

Part 7 – Acquisition Planning

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7.000 Scope of part.

This part prescribes policies and procedures for-

- (a) Acquisition planning and developing acquisition plans;
- (b) Determining whether to use commercial or Government resources to acquire supplies or services;
- (c) Deciding whether it is more economical to lease or to purchase equipment; and
- (d) Determining whether functions are inherently governmental.

Subpart 7.1 - Acquisition Plans

7.101 Definitions.

As used in this subpart-

Acquisition streamlining means more efficient and effective use of resources to design and develop or produce quality systems.

Life-cycle cost means the total cost to the Government of acquiring, operating, supporting, and (if applicable) disposing of the items being acquired.

Order means an order placed under a-

- (1) Federal Supply Schedule contract; or
- (2) Task-order contract or delivery-order contract.

Planner means the designated person or office responsible for developing and maintaining a written plan, or for the planning function in those acquisitions not requiring a written plan.

7.102 Requirements.

(a) Agencies must perform acquisition planning for all acquisitions. Agencies should establish procedures to determine when a written or oral acquisition plan is required (see 7.103). The record of the acquisition plan must be appropriate for the type of acquisition and document decisions and actions to ensure-

(1) Information is available for making informed decisions at each step in the acquisition process;

(2) There is clear support for all actions taken;

(3) Necessary information is available for reviews or investigations; and

(4) Essential facts are available in case litigation arises.

(b) Acquisition plans must promote and provide for:

(1) Acquisition of commercial products or commercial services, whenever feasible. If available commercial products or services do not meet agency needs, acquire nondevelopmental items, to the maximum extent practicable (10 U.S.C. 3453 and 41 U.S.C. 3307).

(2) Full and open competition (see part 6). When using an exception to full and open competition, obtain competition to the maximum extent practicable for the procurement.(10 U.S.C. 3206(a)(1)and 41 U.S.C. 3306(a)(1)).

(3) Selection of the appropriate contract type to fulfill the agency's needs.

(4) Use of existing contracts, if appropriate, including interagency and intra-agency contracts, to fulfill the requirement, before awarding new contracts (see part 8).

(c) Planning must integrate the efforts of agency personnel responsible for significant aspects of the acquisition to ensure that the Government meets its needs in the most effective, economical, and timely manner.

(d) A written plan is required for cost reimbursement and other high-risk contracts other than firm-fixed-price contracts. Agencies may require written plans for firm-fixed-price contracts as appropriate.

7.103 Agency-head responsibilities.

(a) The agency head must establish agency acquisition planning criteria and thresholds for when increasingly greater detail and formality in the planning process is required. The agency procedures must—

(1) Create streamlined acquisition planning procedures for using Governmentwide acquisition contracts or multi-agency contracts for requirements that are not complex, including for orders, particularly for repetitive orders;

(2) Create streamlined acquisition planning procedures when an acquisition plan has been developed for a single indefinite delivery indefinite quantity contract to allow the resulting orders to be covered by and reference the same acquisition plan;

(3) Allow for acquisition planning at the program level that covers multiple procurement actions. Acquisition plans may be on a system basis, individual contract basis, or individual order basis depending on the acquisition;

(4) Consider streamlined acquisition planning procedures for procurements for commercial services and products, including COTS;

(5) Establish criteria for identifying high-risk contracts;

(6) Identify when design-to-cost and life-cycle-cost techniques will be used; and

(7) Provide procedures to waive planning requirements for acquisitions because of an urgent need.

(b) The agency head or designee are responsible for ensuring:

(1) Market research is conducted to define requirements and that the statement of work, statement of objectives, or performance work statement closely aligns with needed outcomes and cost estimates.

(2) The principles of this subpart are used, as appropriate, for all acquisitions, whether a written plan is required or not.

(3) Small business opportunities are considered in acquisitions to the maximum extent practicable (see 7.107 and part 19).

(4) No purchase request is started or contract entered into that would result in the performance of an inherently governmental function by a contractor, and that all contracts or orders are adequately managed to ensure effective official control over contract or order performance (see subpart 7.5).

(5) Effective agency responsiveness to disaster and emergencies using the authorities and flexibilities at parts 18 and 26.

(6) Information security and supply chain security requirements (see part 40) and information and communication technology (ICT) accessibility standards (see part 39) are considered, as appropriate.

