



**Department of Energy
Acquisition Regulation**

**No. AL 2011-01
October 5, 2010**

ACQUISITION LETTER

This Acquisition Letter is issued under the authority of the DOE and NNSA Senior Procurement Executives.

Subject: Interagency Acquisitions

References:

OMB Guidance	Interagency Acquisitions, Office of Federal Procurement Policy, June 2008
FAR Part 6	Competition Requirements
FAR Part 7	Acquisition Planning
FAR Part 8	Required Sources of Supplies and Services
FAR Part 10	Market Research
FAR Subpart 17.5	Interagency Acquisitions under the Economy Act
FAR Part 38	Federal Supply Schedule Contracting
FAR Part 42	Contract Management

DOE Acquisition Guide (AG) Chapters

Chapter 6.1	Competition Requirements
Chapter 7.1	Acquisition Planning
Chapter 17.1	Interagency Agreements
Chapter 32.1	Reviewing and Approving Contract Invoices
Chapter 35.1	Scientific and Technical Reporting
Chapter 38.1	Task Order Contracting-Strategic Acquisition Transaction Guide
Chapter 71.1	Headquarters Review of Contract and Financial Assistance Actions

DOE Order 241.1A	Scientific and Technical Information Management (or current version)
DOE Order 361.1B.1	Acquisition Career Development Program

When is this Acquisition Letter (AL) effective?

This AL is effective upon issuance. AL 2007-03 dated 03/30/08 is canceled.

When does this AL expire?

This AL remains in effect until superseded or canceled.

Who are the contacts for more information?

For Department of Energy (DOE), contact Barbara Binney at (202) 287-1340 or Barbara.binney@hq.doe.gov.

For National Nuclear Security Administration (NNSA), contact Barbara Stearrett, at (202) 586-7439 or Barbara.Stearrett@nnsa.doe.gov.

What is the purpose of the AL?

The purpose of this AL is to provide DOE Contracting Officers (COs), to include NNSA COs, guidance from the Office of Management and Budget (OMB) on how to conduct an interagency acquisition and how to structure and format an interagency agreement for assisted acquisitions that have the primary purpose of obtaining services or products from contractors.

In accordance with OMB, Office of Federal Procurement Policy (OFPP) guidance, “Interagency Acquisitions” attached hereto as Attachment 1, effective immediately, all DOE Contracting Officers must ensure that new interagency agreements are supported by best interest determinations as described in the OFPP guidance. In addition, all interagency agreements for assisted acquisitions must contain the elements enumerated in the Appendix 2 of the OFPP guidance, follow the model agreement in Appendix 3 of the OFPP guidance, or use the two models in Strategic Integrated Procurement Enterprise System (STRIPES). STRIPES will be updated to include two templates one for Part A and another for Part B.

Requirements included in FAR 17.5, and the DOE Acquisition Guide are still in effect and take precedence over any conflicting provisions in the OFPP guidance. *For example, notwithstanding that the guide establishes a presumption that a direct acquisition under a General Services Administration Federal Supply Services contract is in the best interest of the Government, and that a requesting agency only has to document why the acquisition vehicle is suitable for the agency’s need, DOE COs must still evaluate the cost effectiveness of such actions.*

This AL applies to all DOE elements, including the National Nuclear Security Administration (NNSA). For the purpose of this AL, “DOE” refers to both DOE and/or NNSA, as applicable.

What interagency acquisitions are excluded from this guidance?

This guidance only addresses interagency business transactions that are undertaken for the primary purpose of obtaining services or products from contractors. It does not address intra-governmental fiduciary activities, reimbursable work performed by Federal employees (other than acquisition assistance), or interagency activities where contracting is incidental to the purpose of the transaction. Also, assisted acquisitions associated with government-wide programs that are centrally mandated and/or managed (e.g. e-government) are not included.¹

DOE’s Work for Others (WFO) program is also excluded from this AL. DEAR 970.1707-3 states that DOE's internal review and approval procedural requirements for individual work for others agreements are set forth in DOE Order 481.1C (as supplemented by DOE Manual 481.1–1A for agreements with non-Federal entities), or its successor.

