AMS/FAST CHANGE REQUEST (CR) COVERSHEET

Change Request Number: 21-56

Date Received: April 13, 2021

Title: Delegation of Procurement Authority (DPA) Form Deletion - Guidance

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Initiator Name: Tim Eckert

Initiator Organization Name / Routing Code: Procurement Policy Branch, AAP-110

Initiator Phone: 202.267.7527

ASAG Member Name*:* Monica Rheinhardt

ASAG Member Phone*:* 202.267.1440

Policy and Guidance: (check all that apply)

- ☐ Policy
- ☒ Guidance
- ☐ Procurement Forms, Templates and Samples
- ☐ Real Property Templates and Samples
- ☐ Procurement Clauses
- ☐ Real Property Clauses
- ☐ Other FAST Tools and Resources

Summary of Change: (1)Deletion of references to Delegation of Procurement Authority (DPA) and deletion of DPA Form; and (2) for SAVES orders, provide clarity for the information needed for a rational basis for a brand name order, and eliminates the need for a Single-Source Justification for brand-name mandatory requirements unless the brand name mandatory requirement is from a single source.

Reason for Change: (1) DPAs no longer given - associated administrative update to clarify that the DPA acronym now applies to Delegation of Purchasing Authority; and (2) clarification of brand name order requirements for SAVES consistent with other AMS changes.

Development, Review, and Concurrence: AAQ/AAP-410/AAP-110

Target Audience: Logistics Management Specialists, Purchase Cardholders, Program Offices, and Contracting personnel.

Briefing Planned: No.

ASAG Responsibilities: None.

Section / Text Location: T3.1.4, T3.1.9, and T3.8.6 and deletion of the Form.

The redline version must be a comparison with the current published FAST version.

(•) I confirm I used the latest published version to create this change / redline

or

( ) This is new content

Links: https://fast.faa.gov/PPG_Procurement.cfm and https://fast.faa.gov/PPG_Procurement_Forms.cfm

Attachments: Redline and final documents.

Other Files: N/A.

Redline(s):

Section Revised: T3.1.4 – Delegations

Procurement Guidance - (~~4/2021~~7/2021)

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/faa/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/faa/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 ~~1/2021~~7/2021

a. ~~*Redelegation.* Individuals delegated procurement authority from the FAE under this subsection cannot redelegate that authority~~~~*General*. The FAE may delegate a limited form of procurement authority to qualified individuals who are not warranted COs. This limited authority may be granted to individuals within or outside of the contracting office when supported by a demonstrated need. The FAE evaluates the request and delegates authority to the individual needing the authority. The delegation must be in writing and state specific limitations governing the limited authority, such as dollar thresholds or types of procurement (i.e. supplies, services, construction, etc.). Guidance in this section does not apply to delegations under the purchase card program, which is addressed in AMS Procurement Guidance T3.2.6, Purchase Card Program~~.

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

~~c. *Delegation of Procurement Authority (DPA).* A DPA may be granted to non-1102s by the FAE through a written request. This form of delegation authorizes the individual to legally bind FAA and delegates specific authority related to the dollar threshold and types of procurements (not related to the purchase card program). This procurement authority cannot be further delegated, and personnel cannot "sign for" or over someone else holding procurement authority.~~

~~d~~. *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.

~~e. *Limitations*. All DPAs define the dollar and scope limitations of the authority granted by the FAE. All limitations based on dollar thresholds must ensure the dollar value of a transaction includes the base year and all options, as defined by "total estimated potential value" in Appendix C of AMS policy. In addition to the dollar value, a DPA must expressly state any limitations of authority (other than limitations in applicable laws or regulations) and state the specific types of transactions the non-1102 is authorized to make (e.g. other transaction agreements, reimbursable agreements, construction, services and/or supplies, etc.).~~

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

~~g. A sample of a delegation request and instructions is at the Acquisition Career Manager website.~~

6 Ratification of Unauthorized Commitments Revised 9/2020

a. G*eneral*.

(1) *Contracting Authority*. Only a CO and other qualified individual delegated procurement authority, acting within the scope of his or her delegated authority, may enter into contracts, or other agreements and may obligate funds on behalf of the Government.

(2) *Unauthorized Commitments*. A contract, order, or agreement made by an FAA employee, other than a CO or other authorized person, 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 may be disciplined according to Federal Aviation Personnel Manual (FAPM) Letter 2635 and Human Resources Policy Manual (HRPM) ER-4.1, as applicable.