(7) Before issuing a solicitation for advisory and assistance services for analyzing and evaluating solicitation proposals, a determination is made that there are insufficient covered personnel within the agency or from another Federal agency with the training and capability to do the analyzing and evaluating (see part 37).

(8) Agency planners on information technology acquisitions comply with the capital planning and investment control requirements in 40 U.S.C. 11312 and OMB Circular A-130.

(9) Acquisition plans and revisions to these plans are reviewed and approved to ensure compliance with FAR requirements.

7.104 General procedures.

(a) Start acquisition planning as soon as an agency need is identified. Early planning can create opportunities to structure the procurement approach in a way that promotes competition and innovation.

(b) In developing the plan, the planner must do the following:

(1) Form a team consisting of all those who will be responsible for significant aspects of the acquisition, such as contracting, small business, fiscal, legal, technical personnel, and the combatant commander or chief of mission.

(2) Review previous plans for similar acquisitions and discuss them with the key personnel involved.

(3) Review and revise the plan at key dates specified in the plan or whenever significant changes occur, and no less often than annually.

(4) If the plan proposes using other than full and open competition when awarding a contract, coordinate the plan with the appropriate advocate for competition.

(5) Coordinate the plan with the appropriate small business specialist from the agency Office of Small and Disadvantaged Business Utilization or the Office of Small Business Programs when the plan strategy involves consolidation or bundling (see 7.107).

(6) Ensure that a Contracting Officer Representative is nominated as early as possible in the acquisition process by the requirements official or according to agency procedures.

(7) Consult with requirements and logistics personnel who determine type, quality, quantity, and delivery requirements. Requirements and logistics personnel should avoid issuing requirements on an urgent basis or with unrealistic delivery or performance schedules, since it generally restricts competition and increases prices.

(8) Coordinate and reach agreement on the plan with the contracting officer.

(c) The specific content of plans will vary, depending on the nature, circumstances, and stage of the acquisition. In preparing the plan, the planner should follow the agency's implementing procedures and address the elements relevant to the specific procurement to achieve the acquisition objectives.

7.105 [Reserved]

7.106 Additional requirements for major systems.

(a) In planning for the solicitation of a major system (see part 34) development contract, planners must consider requiring offerors to include, in their offers, proposals to incorporate in the design of a major system—

(1) Items that are currently available within the supply system of the agency responsible for the major system, available elsewhere in the national supply system, or commercially available from more than one source; and

(2) Items that the Government will be able to acquire competitively in the future if they are likely to be needed in substantial quantities during the system's service life.

(b) In planning for the solicitation of a major system (see part 34) production contract, planners must consider requiring offerors to include, in their offers, proposals identifying opportunities to assure that the Government will be able to obtain, on a competitive basis, items acquired in connection with the system that are likely to be acquired in substantial quantities during the service life of the system. Proposals submitted in response to such requirements may include the following:

(1) Proposals to provide the Government the right to use technical data to be provided under the contract for competitive future acquisitions, together with the cost to the Government, if any, of acquiring such technical data and the right to use such data.

(2) Proposals for the qualification or development of multiple sources of supply for competitive future acquisitions.

(c) In determining whether to apply paragraphs (a) and (b) of this section, planners must consider why the system is being acquired and the technology necessary to meet the system's required capabilities. If such proposals are required, the contracting officer must consider them in evaluating competing offers. In noncompetitive awards, the contracting

officer may consider the factors in paragraphs (a) and (b) of this section as objectives in negotiating the contract.

7.107 Additional requirements for acquisitions involving consolidation, bundling, or substantial bundling.

7.107-1 General.

(a) Consolidation and bundling may provide substantial benefits to the Government. However, because of the potential impact on small business participation, before conducting an acquisition that consolidates or bundles requirements the agency must—

- (1) Conduct market research;
- (2) Identify any alternative contracting approaches that would involve a lesser degree of consolidation or bundling (e.g., separate smaller contracts or orders);
- (3) Coordinate with the agency's Office of Small Disadvantaged Business Utilization or the Office of Small Business Programs;
- (4) Identify any negative impact by the acquisition strategy on contracting with small business concerns;
- (5) Take steps to include small business concerns in the acquisition strategy; and
- (6) When required in paragraph (b) of this section, make a written determination that the consolidation (15 U.S.C. 657q) or bundling (15 U.S.C. 644(e)) of contract requirements is necessary and justified.