What is the background?

¹ Interagency Acquisition, Executive Office of the President, Office of Management and Budget, Office of Federal Procurement Policy, June 2008.

Interagency acquisitions offer important benefits to federal agencies, including economies and efficiencies, as well as the ability to leverage resources. Many events involving assisted acquisitions under an interagency agreement (IA) created a need for DOE to re-emphasize the proper use of IAs. The Government Accountability Office (GAO) and Inspector General (IG) reports identified weaknesses in the execution and oversight of assisted acquisitions between Federal agencies. Problems stemmed from a lack of clear lines of responsibility between the agencies, inadequate acquisition planning, inconsistent use of competition, weak contract management, and concerns with financial records. Interagency contracting still remains on the GAO's High Risk List. This AL is designed to provide additional guidance to assist DOE Contracting Officers in (1) making sound business decisions to support the use of interagency acquisitions, and (2) to strengthen the management of assisted acquisitions. Particular emphasis is placed on helping requesting agencies and servicing agencies manage their shared fiduciary responsibilities in assisted acquisitions. This guidance includes a checklist of roles for each responsibility in the acquisition lifecycle and a model interagency agreement to reinforce sound contracting and fiscal practices.

What is an interagency acquisition?

Interagency acquisition is the term used to describe the procedure by which an agency needing supplies or services obtains them using another agency's contract, the acquisition assistance of another agency, or both. It is an "interagency relationship" that involves typically two Federal agencies that enter into a relationship for the purpose of contracting under an "**assisted**" or "**direct**" acquisition. The "**requesting agency**" is the government agency with the requirement, and the "**servicing agency**" is the agency providing the acquisition support.

An "**assisted acquisition**," is a type of interagency acquisition where the servicing agency and requesting agency enter into a written interagency agreement (IA) pursuant to which the servicing agency performs acquisition activities on the requesting agency's behalf, such as the awarding of a contract, task order, or delivery order.

A "**direct acquisition**," is a type of interagency acquisition where the requesting agency places an order directly against the servicing agency's indefinite delivery contract (IDC). The servicing agency manages the IDC but does not participate in the placement of an order.

The servicing agency may charge a "fee for service" which may be a percentage of the contract value or itemized charges from a menu of services. Direct acquisitions allow for the requesting agency to order against existing contract vehicles created for government-wide use. Direct orders will have vehicle access fees, sometimes referred to as the "industrial funding fee." Industrial funding fees may be incorporated into the contractor's rates under GSA's FSS and Executive Agency GWACs.

Note: *Interagency acquisitions are commonly conducted through indefinite delivery contracts (IDCs) or indefinite delivery vehicles (IDVs), such as task and delivery order contracts. Those IDCs used most frequently in support of interagency acquisitions are Federal Supply Schedules (FSS), Government wide acquisition contracts (GWACs), and multi-agency contracts (MACs).*

What should be considered when DOE is the requesting agency?

The use of an interagency acquisition is an additional consideration of and not a substitute for acquisition planning. DOE COs must work with the requiring program official during the acquisition planning stage in order to determine the best contract vehicle that will satisfy their needs and comply with applicable laws, Federal Acquisition Regulation (FAR) and DOE regulation, policies and procedures. When considering all the alternatives, selecting another agency's contract or going to another agency to award a new contract shall not be used to circumvent DOE policies and procedures, e.g. small business, competition and performance-based acquisition.

DOE Program Officials are prohibited from entering into an interagency acquisition in any dollar amount without the signature of a DOE CO on the interagency agreement (IA).

If DOE decides to use a servicing agency for an assisted acquisition under the authority of the Economy Act, a Determination and Finding (D&F) shall be signed by a DOE CO.

When do I need to create a best interest determination?

