Subchapter 3007.2  Planning for the Purchase of Supplies in Economic Quantities

3007.204  Responsibilities of contracting officers.

(a) Reserved.

(b) Before continuing with the negotiation or award of the acquisition, the contracting officer shall decide, in conjunction with the program manager, if continuing outweighs the potential cost saving benefits of delaying the acquisition.

3007.270  Additional requirements for acquisitions involving strategically sourced commodities.

3007.270-1  Scope.

This section describes the roles and responsibilities related to planning Department-wide contracts, and DHS’ role in Federal Strategic Sourcing Initiatives (FSSI).

3007.270-2  Definitions.

*Business Case* means a document used for capturing the business rationale and strategy decisions for a department-wide contract. It addresses the business need, alternatives, anticipated risks, expected cost, measurements, benefits, and acquisition strategy. The business case templates (Streamlined and Full) are available on the Strategic Solutions Office (SSO) Intranet at: http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/oss/Pages/StrategicSourcing.aspx.

*DHS Commodity Council* means a cross-Component working group comprised of executive or senior leadership who approve commodity strategies for Department-wide initiatives and appoint or recommend Component representatives for the DHS Commodity Working Group.

*DHS Commodity Working Group (CWG)* means a cross-component working group comprised of Component subject matter experts, program/project managers, and procurement personnel that identify a strategic sourcing opportunity within a set of related commodities and conducts detailed analysis of component level budget, spend, and acquisition practices to develop the necessary documentation required for the procurement.

*Government-wide contract* means any contract vehicle available for use by Federal Agencies and includes FSSI, Government-wide Acquisition Contracts (GWACs), BPAs, and Multi-agency contracts.

3007.270-3  General requirements.

(a) The DHS SSO shall implement the Department-wide approaches to acquiring goods and services. The SSO shall collaborate with stakeholders to develop and deploy sourcing strategies that enhance mission performance and improve acquisition efficiency utilizing a structured, phased-oriented framework identified in the SSO Concept of Operations available at http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/oss/Pages/StrategicSourcing.aspx.

(b) Components shall involve the SSO during the requirement identification and definition phases of an acquisition to determine if an existing Department-wide contract is in place or is
anticipated, and to determine if the requirement lends itself to the establishment of a Department-wide contract.

(c) When developing Component-wide contracts, Components shall coordinate with the SSO to determine if another Component(s) has requirements for similar goods and/or services. If requirements are similar, the Component(s) shall work to provide information to assist with the development of a Department-wide contract and shall assist with such responsibilities as identifying common requirements, current prices, existing contractual agreements, and required terms and conditions; providing future requirements and spend forecasts, establishing ordering procedures; determining contract management and administrative processes; developing a methodology for calculating savings; and establishing reporting procedures to track purchase volume, spend, and savings.

(d) Prior to pursuing an acquisition outside of a Strategic Sourcing vehicle notwithstanding any exceptions identified in HSAM Section 3007.271-2, Components shall review the published listing of Department-wide contracts available on the SSO Intranet (http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/oss/Pages/StrategicSourcing.aspx) to determine if the requirement can be met through a current or planned Department-wide contract.

3007.271 Department-wide contracts.

3007.271-1 General requirements.

(a) Before establishing a Department-wide contract, it shall be supported by a written business case. If the acquisition is below the Office of Management and Budget (OMB) threshold (See HSAM 3007.271-1(c)(2)) a streamlined business case shall be prepared. At a minimum all business cases shall meet the following requirements:

(1) Demonstrate the value of establishing a new Department-wide contract vehicle versus establishing a Government-wide or Component-wide vehicle;

(2) Identify any existing Government-wide, Department-wide or Component-wide contracts that would satisfy the need;

(3) Describe the reason(s) why a new Department-wide contract should be established in lieu of using an existing Government-wide contract;

(4) Discuss the DHS customer(s) and the steps being taken to reflect any anticipated or future change conditions; and

(5) Evaluate the factors considered in reaching a conclusion that a Department-wide contract is consistent with and beneficial to the DHS mission.

(b) The program office shall prepare the business case. The SSO will assist with the preparation of the business case and will submit the document for CPO or designee approval.
(c) Guidance in this section applies to planned Department-wide vehicles meeting the criteria described in (c)(1) and the thresholds of (c)(2). A full business case shall be developed when:

(1) The preliminary business case for GWACs, Multi-Agency Contracts and BPAs shall be developed consistent with the SSO business case template and posted to the OMB MAX system upon request or if the thresholds in (c)(2) applies.