(b) Unless excepted in paragraph (c), a written determination is required for—

- (1) Consolidation requirements above \$2 million (15 U.S.C. 657q);
- (2) Bundling requirements; and
- (3) Substantial bundling requirements with a cumulative estimated dollar value (including options) of:
 - (i) \$8 million or more for the Department of Defense.
 - (ii) \$6 million or more for the National Aeronautics and Space Administration, the General Services Administration, and the Department of Energy.
 - (iii) \$2.5 million or more for all other agencies.

(iv) These thresholds apply to multiple-award contracts, task orders or delivery orders issued against a GSA Schedule contract, or task orders or delivery orders issued against a task-order or delivery-order contract awarded by another agency.

(c) The requirements of section 7.107 do not apply—

(1) To orders placed under single-agency task-order contracts or delivery-order contracts, when the requirement was considered in determining that the consolidation or bundling of the underlying contract was necessary and justified; or

(2) To requirements for which there is a mandatory source (see part 8). This exception does not apply—

(i) When the requiring agency obtains a waiver or an exception according to part 8; or

(ii) When optional acquisitions of supplies and services permitted under part 8 are included.

(d) Agencies must publish the Governmentwide policy regarding contract bundling, including regarding the solicitation of teaming and joint ventures, on their agency's website. (15 U.S.C. 644(q)(2)(A)(ii)).

7.107-2 Policy.

(a) The Senior Procurement Executive (SPE) or Chief Acquisition Officer (CAO) may determine that consolidation or bundling is necessary and justified if the benefits of that approach would substantially exceed the benefits that would be derived from each of the alternative contracting approaches identified under 7.107-1(a)(2), including benefits that are quantifiable in dollar amounts as well as any other specifically identified benefits.

(b) If a determination is made that consolidation or bundling is necessary and justified, the contracting officer must include the justification in the acquisition strategy documentation and provide it to the Small Business Administration (SBA) upon request.

(c)(1) The agency must quantify and document in its strategy the specific benefits identified through the use of market research and other techniques to explain how their impact would be substantial.

(2) Benefits may include cost savings, price reduction, or, regardless of whether quantifiable in dollar amounts—

Quality improvements that will save time or improve or enhance performance or efficiency;

Reduction in acquisition cycle times;

Better terms and conditions; or

Any other benefit.

Benefits are substantial if quantified in dollar amounts individually, in combination, or in the aggregate if the anticipated financial benefits are equivalent to—

(i) Ten percent of the estimated contract or order value (including options) if the value is \$94 million or less; or

(ii) Five percent of the estimated contract or order value (including options) or \$9.4 million, whichever is greater, if the value exceeds \$94 million.

Benefits that are not quantifiable in dollar amounts must be specifically identified and otherwise quantified to the extent feasible.

In assessing whether cost savings and/or price reduction would be achieved through consolidation or bundling, the agency and SBA must—

Compare the price that has been charged by small businesses for the work that they have performed; or

(ii) Where previous prices are not available, compare the price, based on market research, that could have been or could be charged by small businesses for the work previously performed by other than a small business.

(6) For a contract or task or delivery order with a cumulative estimated dollar value (including options) above the substantial bundling thresholds at 7.107-1(b), the agency must also document in its strategy—

The specific benefits expected to be derived from substantial bundling;

An assessment of the specific barriers to participation by small business concerns as contractors that result from substantial bundling;

Actions designed to maximize small business participation as contractors, including provisions that encourage small business teaming;

(iv) Actions designed to maximize small business participation as subcontractors (including suppliers) at any tier under the contract or order that may be awarded to meet the requirements;

The determination that the anticipated benefits of the proposed bundled contract or order justify its use; and

Alternative strategies that would reduce or minimize the scope of the bundling, and the reason for not choosing those alternatives.

Reduction of administrative or personnel costs alone is not enough justification for consolidation or bundling unless the cost savings are expected to be substantial.

(e) When the expected benefits are not substantial but the requirements are critical to the agency's mission success, and the procurement strategy provides for maximum practicable participation by small business, the Deputy Secretary or equivalent (or for DoD the SPE), on a non-delegable basis, may determine that consolidation or bundling is necessary and justified.

7.107-3 Notifications.

(a) Notifications to current small business contractors of the agency's intent to consolidate or bundle.

(1) The contracting officer must notify each small business performing a contract that it intends to consolidate or bundle the requirement at least 30 days before issuing the solicitation for the bundled requirement.