A best interest determination must be created by the requesting agency. The determination is required for both **assisted** and **direct interagency acquisitions**. Before placing a direct order against another agency's Indefinite Delivery Vehicle (IDV), the DOE CO or Program Official must ensure that the action is in the best interest of the government, taking into account suitability, value, and expertise to properly place and to effectively administer the order. For an assisted acquisition, the best interest determination is a comparative analysis supporting the choice of the servicing agency as it relates to satisfying DOE's requirement. For a complete explanation on the best interest determination for either type of interagency acquisition, see the OFPP guidance, attached hereto.

What are the key parts of an Interagency Agreement (IA) for an assisted acquisition?

There are two key parts for an IA assisted acquisition, Part A and Part B. See attachment 1 for OFPP Appendices 2 and 3 or attachment 2 for draft STRIPES Part A and Part B templates. Part B is available in STRIPES. Part B is created in the Requisition Package Document. One has to create a Requisition, then on the Main General page, click on the "Load PPT" and another page will open up. Once Part B is selected, one should go to the Templates folder, open it up and then generate Part B in a manner similar to the clauses. If this requisition is not going to be used to fund the IA, then the rtf can be saved to the computer and then added as an attachment in the IA document.

Part A describes the *general terms and conditions* that will govern the relationship between the requesting agency and the servicing agency. It includes the responsibilities and respective roles that each party must carry out to ensure the effective management and use of an interagency agreement. For DOE, the contracting officer is the authorizing official.

Part B includes *financial information* required to authorize the transfer and obligation of funds for both the acquisition and the assistance provided by the Servicing agency. Also it provides *specific information on the Requesting agency's requirements* sufficient to demonstrate a “bona fide” need. There can be one or many Part Bs under a single Part A. Part B becomes effective when it is signed by the authorizing officials of both agencies. Part B must always state that, the terms and conditions in Part A are incorporated by reference or attached to Part B. For DOE, the contracting officer is the authorizing official.

Where can I find the IA model for Part A and Part B?

There are samples completely filled-in with suggested language and an extensive checklist for use by both agencies to assist in writing the agreement. This model can be found in OFPP Interagency Acquisitions guidance as described herein. Also, Strategic Integrated Procurement Enterprise System (STRIPES) has a model tailored to DOE. Use of the STRIPES model will significantly streamline the development of the IA. STRIPES will have Part A template. Part B is already available in STRIPES. Part B is created in the Requisition Package Document. One has to create a Requisition, then on the Main General page, click on the “Load PPT” and another page will open up. Once Part B is selected, one should go to the Templates folder, open it up and then generate Part B in a manner similar to the clauses. If this requisition is not going to be used to fund the IA, then the rtf can be saved to the computer and then added as an attachment in the IA document. There are prescriptions for editing the sections and fill-in instructions.

➤ OFPP Guidance

- Attachment 1, has the following four appendices:
 - Appendix 1 – Checklist of Roles and Responsibilities in Assisted Acquisitions
 - Appendix 2 – Elements of a Model Interagency Agreement (IA) for an Assisted Acquisition
 - Appendix 3 – Model Interagency Agreement for an Assisted Acquisition
 - Appendix 4 – Example of a Completed Interagency Agreement for an Assisted Acquisition

➤ STRIPES

When DOE is the requesting agency, Part A and Part B will be templates in STRIPES. Attachment 2 is copy of the IA form, Part A and Part B templates. Use of the STRIPES templates will significantly streamline the development and execution of the IA. In STRIPES, the IA form can be used as a cover to summarize and transmit the IA. The Part A template will be pre-populated with DOE model language to the maximum extent practicable; however there are many fields that will need to be completed with the details relating to the particular requirement. Part B template provides prescriptions for the Program Office to prepare and attach this part to the Requisition. For DOE, the contracting officer is the authorizing official.

- IA Part A, General Terms and Conditions: When DOE is the Requesting Agency for an Interagency Agreement (IA), the DOE Contracting Officer will complete

IA Part A, General Terms and Conditions. It will be necessary for the Contracting Officer to coordinate with the Program Office and the Servicing Agency for completion of IA Part A. When intellectual property rights are involved, it will be necessary to consult with the local DOE Patent Counsel.