(3) *Organizational Responsibility*. FAA organizations must make every effort to prevent unauthorized commitments. Unauthorized commitments are serious acts of misconduct. Supervisors and managers must ensure each employee is aware of policy and procedures related to unauthorized commitments and conduct and discipline rules for unauthorized commitments in FAPM Letter 2635 and ER-4.1.

(4) *Ratification.* 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*. The COCO has authority to ratify unauthorized commitments. 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 supervisor/manager, assisted by the person who committed the unauthorized act, prepares a 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 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 disciplinary action taken to preclude the situation from recurring;

(i) A specific recommendation that the transaction be approved and ratified;

(j) A determination that funds are now available and were available at the time the unauthorized commitment was made; and

(k) Any other pertinent facts including invoices, receiving reports, or other evidence concerning the transaction.

(2) Evidence of available funding should be attached to the memorandum.

(3) The memorandum of facts must be signed by the employee who made the unauthorized commitment and endorsed by the supervisor/manager. By signing the memorandum, the employee attests that the information is accurate and complete. If the employee has separated

from the FAA, then the organization having access to information about the unauthorized commitment prepares the memorandum and the former employee’s supervisor/manager signs it.

(4) Legal review and concurrence is obtained before submitting the memorandum to the ratifying official.

(5) After legal concurrence, the memorandum along with the applicable Procurement Request (PR) is transmitted to the cognizant procurement office for ratification action.

(6) When the procurement office receives a PR and a properly documented supporting memorandum, the CO makes a written determination, as described below, and forwards the ratification action to the ratifying official.

(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 prepares a memorandum to the ratifying official with the following information:

(i) A brief description of the unauthorized commitment;

(ii) A statement that prices are fair and reasonable;

(iii) A statement recommending approval of the unauthorized commitment;

and

(iv) 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 memorandum to the ratifying official 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.

c. *Notice of Infractions*.

(1) An unauthorized commitment made by an individual is considered a first infraction.

(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.

d. *Disciplinary Actions for Making Unauthorized Commitments*.

(1) Individuals who make unauthorized commitments, and their immediate supervisor are subject to possible disciplinary actions. The recommended levels of disciplinary penalties for staff, managers, and supervisors are contained FAPM Letter 2635 and ER-4.1.

(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.

(3) The period of accumulation for the above-mentioned infractions by staff, managers, and/or supervisors is five (5) years.

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 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) Purchase Card Check. FAA employees delegated purchase authority may use purchase card checks when a vendor does not accept the Government purchase card for on-the-spot, over-the-counter purchases of supplies and services.

(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. Contracts 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) Acquiring Conference Space. After the request for conference space has been coordinated through the local real property office, 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.

(b) 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.

(c) 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 the flying public, 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 conditions outlined above occur, and the CO was not contacted to give a verbal authorization, the memorandum of fact documents the circumstances. The memorandum includes a statement that the person who made the unauthorized commitment is exempt from the requirement for disciplinary action.

g. *Waiving Disciplinary Action*. The ratifying official may waive disciplinary action. The ratifying official must justify in writing why the unauthorized act does not warrant discipline.

h. *Definitions*.

(1) "Ratification" is an act of approving an unauthorized commitment by an official who has the authority to do so.

(2) "Unauthorized commitment" is an agreement entered into by a representative of the Government who does not have the authority to enter into agreements on behalf of the Government.

B Clauses Revised 7/2010

view contract clauses

C Forms Revised 7/2010

view procurement forms

D Appendix Revised 9/2020

1 1102 Series Warrant Standards Revised 1/2017

	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

2 1170 Series Warrant Standards Added 09/2020

	Threshold Limit	Minimum FAA Certification Level
$150,000		Level I
	$250,000	Level I
$300,000		Level II
	$1,000,000	Level II
	$1,500,000	Level III
Unlimited		Level III

Section Revised: T3.1.9 – Electronic Commerce

Procurement Guidance - (~~4/2021~~7/2021)

T3.1.9 Electronic Commerce Added 7/2007

A Electronic Commerce and Signature in Contracting Added 7/2007

1 Authority for Electronic Commerce Revised 7/2013

a. The FAA may use electronic commerce and signature. The Electronic Signatures in Global and National Commerce Act (E-SIGN) provides authority for electronic contract formation, signature, and recordkeeping. It also establishes legal equivalence between:

(1) Contracts written on paper and contracts in electronic form;

(2) Pen-and-ink signatures and electronic signatures; and

(3) Other legally-required written records and the same information in electronic form.

b. Definitions.