(2) The notification must provide the name, phone number and address of the applicable SBA procurement center representative (PCR), or if an SBA PCR is not assigned to the procuring activity, the SBA Office of Government Contracting Area Office serving the area in which the buying activity is located.

(b) Notification to the public. The SPE or CAO must publish in the GPE—

(1) A notice that the agency has determined consolidation or bundling of contract requirements is necessary and justified (see 7.107-2) no later than 7 days after making the determination; the solicitation may not be publicized prior to 7 days after publication of the notice of the agency determination; and

(2) The determination that consolidation or bundling is necessary and justified with the publication of the solicitation. See 7.107-2 for the required content of the determination.

(c) Notification to SBA of follow-on consolidated or bundled requirements. For each follow-on consolidated or bundled requirement, the contracting officer must obtain the following from the requiring activity and notify the SBA PCR no later than 30 days before issuing the solicitation:

(1) The amount of savings and benefits achieved under the prior consolidation or bundling.

(2) Whether such savings and benefits will continue to be realized if the contract remains consolidated or bundled.

(3) Whether such savings and benefits would be greater if the procurement requirements were divided into separate solicitations suitable for awarding to small business concerns.

(4) List of requirements that have been added or deleted for the follow-on.

(d) *Annual notification to the public of the reason for consolidated or bundled requirements.* The agency must publish on its website a list and reason for any consolidated or bundled requirement for which the agency solicited offers or issued an award. The notification must be made annually within 30 days of the agency's data certification regarding the validity and verification of data entered in the Federal Procurement Data System to the Office of Federal Procurement Policy (see part 4).

7.107-4 Solicitation provision.

Insert the provision at 52.207-6, Solicitation of Offers from Small Business Concerns and Small Business Teaming Arrangements or Joint Ventures (Multiple-Award Contracts), in solicitations for multiple-award contracts above the substantial bundling threshold of the agency (see 7.107-1(b)(3).

7.108 Additional requirements for teleworking.

(a) According to 41 U.S.C. 3306(f), an agency must not discourage a contractor from allowing its employees to telework while performing Government contracts, unless—

(1) The contracting officer has determined that the requirements of the agency, including security requirements, cannot be met if teleworking is permitted;

(2) The basis of the determination is documented in writing; and

(3) The prohibition is specified in the solicitation.

(b) When a teleworking prohibition is stated in a solicitation, the contracting officer will unfavorably evaluate an offer that includes teleworking.

Subpart 7.2 - Planning for the Purchase of Supplies in Economic Quantities

7.200 [Reserved]

7.201 [Reserved]

7.202 Policy.

Agencies are required by [10 U.S.C. 3242](#) and [41 U.S.C.3310](#) to procure supplies in such quantity as-

(a) Will result in the total cost and unit cost most advantageous to the Government, where practicable; and

(b) Does not exceed the quantity reasonably expected to be required by the agency.

7.203 Solicitation provision.

Insert the provision at 52.207-4, Economic Purchase Quantity—Supplies, in solicitations for supplies. The provision may not be necessary if the solicitation is for a contract under the General Services Administration's multiple award schedule contract program, or if the contracting officer determines that—

(a) The Government already has the data;

(b) The data is otherwise readily available; or

(c) It is impracticable for the Government to vary its future requirements.

Subpart 7.3 - [Reserved]

Subpart 7.4 - Equipment Acquisition

7.400 Scope of subpart.

This subpart—

(a) Implements section 555 of the FAA (Federal Aviation Administration) Reauthorization Act of 2018 ([Pub. L. 115-254](#));

(b) Provides guidance when acquiring equipment and more than one method of acquisition is available for use; and

(c) Applies to both the initial acquisition of equipment and the renewal or extension of existing equipment leases or rental agreements.

7.401 Acquisition considerations.

(a)(1) Agencies must acquire equipment using the method of acquisition most advantageous to the Government based on a case-by-case analysis of comparative costs and other factors according to this subpart and agency procedures.

(2) The methods of acquisition to be compared in the analysis must include, at a minimum—

(i) Purchase;

- (ii) Short-term rental or lease;
- (iii) Long-term rental or lease;
- (iv) Interagency acquisition (see 2.101); and
- (v) Agency acquisition agreements, if applicable, with a State or local government.