- IA Part B, Requirements and Funding Information: When the Program Office prepares and submits the requisition, the Program Office will prepare Part B with the assistance of the Servicing Agency and the Contracting Officer, as needed. Part B will be an attachment to the requisition. The DOE Contracting Officer and the DOE Budget Office will review IA Part B, Requirements and Funding Information, for accuracy and completeness.

Note: OMB and Financial Management Service (FMS) have been working over the last year and a half to develop a standard Interagency Agreement (IAA) form. When the form is ready for implementation, OMB will issue a memorandum to provide information to access and use the forms. At this time, an adobe PDF fillable form is available for optional use at <http://www.fms.treas.gov/finstandard/reference.html>.

DOE will issue guidance and update this Acquisition Letter regarding DOE's implementation and use of the new IAA form.

What should be in Part A when DOE is the requesting agency?

Part A: General terms and conditions.

1. A checklist (attachment 1, appendix 1) and sample Part A (attachment 1, appendix 4) are provided in OFPP guidance and should be referred to when drafting Part A. Attachment 2 has the draft STRIPES template. Use of the STRIPES template will significantly streamline the development and execution of the IA.
 2. For an IA, Part A will be created in support of the initial requisition. If there are subsequent requisitions for an established IA, there will be separate Part B for each requisition. It is important that the requisition reference the original IA number, i.e., STRIPES IA number.
 3. When STRIPES is used, the DOE IA transmission constitutes the signature by DOE as the requesting agency. The FedConnect response to the DOE IA transmission constitutes signature by the other agency as the servicing agency.
- The DOE CO, with the participation of the DOE or NNSA program office, must ensure that the following items are considered:
- 1) Conformance to all DOE regulations, policies and procedures;
 - 2) That supplies or services obtained are within the authority of the servicing agency;
 - 3) That services to be provided by the servicing agency are stated in Part A;

- 4) That follow-on tasks or amendments will be reviewed by the DOE CO to ensure that they are within the scope of the IA;
- 5) A description of any DOE unique terms, conditions or requirements, to include applicable intellectual property rights, are incorporated into the IA and/or servicing agency contract/order;
- 6) Designation of the servicing agency to perform contract administration that may include: a quality assurance plan, contract surveillance, voucher examination, past performance data collection and recording and reporting data into the Federal Procurement Data System (FPDS);
- 7) A statement of any pre-award and/or post award administrative functions that will be retained by DOE; and
- 8) Compliance with the requirements of FAR Subpart 7.3.

When intellectual property rights may be required, consult with the local DOE Patent Counsel to determine which provisions are needed and include in the IA.

As part of the post award administrative functions, if the DOE CO determines it appropriate to appoint a Contracting Officer's Representative (COR) to monitor performance of the work performed under the IA, then the DOE CO shall appoint an individual qualified and certified under DOE O 361.1B. The COR, in coordination with the DOE CO, shall provide any information required by the servicing agency in order to support the award and administration of their contract or order.

What should be in Part B when DOE is the requesting agency?

Part B: Requirements and Funding Information. A sample Part B (attachment 1, appendix 4) is provided in OFPP guidance and should be referred to when preparing Part B. Attachment 2 is a copy of the rtf file that is in STRIPES which is created in the Requisition Package Document. Use of the DOE Part B will significantly streamline the development and execution of the IA.

The Program Office will prepare the Requisition and will prepare Part B with the assistance of the Servicing Agency and the Contracting Officer, as needed. Part B is a supporting document to the Requisition. Part B must include detailed information on the supplies or services being ordered, performance/delivery schedules, to include required scientific and technical deliverables along with basic guidelines regarding the submission of electronic STI, and when necessary, the enumerated responsibilities of the servicing agency to ensure compliance with all contractual requirements. (STI submission is via the DOE Energy Link (E-Link) system (www.osti.gov/mlink). Reference DOE O 241.1A, "Scientific and Technical Information Management" (or future version) for definition of STI, submission requirements, and

establishing an STI Point-of-Contact/Technical Information Officer. Contact the Office of Scientific and Technical Information at 865-576-1188 for additional information.)