(1) *Electronic Commerce*: Electronic techniques for accomplishing business transactions, including, but not limited to, electronic mail or messaging, World Wide Web technology, electronic bulletin boards, and electronic data interchange.

(2) *Electronic Signature*: A method of electronically signing an electronic message that identifies and authenticates a particular person as the source of the electronic message, and indicates such person's approval of the information contained in the electronic message.

2 Considerations for Technology and Systems Revised 7/2013

a. Before implementing electronic commerce hardware and software, the Contracting Officer (CO) must consult with legal counsel, information security, and information technology specialists to ensure proposed technology is legally supportable, does not weaken security of current systems, is consistent with enterprise-level standards, and does not use unsupported or outdated technology.

b. The procurement team (CO, program official, legal counsel, and other supporting staff) must ensure proposed hardware and software:

(1) Represents the best value to the FAA;

(2) Considers the full or partial use of current systems;

(3) Does not weaken the security of current systems or support outdated technology;

(4) Provides a means of access by all concerns, to the extent practicable;

(5) Properly identifies users and protects sensitive data from unauthorized access; and

(6) Does not violate any law, regulation, Executive Order, or FAA policy.

c. The procurement team must ensure electronic commerce and signature system is capable of ensuring authentication and confidentiality commensurate with the risk and magnitude of the harm of loss, misuse, or unauthorized access to or modification of the information. The technology must ensure records have:

(1) *Authenticity:* Ensures that the record is what it purports to be and to have been created by the person who claims to have created and sent it;

(2) *Integrity*: The records are complete and unaltered;

(3) *Reliability*: Contents can be trusted to be a full and accurate representation of the transaction(s) to provide for a valid audit trail; and

(4) *Usability*: Records can be located, retrieved, presented, and interpreted.

d. All parties (FAA and offeror/contractor) who will use the electronic commerce technology must agree in advance to the particular methodologies and format to be used, and to what extent the contractual action will use electronic commerce. This CO must document this agreement.

e. The CO may authorize using alternative forms of media, such as hardcopy drawings and schematic models, to supplement electronic commerce in a procurement action.

f. Records management and retention policies in FAA Order 1350.15C apply to electronic commerce, and disposal guidelines must be strictly followed.

3 Electronic Signature **Revised 7/2013**

a. Electronic signatures may be accomplished by different technologies, including: (1) Personal Identification Number (PIN) or passwords; (2) Digital signatures; (3) Smart cards; and (4) Biometrics.

b. The CO must ensure that the name of the electronic signer and the date when the signature was executed are included as part of any electronic record.

4 Electronic Contract Files **Revised ~~10/2020~~7/2021**

a. *eDocS*. The official contract file contains the complete record of activities, rationale for decisions and related documentation from planning through close-out of a procurement action. Beginning with new contract actions in FY14, except for documents which are otherwise required to be created or maintained in paper format such as documents associated with real estate transactions and documents requiring a raised seal signifying authenticity, FAA's official contract file must be created, stored and maintained in Electronic Document Storage (eDocS). The Chief of the Contracting Office (COCO) may waive this requirement on an individual or class basis.

(1) eDocS contains a standard folder structure based on mandatory AMS contract file checklists used to label and organize documents into official files. The CO must use eDocs to establish and maintain an official file for all procurement actions occurring in FY14 and later, excluding purchase card transactions and certain real estate transactions involving sales or conveyances.

(2) The CO must ensure documents stored in eDocS are complete, legible, accurately labeled, and filed promptly under the appropriate contract folder. Signed documents especially must be accurate, complete, legible, and not altered in any way.

(3) The CO must indicate the location of all contract file documents not stored within eDocS in the Annotations field of the eDocS properties page. The annotation must address any and all documents associated with the official contract file whether stored in electronic form or in paper form, including but not limited to paper files that may be maintained in original form, such as large scale drawings impractical to convert to electronic format or a document with a raised seal signifying authenticity.

(4) Documents containing personally identifiable information (PII) are subject to Privacy Act restrictions. A Tax Identification Number (TIN) may be an individual's Social Security Number, and as such would be PII that must be protected. As a general rule, the following documents containing a TIN must be encrypted before storing in eDocS (other documents may also include PII and must be encrypted):

(a) Electronic funds transfer waiver
(b) Intra-Agency Agreements (FS Form 7600A and FS Form 7600B)

(5) Classified and sensitive unclassified documents must be marked and stored according to FAA orders 1600.72 and 1600.75.