(b)(1) The factors to be compared in the analysis must include, at a minimum:

- (i) Estimated length of the period the equipment is to be used and the extent of use within that period;
- (ii) Financial and operating advantages of alternative types and makes of equipment;
- (iii) Cumulative rent, lease, or other periodic payments, however described, for the estimated period of use;
- (iv) Net purchase price;
- (v) Transportation, installation, and storage costs;
- (vi) Maintenance, repair, and other service costs; and
- (vii) Potential for the equipment to become outdated because of upcoming technological improvements.

(2) The following additional factors should be considered, as appropriate, depending on the type, cost, complexity, and estimated period of use of the equipment:

Availability of purchase options.

- (ii) Cancellation, extension, and early return conditions and fees.

Ability to swap out or exchange equipment.

- (iv) Available warranties.

- (v) Insurance, environmental, or licensing requirements.

Potential for use of the equipment by other agencies after its use by the acquiring agency is ended.

- (vii) Trade-in or salvage value.

- (viii) Imputed interest.

- (ix) Availability of a servicing capability, especially for highly complex equipment; e.g., can the equipment be serviced by the Government or other sources if it is purchased?

(c) The analysis in paragraph (a) is not required—

When the President has issued an emergency declaration or a major disaster declaration pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.);

In other emergency situations if the agency head makes a determination that obtaining such equipment is necessary to protect human life or property; or

(3) When otherwise authorized by law.

7.402 Acquisition methods.

(a) Purchase method.

(1) If the equipment will be used beyond the point in time when cumulative rental or leasing costs exceed the purchase costs, use the purchase method if appropriate.

(2) The mere possibility that future technological advances might make the selected equipment less desirable, alone, is not a reason to rule out the purchase method.

(b) *Rent or lease method.*

(1) The rent or lease method may serve as a short-term measure when the circumstances—

(i) Require immediate use of equipment to meet program or system goals; but

(ii) Do not currently support acquisition by purchase.

(2) If a rent or lease method is selected, the inclusion of an evaluated purchase option is preferable.

(3) Generally, a long-term rental or lease agreement should be avoided unless there is an option to purchase or other favorable terms.

(4) If a rental or lease agreement with option to purchase is used, the contract must state the purchase price or provide a formula that shows how the purchase price will be established at the time the option to purchase is exercised.

7.403 OMB guidance.

(a) For additional OMB guidance, see—

(1) Section 13, Special Guidance for Lease-Purchase Analysis, and paragraph 8.c.(2), Lease-Purchase Analysis, of OMB Circular A-94, Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs, (1992 OMB Circular A-94 at <https://obamawhitehouse.archives.gov/sites/default/files/omb/assets/omb...> but use Appendix C from 2025 at <https://bidenwhitehouse.archives.gov/wp-content/uploads/2023/12/Circula...>); and

(2) Appendix B, Budgetary Treatment of Lease-Purchases and Leases of Capital Assets, of OMB Circular A-11, Preparation, Submission, and Execution of the Budget, (https://www.whitehouse.gov/wp-content/uploads/2018/06/app_b.pdf).

7.404 Contract clause.

Insert a clause substantially the same as the clause in 52.207-5, Option to Purchase Equipment, in solicitations and contracts involving a rental or lease agreement with option to purchase.

Subpart 7.5 - Inherently Governmental Functions

7.500 Scope of subpart.

The purpose of this subpart is to prescribe policies and procedures to ensure that inherently governmental functions are not performed by contractors.

7.501 [Reserved]

7.502 Applicability.

This subpart applies to all contracts for services. This subpart does not apply to services obtained through either personnel appointments, advisory committees, or personal services contracts issued under statutory authority.

7.503 Policy.

- (a) Contracts must not be used to perform inherently governmental functions.
- (b) Agency decisions that determine whether a function is or is not an inherently governmental function may be reviewed and modified by appropriate Office of Management and Budget officials.
- (c) The following is a non-exclusive list of inherently governmental functions or functions which must be treated as such.
 - (1) Directly conducting criminal investigations.
 - (2) Controlling prosecutions and performance of adjudicatory functions other than those relating to arbitration or other methods of alternative dispute resolution.
 - (3) Commanding military forces, especially the leadership of military personnel who are members of the combat, combat support, or combat service support role.
 - (4) Conducting foreign relations and determining foreign policy.