Part B must include specific, definite and clear requirements information that demonstrates a “bona fide” need in the fiscal year that the funds are available for obligation. The level of detail will vary based on the breadth of acquisition assistance to be provided (e.g., the period over which assistance will be provided or the number of offices requiring assistance) as well as the complexity and dollar value of the requirement. DOE incurs a fiscal obligation when Part B is accepted by the servicing agency.

The DOE CO, with the participation of the DOE or NNSA Program Office, as the preparer of Part B, and applicable Budget Office, must ensure that Part B includes the requesting agency information. Part B becomes effective when it is signed by authorizing officials from both agencies. When STRIPES is used, the DOE IA transmission constitutes the signature by DOE as the requesting agency. The FedConnect response to the DOE IA transmission constitutes signature by the other agency as the servicing agency. For DOE, the Contracting Officer is the authorizing official.

What should be in Part A when DOE is the servicing agency?

- When DOE is the servicing agency, both COs should participate in the drafting of the terms and conditions established under Part A. A checklist (attachment 1, appendix 1) and sample Part A (attachment 1, appendix 4) are provided in OFPP guidance and should be referred to when drafting Part A. The DOE CO should ensure that Part A is clear and complete and includes the following:
 - 1) The signature of the requesting agency official authorized to approve the IA,
 - 2) A termination provision for the IA,
 - 3) Identification of the contractor and contract number (when applicable),
 - 4) A statement of work and the estimated cost,
 - 5) Provisions for inspection and acceptance of the contractor’s work,
 - 6) Intellectual property provisions, if applicable,
 - 7) Unique terms and conditions required by the requesting agency, if applicable,
 - 8) Unique or specific security requirements, and
 - 9) A positive affirmation that the requesting agency is not circumventing their own policy, procedures, and/or regulations in contracting with DOE.

- The DOE CO should also request a copy of the following documents from the requesting agency:
 - 1) Requesting agency's D& F for the IA,
 - 2) Requesting agency's market research and/or acquisition plan, and
 - 3) Requesting agency's COR or technical representative.
- The DOE CO, as the servicing agency, is responsible for compliance with all legal and regulatory requirements applicable to the procurement action:
 - 1) Performing acquisition planning in accordance with Acquisition Guide, Chapter 7.1,
 - 2) Ensuring proper statutory authority for the contractual action,
 - 3) Compliance with competition requirements of FAR Part 6,
 - 4) Compliance with requirements under small business set-asides in FAR Subpart 19.5,
 - 5) Performing contract administration duties such as preparing a quality assurance plan, voucher examination and past performance data collection and reporting as required by FAR 42.1502,
 - 6) Appointing a DOE COR when appropriate, and
 - 7) Ensuring timely and accurate data is reported in FPDS for the contract or the order.

What should be in Part B when DOE is the servicing agency?

A sample Part B (attachment 1, appendix 4) is provided in OFPP guidance and should be referred to when reviewing Part B.

The DOE CO should always ensure that all Part Bs submitted under the IA include the following:

- 1) Billing data with the names and mailing addresses of both agencies' accounting offices,
- 2) A citation of the requesting agency's funding and appropriation data and validation of statutory or regulatory use of the funds including disclosure of any special restriction, and
- 3) A statement that the terms and conditions in Part A are incorporated by reference or attached to Part B.

Note: Work requested under an on-going contract must be within the scope of the contract. Reimbursable work must be authorized under on-going contracts by the issuance of a new task assignment, task order, or other work authorization by a DOE CO. The authority to authorize reimbursable work under on-going contracts may not be delegated to CORs. The contractor must develop a budget before the authorization to start work and subsequently track the costs associated with the reimbursable work separately.

