option year, if a modification has not been received to extend the contract period, the CO should be contacted for guidance before placing any orders or directing any tasks for that option period.

(7) *Examples*. The following are examples of areas where unauthorized commitments are commonly made:

(a) A Federal employee without delegated procurement authority-

(i) Calls a contractor and requests support without confirming a contract is in place;

(ii) Directs a contractor to start work before a contractual document is awarded by an authorized CO;

(iii) Asks a contractor to make a purchase for them without a fully signed contractual agreement in place authorizing the purchase;

(iv) Signs up for online support services, magazine subscriptions; or associations involving a financial commitment; or

(v) Signs up for services or subscriptions involving automatic renewals involving a financial commitment.

(b) The following types of procurements also require caution to avoid possible unauthorized commitments-

(i) Acquiring Conference Space. After the request for conference space has been coordinated per AMS Guidance T3.2.1A.12, the requiring office may discuss the requirement with the vendor/hotel to ensure the appropriate accommodations are available. However, the space should not be utilized until the transaction has been approved and an agreement signed by a person with the appropriate procurement authority.

(ii) Training. Request for training should be submitted to the procurement office in time to enable the requirement to be processed sufficiently in advance of the beginning of the course.

(iii) Professional Speakers or Arbitration Services. The requiring organization may identify the appropriate speakers or arbitrators and have discussions to ensure the Government's needs will be met. However, the requiring office should not enter into any oral or written agreements on behalf of the Government unless the person making the agreement has the delegated authority to do so. If the requiring office does not have an individual with the delegated authority to enter into an agreement, the request should be submitted to the contracting office for processing.

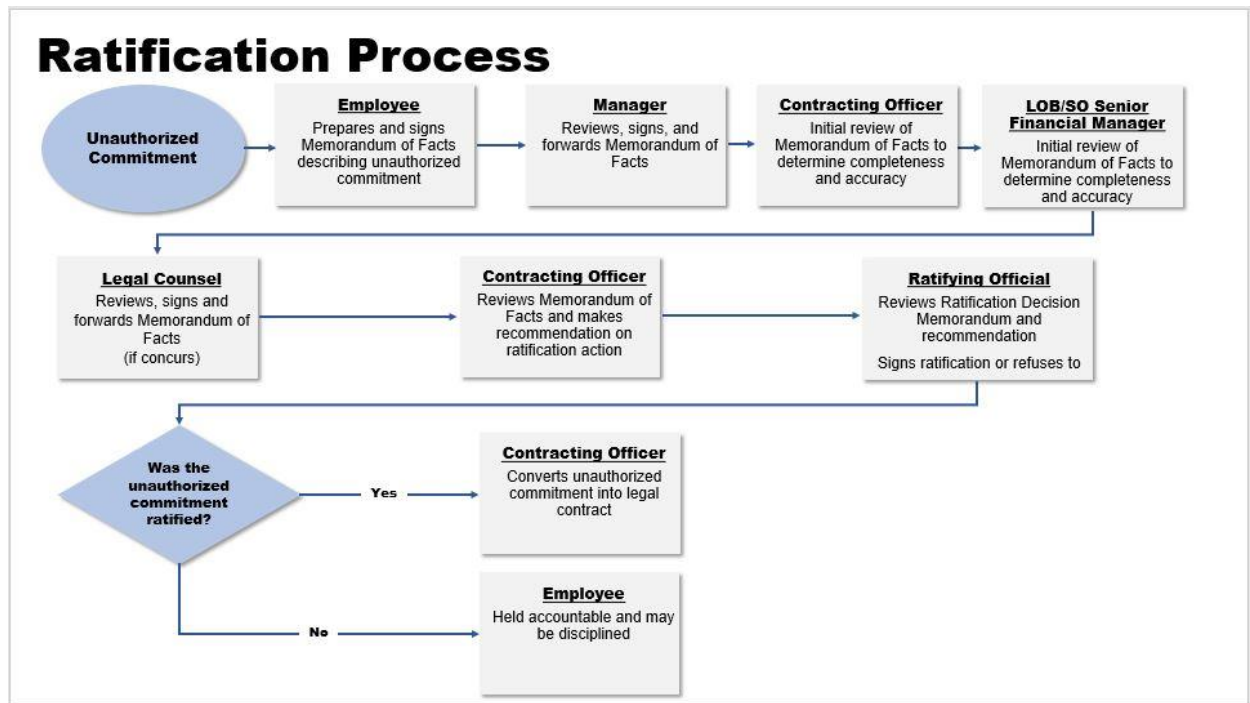
*f. Exceptions to Infractions.*

(1) In cases of extreme emergencies, such as floods, fires, tornadoes, earthquakes and hurricanes, or emergencies that may have an immediate impact on the safety of flying public and/or FAA personnel, an individual may need to obligate the Government's funds to preserve life and property. In these instances, if possible, the individual should contact the cognizant procurement office and request that a CO verbally authorize the contractor to proceed according to emergency procedures outlined in AMS policy 3.2.2.4.1.1.

(2) When the extreme emergency conditions outlined above occur, and attempt to contact the CO to give a verbal authorization was unsuccessful, the Memorandum of Facts as described in this Guidance documents the circumstances. The Memorandum of Facts must include a statement that the person who made the unauthorized commitment is exempt from the requirement for disciplinary action. The Memorandum of Facts must be prepared

and submitted as soon as possible afterwards.

*g. Ratification Process Flowchart*



**B Clauses** Revised 7/2010

[view contract clauses](#)

**C Procurement Forms** Added 9/2021

Document Name

**D Procurement Samples** Added 9/2021

Document Name

**E Procurement Templates** Revised 4/2022

Document Name
Ratification Memorandum of Facts
Ratification Decision Memorandum

## F Procurement Tools and Resources Added 9/2021

Document Name

## G Appendix Revised 9/2021

### Appendix A: 1102 Series Warrant Standards Revised 9/2021

	Threshold Limit	Minimum FAA Certification Level
\$150,000		Level I
	\$1,000,000	Level II
\$5,000,000		Level II
	\$10,000,000	Level II
	\$50,000,000	Level III
Unlimited		Level III

### Appendix B: 1170 Series Warrant Standards Revised 9/2021

	Threshold Limit	Minimum FAA Certification Level
<b>\$150,000</b>		<b>Level I</b>
	<b>\$250,000</b>	<b>Level I</b>
<b>\$300,000</b>		<b>Level II</b>
	<b>\$1,000,000</b>	<b>Level II</b>
	<b>\$1,500,000</b>	<b>Level III</b>
<b>Unlimited</b>		<b>Level III</b>