- (5) Determining agency policy, such as deciding the application of regulations.
- (6) Determining Federal program priorities for budget requests.
- (7) Directing and controlling Federal employees.
- (8) Directing and controlling intelligence and counter-intelligence operations.
- (9) Selecting or not selecting individuals for Federal Government employment, including interviewing individuals for employment.
- (10) Approving position descriptions and performance standards for Federal employees.
- (11) Determining what Government property is to be disposed of and on what terms (although an agency may give contractors authority to dispose of property at prices within specified ranges and subject to other reasonable conditions deemed appropriate by the agency).
- (12) In Federal procurement activities with respect to prime contracts—
 - (i) Determining what supplies or services are to be acquired by the Government (although an agency may give contractors authority to acquire supplies at prices within specified ranges and subject to other reasonable conditions deemed appropriate by the agency);
 - (ii) Participating as a voting member on any source selection boards;
 - (iii) Approving any contractual documents, to include documents defining requirements, incentive plans, and evaluation criteria;
 - (iv) Awarding contracts;
 - (v) Administering contracts (including ordering changes in contract performance or contract quantities, taking action based on evaluations of contractor performance, and accepting or rejecting contractor products or services);
 - (vi) Terminating contracts;
 - (vii) Determining whether contract costs are reasonable, allocable, and allowable; and
 - (viii) Participating as a voting member on performance evaluation boards.
- (13) Approving agency responses to Freedom of Information Act requests (other than routine responses that, because of statute, regulation, or agency policy, do not require the exercise of judgment in determining whether documents are to be released or withheld), and approving agency responses to the administrative appeals of denials of Freedom of Information Act requests.

(14) Conducting administrative hearings to determine the eligibility of any person for a security clearance, or involving actions that affect matters of personal reputation or eligibility to participate in Government programs.

(15) Approving Federal licensing actions and inspections.

(16) Determining budget policy, guidance, and strategy.

(17) Collecting, controlling, and disbursing fees, royalties, duties, fines, taxes, or other public funds, unless authorized by statute, such as 31 U.S.C. 3718 (relating to private collection contractors and private attorney collection services), but not including—

(i) Collecting fees, fines, penalties, costs, or other charges from visitors to or patrons of mess halls, post or base exchange concessions, national parks, and similar entities or activities, or from other persons, where the amount to be collected is easily calculated or predetermined and the funds collected can be easily controlled using standard case management techniques; and

(ii) Examining routine vouchers and invoices.

(18) Controlling treasury accounts.

(19) Administering public trusts.

(20) Drafting Congressional testimony, responses to Congressional correspondence, or agency responses to audit reports from the Inspector General, the Government Accountability Office, or other Federal audit entity.

(d) The following is a non-exclusive list of functions generally not considered inherently governmental but may, depending on contractor or Government approach, cross the line into that category.

(1) Services that involve or relate to budget preparation, including workload modeling, fact finding, efficiency studies, and should-cost analyses, etc.

(2) Services that involve or relate to reorganization and planning activities.

(3) Services that involve or relate to analyses, feasibility studies, and strategy options to be used by agency personnel in developing policy.

(4) Services that involve or relate to developing regulations.

(5) Services that involve or relate to evaluating another contractor's performance.

(6) Services that support acquisition planning.

(7) Contract management support including:

- (i) Assistance in technical evaluation of proposals.
 - (ii) Assistance in developing statements of work or objectives.
 - (iii) Assistance in providing responses to Freedom of Information Act inquiries.
 - (iv) Working in situations that might provide access to confidential business information or other sensitive information (other situations than covered by the National Industry Security Program described in 4.402(b)).
 - (v) Providing information regarding agency policies or regulations, such as attending conferences on behalf of an agency, conducting community relations campaigns, or conducting agency training courses.
 - (vi) Participating in any situation where it might be assumed that they are agency employees or representatives.
 - (vii) Participating as technical advisors to a source selection board or participating as voting or nonvoting members of a source evaluation board.
 - (viii) Serving as arbitrators or providing alternative methods of dispute resolution.
 - (ix) Constructing buildings or structures intended to be secure from electronic eavesdropping or other penetration by foreign governments.
 - (x) Providing inspection services.
 - (xi) Providing legal advice and interpretations of regulations and statutes to Government officials.
 - (xii) Providing special non-law enforcement, security activities that do not directly involve criminal investigations, such as prisoner detention or transport and non-military national security details.
- (e) Agency implementation must include procedures requiring the agency head or designated requirements official to provide the contracting officer, when the statement of work or objectives (or any modification thereof) is submitted, a written determination that none of the functions to be performed are inherently governmental. This assessment should emphasize the degree to which conditions and facts restrict the discretionary authority, decision-making responsibility, or accountability of Government officials using contractor services or work products. Disagreements regarding the determination will be resolved according to agency procedures before issuing a solicitation.