STRIPES is not used to process IA's when DOE is the servicing agency; however, the IA becomes a supporting document if the work identified in the IA is accomplished via a DOE contract and must be included in the DOE contract file.

What is required when the IA is authorized under the Economy Act?

The Economy Act (31 U.S.C. 1535), as implemented by FAR Subpart 17.5, authorizes agencies under certain circumstances and in accordance with certain requirements to obtain supplies or services through an interagency acquisition. The Economy Act applies when more specific statutory authority does not exist for this purpose. For example, it does not apply to acquisitions from required or optional sources of supplies and services prescribed in FAR Part 8. It also does not apply to acquisitions using GWACs. An Economy Act transaction shall not be used to circumvent the following:

- 1) Federal or DOE regulations,
- 2) Limitations on the use of appropriated funds,
- 3) Requirements of FAR Subpart 7.3, Contractor versus Government Performance,
- 4) Required term limits or maximum timeframes, or
- 5) Any other agency's authority or responsibility.

To ensure that IAs under the authority of the Economy Act are proper at DOE, the requesting agency CO must approve/sign the Determination and Finding (D&F) as prescribed in FAR Subpart 17.5. This includes the best interest determination which was addressed earlier in this AL.

What presumptions may be made if using a Federal Strategic Sourcing Initiative (FSSI) vehicle, the SmartBuy Program, the Schedules Program or a government-wide acquisition contract (GWAC)?

Agencies may presume that direct acquisitions made by qualified individuals are in the best interest of the government if the vehicle was established under the FSSI, the SmartBuy Program, the Federal Supply Schedules Program, or is a GWAC operating pursuant to Executive Agent designations granted by OMB under the Clinger-Cohen Act. However, documentation in the contract file should still establish that the acquisition vehicle is suitable for the agency's needs.

This information could be documented as part of the agency's planning documents. A formal Determination and Finding (D&F) is not required.

How do I use other servicing agencies with specific statutory authority?

A. Federal Supply Schedules (FSS) Direct Ordering

The General Services Administration (GSA) has statutory authority to enter into contracts for government-wide use. The primary statutory authority for the FSS program is derived from both Title III of the Administrative Services Act of 1949 (41 U.S.C. 251, et seq.) and Title 40 U.S.C., Public Buildings, Property and Works. The GSA is the IDV Owner of the FSS contracts, also known as Multiple Award Schedules (MAS). Each schedule in FSS has specific supplies or specialized services that IDV Users can acquire through direct orders.

When placing direct orders under the FSS, DOE COs must comply with the procedures in FAR Part 8 and the policies in this AL. All task or delivery orders issued under FSS shall be signed by the DOE CO. COs may only place orders against the FSS for supplies or services listed on the vendor's schedule contract. The CO shall not include services or supplies (referred to as "open market") outside the scope of the Schedule contract in the order, until they have complied with the applicable regulations for competition under the FAR. The GSA has additional instructions and information for use of the schedules at www.gsa.gov. Also, see the DOE Acquisition Guide, Chapter 38, Strategic Acquisition Transactions.

- To ensure that FSS are used properly, DOE COs shall:
 - 1) Ensure and document that use of FSS is in conformance with DOE policy or regulation (i.e., socio-economic goals, price reasonableness, etc.).
 - 2) Review the schedule contract's statement of work (SOW) and other applicable contractual documents and validate that the supplies or services requested are within the scope of that schedule. Document the review and the best interest determination as part of the agency's planning document. A formal D&F is not required. Supplies or services that are outside of the vendor's negotiated schedule are "open market" items and cannot be purchased using the FSS procedures; instead, they can only be included on the order after complying with the applicable procurement laws and regulations, including those requiring the use of competitive procedures.
 - 3) Review the ordering procedures posted on the schedule website, especially first time users. Seek and document advice from the cognizant GSA CO on proper use of the FSS whenever an issue is in doubt.
 - 4) Review follow-on task orders to ensure that they remain within the scope of the contract.
 - 5) Comply with the specific requirements of the FSS, including those for competitive tasking, consistency with the scope of work, and use of the instruments for a specific, not overly broad or undefined, purpose.