(2) The criteria and estimated dollar threshold set forth in the Office of Federal Procurement Policy Memorandum, “Development, Review and Approval of Business Cases for Certain Interagency and Agency-Specific Acquisitions,” dated September 29, 2011 and available at: http://www.whitehouse.gov/sites/default/files/omb/procurement/memo/development-review-and-approval-of-business-cases-for-certain-interagency-and-agency-specific-acquisitions-memo.pdf requires Department-wide business cases meeting the thresholds in the table below to be uploaded to the OMB MAX “Business Case Community Page” during the advance acquisition planning phase for a minimum of 15 days to permit review by interested Federal stakeholders. The OMB MAX system is available at: https://max.omb.gov/community/x/b5G8IQ.

<table>
<thead>
<tr>
<th>Acquisition Vehicle</th>
<th>Anticipated Solicitation Release Date</th>
<th>Business case is required when the estimated value of the proposed acquisition vehicle is equal to or greater than…</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government-wide Acquisition Contract</td>
<td>—</td>
<td>All GWACS regardless of estimated value</td>
</tr>
<tr>
<td>Covered Multi-Agency Contract or Multi-Agency Blanket Purchase Agreement</td>
<td>—</td>
<td>$250 Million</td>
</tr>
<tr>
<td></td>
<td>FY13</td>
<td>$100 Million</td>
</tr>
<tr>
<td>Covered Agency-Specific Contract or Agency-Specific Blanket Purchase Agreement</td>
<td>FY14</td>
<td>$50 Million</td>
</tr>
</tbody>
</table>

(3) Based on Federal stakeholder feedback, a determination shall be made to either proceed with a new procurement (finalize) or to cancel the business case of which the status shall be updated in OMB MAX system.

(4) When establishing or renewing a GWAC, at a minimum, Section 2: Scope and Section 4: Potential Duplication of the business case shall be reviewed and approved using the OMB MAX “Business Case Community Page.”

(5) The SSO shall formally submit the approved business case to OMB as a part of the request by the agency head or deputy to the OMB Director, requesting executive agent designation to award and manage the GWAC.
(d) OSDBU and the DHS Office of the Chief Information Officer (information technology acquisitions only) shall approve the business case prior to submitting the business case for CPO or designee approval.

(e) The CPO or designee shall approve the designation of an acquisition as a Department-wide contract and as mandatory with exceptions based on review and approval of the business case. Written approval by the CPO or designee shall be received prior to issuing a pre-solicitation synopsis or other public notice.

(f) If not approved in the business case a separate request for Executive Agent Designation shall be developed by the SSO. The HCA shall review the Executive Agent Designation and submit for CPO or designee approval through the following email address: SSO@hq.dhs.gov.

(g) The approved business case shall be maintained as a part of the contract file.

3007.271-2 Use of department-wide contracts.

See HSAM 3017.7102 for the requirements, procedures and exceptions for use of Department-wide vehicles.

3007.271-3 Source selection evaluation for department-wide contract vehicles.


(b) Evaluators shall meet the necessary qualifications as specified in the request by SSO.

(c) Request for exception to this requirement requires OCPO approval and shall be submitted to Director, SSO via the following email address: SSO@hq.dhs.gov.

3007.271-4 Review of FPDS information.

Information reported to FPDS for department-wide contract vehicles is automatically propagated to task/delivery orders. Therefore, every effort must be made to ensure information entered is correct. Components shall perform a detailed review of each department-wide contract vehicle’s FPDS report to ensure the information is accurate, complete, and timely. Review of the FPDS CAR shall be done at the same time the contract document and contract file are reviewed, i.e., prior to award.

3007.271-5 Post-award notification.
(a) The HCA shall notify the CPO or designee once the Department-wide contract is awarded in order to distribute and post information about the contract on the SSO intranet site. See HSAM 3005.303-70 for requirements/procedures.

(b) The contracting officer shall provide the SSO electronic copies of all contract modifications and other documentation, i.e., ordering guide, contract overview, and vendor contact information.

3007.272 Federal Strategic Sourcing Initiatives (FSSI).

The primary goals of FSSI are to strategically source across federal agencies; establish mechanisms to increase total cost savings, value, and socio-economic participation; collaborate with industry to develop optimal solutions; share best practices; and create a strategic sourcing community of practice. FSSI solutions provide DHS with access to vehicles that meet OMB’s goal for cross-government participation.

3007.272-1 Reserved.

3007.272-2 Definition.

Federal Strategic Sourcing Initiative (FSSI) is a government-wide commodity working group chartered under the purview of the Federal Government’s Chief Acquisition Council, led by the General Services Administration, to encourage cross-government collaboration, identification of commodities and services common to all agencies, and adoption of industry best practices for strategic sourcing initiatives.

3007.272-3 Procedures.

(a) DHS participates in FSSI initiatives that collectively achieve DHS and FSSI goals.

(b) The OCPO shall serve as the DHS interface through active participation in the FSSI Working Group by assisting, when necessary, in the planning, development, and execution of government-wide solutions.

(c) Components shall provide subject matter expertise and requirements upon request of the OCPO.