(6) Documents stored in eDocS should not be password protected or encrypted, unless otherwise required by regulation, policy, or order.

(7) All users must complete training before using eDocS.

(8) By no later than April 1, 2014, the contract reporting metadata for all active contracts must be entered into eDocS. It is the responsibility of the CO to ensure that the data is maintained and updated. eDocS will identify the metadata that must be entered and maintained.

~~(9) After operating procedures are established and training is provided, the requirement to use eDocS will apply to procurement actions by individuals with a Delegation of Procurement Authority who are outside of Acquisition and Contracting (AAQ) and the Office of Acquisition Services at the Aeronautical Center (AMQ).~~

b. *Electronic Records*. Federal law, regulations, and policy allow and encourage electronic contract files and using electronic signatures. The Comptroller General as far back as 1991 has affirmed electronic contracts meet the requirement that contracts be in writing. The Electronic Signatures in Global and National Commerce Act (E-SIGN) gives legal equivalence between electronic contract records, including contracts digitally signed, and paper-based, manually signed documents. E-SIGN also provides legal equivalence for retaining electronic versus paper records. Electronic records satisfy any other policy, regulation, or law that requires "written" contract documents and related information to be created, maintained, and stored. The National Archives and Records Administration regulations and policy allow agencies to transmit files for storage entirely in electronic format.

B Clauses **Added 7/2007**

view contract clauses

C Forms **Added 7/2007**

view procurement forms

Section Revised: T3.8.6 – Strategic Sourcing

Procurement Guidance - (~~4/2021~~7/2021)

T3.8.6 Strategic Sourcing Added 1/2007

A Strategic Sourcing Added 1/2007

1 General Revised 1/2012

a. Strategic sourcing is implemented through the Strategic Sourcing for the Acquisition of Various Equipment and Supplies (SAVES) program, and other FAA-wide initiatives, such as the National Wireless Program and Software Enterprise License Agreements.

b. Any organization creating a strategic sourcing vehicle must establish and publish procedures for use including procedures for exceptions, waivers, and integration with existing strategic sourcing contracts.

2 Strategic Sourcing for the Acquisition of Various Equipment and Supplies (SAVES) Program Revised 1/2016

a. SAVES contracts provide the FAA with a simplified process for obtaining commonly used products and services at prices associated with volume buying, while maintaining or improving the quality of purchases and vendors' service levels. These products include non- NAS information technology (IT) hardware (enterprise servers and peripherals), commercial- off-the-shelf (COTS) software, video teleconferencing equipment and support, general office supplies, office equipment (printers, copiers and multifunctional devices), courier services (overnight mail), and express and ground delivery services. In addition, this process helps agencies optimize performance, minimize price, increase achievement of socio-economic acquisition goals, evaluate total life cycle management cost, improve vendor access to business opportunities, and otherwise increase the value of each dollar spent.

b. Under SAVES, FAA entered into indefinite delivery contracts or blanket purchase agreements (BPAs) with commercial vendors providing products and services at pre- negotiated pricing or discounts. The SAVES contracts and agreements are continuously being monitored to ensure that FAA is obtaining quality products and services at competitive prices. Notify the SAVES Program Office if you encounter any performance issues. Quarterly reviews will be conducted and, if necessary, the contract terms will be renegotiated before an option year is exercised on an existing contract. Ordering offices place orders directly with SAVES contractors using their Government purchase card or through a CO using a purchase order.

c. Purchases of products or services available through a SAVES contract from other sources must only be considered if there would be a significant adverse impact to air traffic control operations or in the case of a bonafide emergency. If an item available through SAVES is purchased from another source due to an adverse impact to air traffic control operations or a bona fide emergency, the basis must be recorded with the order and/or purchase card documentation.

d. Unless a purchase meets one of the two conditions discussed in subparagraph 2.(c), purchases must not be made outside of the SAVES contracts unless the purchasing organization submits and receives approval of a waiver from the SAVES Program Office using the SAVES Waiver Request Form. The waiver justification for the purchase of products and services, which are available through the SAVES contract, must include rationale in addition to pricing, (e.g., availability, quality of product or service, etc.)

e. *SAVES Waiver Threshold*. Waivers with a total value of $50 or less do not require approval from the SAVES Program Offices, but must be documented in the purchase file.

f. Use of SAVES Office Supply and Office Equipment contracts by organizations and facilities located outside the continental United States, including Alaska, Hawaii, U.S. Territories, and foreign countries is optional. Product availability and shipping costs to these locations often make the purchase of these items locally a better value for the FAA.