- 6) Ensure that the FSS contract labor categories are the proper equivalent (mapped) for the labor categories required by the Request For Quote (RFQ). “Mapped” is a term that describes the offeror’s proposed rates and labor categories derived from an applicable GSA Schedule. Always seek a discount.
- 7) Designate a DOE COR, as applicable, and verify that the COR is qualified under DOE O 361.1B.
- 8) Document a price reasonableness determination. It must reflect the exact mix of labor and other elements needed to perform the work or item being procured.
- 9) Perform all the functions inherent to contract administration, including quality assurance planning, contract surveillance, voucher examination and past performance data collection and reporting.
- 10) Report timely and accurate data in connection with the order in FPDS.

B. Government-Wide Acquisition Contracts (GWAC) Direct Ordering

A GWAC is a multiple award contract issued by one agency, which may be used by other agencies, to place direct or assisted orders to procure information technology products and services. Each GWAC is operated by an executive agent designated by the Office of Management and Budget (OMB) pursuant to section 5112 (e) of the Clinger-Cohen Act. OMB has designated six agencies as executive agents for GWACs: GSA, National Institutes of Health, National Aeronautics and Space Administration, Environmental Protection Agency, Department of Defense, and Department of Commerce.

GWACs are valuable tools for the acquisition of information technology supplies and services, but the DOE CO must ensure that: (1) the GWAC is not used to circumvent applicable DOE policies or regulations; (2) the servicing agency properly administers all contract terms and conditions and adheres to the FAR, (3) DOE requirements are within the scope of the master GWAC contract; and (4) subsequent task orders are under the scope of the contract.

DOE COs are reminded to undertake the actions outlined below when placing a direct order:

- 1) Obtain a copy of the SOW and other applicable contractual documents and validate that the services requested are within the scope of that GWAC. Document the review and the best interest determination as part of the agency’s planning document. A formal D&F is not required.
- 2) Review the ordering procedures posted on the website and complete any mandatory training. Follow the instructions for attaining a delegation when it is required.
- 3) Place only orders that comply with all DOE regulations, policies and procedures. The DOE CO must pay particular attention to complying with performance-based and

socioeconomic policies, and the procedures prescribed in the GWAC for providing a fair opportunity to all GWAC contractors.

- 4) Designate a DOE COR and verify that the COR is qualified under DOE O 361.1B.
- 5) Document a price reasonableness determination. It must reflect the exact mix of labor and other elements needed to perform the work or item being procured.
- 6) Perform contract administration duties which include: quality assurance planning, surveillance, voucher examination, past performance data collection, and accurate data reporting into FPDS.
- 7) Report timely and accurate data in connection with the order in FPDS.

C. Franchise Fund Organizations Assisted Ordering

The Government Management Reform Act of 1994 authorized the OMB to designate franchise fund pilots. A franchise pilot is a self-supporting business-like entity that provides common administrative services on a fully reimbursable basis to other Federal agencies. These services may include procurement support services. **Franchise fund organizations shall not be used to obtain acquisition management services unless approved by the Head of the Contracting Activity (HCA), with notice to the Senior Procurement Executive.** As in the case of other non-DOE IA transactions previously discussed, franchise fund organizations may not be used to circumvent DOE policies or regulations. If circumstances permit and the proper approval has been granted, an assisted order may be placed using a Franchise Fund organization. All services to be provided by a franchise fund organization must be obtained through an IA, comprised of a fully outlined and detailed Part A and Part B, previously discussed.

The DOE CO should monitor Part Bs (tasks and funding) provided to the servicing agency to ensure that they are consistent with the scope of the agreement with the servicing agency and the terms of the servicing agency's contract. Oversight is required by the DOE CO and the designated COR during the period of performance to ensure that the contractor, as well as the servicing agency, complies with all applicable regulations and policies. Review of contract deliverables and invoices should include items such as ensuring that services provided remain within the scope of work and that labor is provided by appropriate, and if applicable, approved labor categories. The DOE CO and designated COR and/or Program Official shall review DOE Acquisition Guide Chapter 32.1, Reviewing and Approving Contract Invoices, for the purpose of understanding their responsibility in this process.