3 SAVES Website Added 1/2007

Information about the SAVES Program and links to the SAVES contract information, purchasing processes and instructions, pricing, contact information, vendor web portal instructions, etc. for each SAVES contract is located on the FAA employee website (FAA only).

4 SAVES Ordering for Office Supplies, Office Equipment, and IT Hardware Revised ~~7/2020~~7/2021

a. SAVES contracts have been competed, comply with laws prescribing mandatory sources (such as AbilityOne vendors) for certain products, conform to environmentally friendly and energy efficient purchasing, and include prices determined to be fair and reasonable.

b. As requirements become known, ordering offices may place orders against existing SAVES contracts. Ordering offices do not need separate justification to use a SAVES contract, nor should they publicly announce or compete a planned order. Ordering details for each SAVES contract are located on the FAA employee website.

c. The terms and conditions of a SAVES basic contract governs individual orders. Additional terms and conditions are not required and should not be included in individual orders.

d. *Brand Name-Mandatory Products.*

(1) *Orders by 1102 Series Contracting Officers*. For brand name-mandatory acquisitions with a total value of $150,000 or less procured through the use of SAVES, a rational basis for the brand-name mandatory determination must be documented by the service organization~~.~~ using the Brand Name Mandatory or Brand Name or Equal Rational Basis Template or the Single Source Justification Template. The ~~justification~~ rational basis

must be approved by the Service Organization Official~~,~~ and ~~concurred with by Contracts using the single source justification template~~the Contracting Officer must concur that it is in ~~AMS Procurement Guidance T3.2.2.4 Appendix 1.~~the best interest of the FAA. For brand name-mandatory acquisitions with a total value over $150,000 procured through the use of SAVES, a rational basis for the brand-name mandatory determination must be documented ~~and approved~~by the service organization using the Brand Name Mandatory/Brand Name or Equal Rational Basis Template or the Single Source Justification Template. The rational basis must be endorsed by the Service Organization Official ~~using the single source justification template in AMS Procurement Guidance T3.2.2.4 Appendix 1,~~and the SAVES Contracting Officer's Representative (COR), and reviewed by Legal for sufficiency, and ~~concurred with by Contracts. (see~~the CO or Purchase Cardholder must concur that it is in the best interest of the FAA (See AMS Procurement Guidance T3.2.2.8A~~(5)).~~.5 for more information on Brand Name and AMS T3.2.2.4 for Single Source).

~~(2)~~ *Orders by Purchase Cardholders* ~~or Personnel with Delegations of Procurement Authority (DPA).~~ For brand-name mandatory acquisitions, with a total value of (2) $10,000 or more, a rational basis for the brand-name mandatory determination must be documented by the service organization~~.~~ using the Brand Name Mandatory/Brand Name or Equal Rational Basis Template or the Single Source Justification Template located on the FAST website. The ~~justification~~rational basis must be endorsed by the Service Organization Official and the SAVES Contracting Officer's Representative (COR) and reviewed by Legal for sufficiency, ~~approved by the SAVES Contracting Officer's Representative (COR), and concurred with by Contracts the~~ and the CO or Purchase Cardholder ~~or DPA using the single source justification template~~must concur that it is in the best interest of the FAA. (See AMS Procurement Guidance T3.2.2.8A.5 for more information on Brand Name and AMS T3.2.2.4 ~~Appendix 1.~~for Single Source).

e. Ordering offices may order on-line, by telephone or fax. Payment must be made with either Government purchase card or purchase order. Purchase orders must be signed by a CO. Purchasing from the SAVES contracts does not change the existing policy and guidance for purchase card or purchase order purchasing processes. All purchasing provisions and restrictions in the purchase card and purchase order policies are applicable when purchasing from the SAVES contracts. Purchases through the SAVES contracts do not change existing policy and guidance to the FAA personal property order.

f. SAVES contractors are to deliver products as expeditiously as possible. Acceptable levels of service delivery are specified in SAVES contracts. FAA users can order standard delivery or one of several expedited delivery alternatives. Products or services delivered faster than the standard delivery will incur increased delivery charges, as specified in SAVES contracts.

B Clauses **Added 1/2007**

view contract clauses

C Forms **Added 1/2007**

view procurement forms