What is the required information for accurate processing?

A. Proper reporting to the Federal Procurement Data System (FPDS)

It is extremely important for DOE to report accurate data into FPDS for purposes of annual reporting to the President, Congress, and the Small Business Administration. (SBA). The SBA

relies on FPDS data to derive goal accomplishments and complete its reports. In no instance shall contract actions be reported in FPDS more than once.

Funds-in shall be segregated from DOE funds for the purposes of reporting to FPDS. A separate modification shall be prepared for the purposes of transparency. Funds-out for an assisted acquisition will not be entered into FPDS until the point of obligation by the Servicing agency.

OMB guidance instructs that the direct placement of an order, a Blanket Purchase Agreement (BPA) call, the award of a new contract or order under an assisted acquisition, or the obligation of funds under an existing contract or order shall be reported into FPDS by the funding agency code and/or funding office code.

B. Billing instructions

DOE COs must ensure that the funding information includes standard billing instructions to ensure timely and accurate accounting for intra-governmental exchanges of funds. These instructions must be sufficient to facilitate exchange transactions and reporting between agencies and should comply with the billing requirements of Treasury's Intragovernmental Business Rules, Financial Management Service (FMS) Bulletin no. 2007-03. In summary these requirements include:

- 1) The primary system to settle intra-governmental exchange transactions is the Intra-Governmental Payment and Collection (IPAC) System. IPAC is the preferred method for reimbursing the servicing agency. All IAs should include instructions to use the IPAC system for exchange transactions. If IPAC is not a satisfactory billing method, a mutually agreeable alternative should be negotiated before acceptance of IA and documented in Part B of the IA whether IPAC or an alternative method will be used.
- 2) The IA should identify the DOE funding codes and obligating document number (also referred to as the IA number) and should instruct the other agency to include the DOE obligating document number on all documentation related to the agreement. The DOE billing address for the IA is U.S. Department of Energy, P.O. Box 500, Germantown, MD 20875-0500.
- 3) When using IPAC, DOE obligating document number should be included as the purchase order number or obligating document number of the IPAC.
- 4) The DOE obligating number shall serve as the common agreement number required by Department of the Treasury, Financial Management Service, Treasury Financial Manual Bulletin No. 2007-03.
- 5) The IA should specify information for all agencies' party to the IA, including:
 - Agency Location Code (ALC),
 - Treasury Account Symbol (TAS),
 - Business Event Type Code (BETC),

- Business Partner Network (BPN) number, usually the Data Universal Numbering System (DUNS) number,
- Line of Accounting (LOA), and
- Contracting and accounting points of contact.

For the detailed requirement for billing instructions see the Department of the Treasury, Financial Management Service, Treasury Financial Manual Bulletin No. 2007-03 at <http://fms.treas.gov/tfm/vol1/07-03.html>.

When is a business clearance review required?

A business clearance review of the IA is required according to the DOE HCA approval threshold or NNSA approval of contract actions process (CAP).

ATTACHMENTS

1 - OMB memorandum, Subject: Improving the Management and Use of Interagency Acquisitions, dated June 6, 2008, with Office of Federal Procurement Policy (OFPP) Interagency Acquisition Guidance as an attachment

OFPP Interagency Acquisition Guidance List of Appendices

- Appendix 1 – Checklist of Roles and Responsibilities in Assisted Acquisitions
- Appendix 2 – Elements of a Model Interagency Agreement (IA) for an Assisted Acquisition
- Appendix 3 – Model Interagency Agreement for an Assisted Acquisition
- Appendix 4 – Example of a Completed Interagency Agreement for an Assisted Acquisition

2 - Copy of STRIPES IA form to include Part A draft template and Part B template.