FAR Part 52 - Solicitation Provisions **and Contract Clauses**

52.207 [Reserved]

52.207-1 [Reserved]

52.207-2 [Reserved]

52.207-3 [Reserved]

52.207-4 Economic Purchase Quantity-Supplies.

As prescribed in 7.203, insert the following provision:

Economic Purchase Quantity-Supplies (Aug 1987)

(a) Offerors are invited to state an opinion on whether the quantity(ies) of supplies on which bids, proposals or quotes are requested in this solicitation is (are) economically advantageous to the Government.

(b) Each offeror who believes that acquisitions in different quantities would be more advantageous is invited to recommend an economic purchase quantity. If different quantities are recommended, a total and a unit price must be quoted for applicable items. An economic purchase quantity is that quantity at which a significant price break occurs. If there are significant price breaks at different quantity points, this information is desired as well.

Offeror Recommendations

Item	Quantity	Price Quotation	Total
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Offeror Recommendations

Item	Quantity	Price Quotation	Total
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(c) The information requested in this provision is being solicited to avoid acquisitions in disadvantageous quantities and to assist the Government in developing a data base for future acquisitions of these items. However, the Government reserves the right to amend or cancel the solicitation and resolicit with respect to any individual item in the event quotations received and the Government's requirements indicate that different quantities should be acquired.

(End of provision)

52.207-5 Option to Purchase Equipment.

As prescribed in 7.404, insert a clause substantially the same as the following:

Option to Purchase Equipment (Feb 1995)

(a) The Government may purchase the equipment provided on a lease or rental basis under this contract. The Contracting Officer may exercise this option only by providing a unilateral modification to the Contractor. The effective date of the purchase will be specified in the unilateral modification and may be any time during the period of the contract, including any extensions thereto.

(b) Except for final payment and transfer of title to the Government, the lease or rental portion of the contract becomes complete and lease or rental charges shall be discontinued on the day immediately preceding the effective date of purchase specified in the unilateral modification required in paragraph (a) of this clause.

(c) The purchase conversion cost of the equipment shall be computed as of the effective date specified in the unilateral modification required in paragraph (a) of this clause, on the

basis of the purchase price set forth in the contract, minus the total purchase option credits accumulated during the period of lease or rental, calculated by the formula contained elsewhere in this contract.

(d) The accumulated purchase option credits available to determine the purchase conversion cost will also include any credits accrued during a period of lease or rental of the equipment under any previous Government contract if the equipment has been on continuous lease or rental. The movement of equipment from one site to another site shall be "continuous rental."

(End of clause)

52.207-6 Solicitation of Offers from Small Business Concerns and Small Business Teaming Arrangements or Joint Ventures (Multiple-Award Contracts).

As prescribed in 7.107-4, insert the following provision:

Solicitation of Offers from Small Business Concerns and Small Business Teaming Arrangements or Joint Ventures (Multiple-Award Contracts) (Aug 2024)

(a) *Definition.* "Small Business Teaming Arrangement," as used in this provision-

(1) Means an arrangement where-

(i) Two or more small business concerns have formed a joint venture; or

(ii) A small business offeror agrees with one or more other small business concerns to have them act as its subcontractors under a specified Government contract. A Small Business Teaming Arrangement between the offeror and its small business subcontractor(s) exists through a written agreement between the parties that-

(A) Is specifically referred to as a "Small Business Teaming Arrangement"; and

(B) Sets forth the different responsibilities, roles, and percentages (or other allocations) of work as it relates to the acquisition;

(2)

(i) For civilian agencies, may include two business concerns in a mentor-protégé relationship when both the mentor and the protégé are small or the protégé is small and the concerns have received an exception to affiliation pursuant to 13 CFR 121.103(h)(3)(ii) or (iii).

(ii) For DoD, may include two business concerns in a mentor-protégé relationship in the Department of Defense Mentor-Protégé Program (see [10 U.S.C. 4902](#)) when both the

mentor and the protégé are small. There is no exception to joint venture size affiliation for offers received from teaming arrangements under the DoD Mentor-Protégé Program; and

(3) See 13 CFR 121.103(b)(9) regarding the exception to affiliation for offers received from Small Business Teaming Arrangements in the case of a solicitation of offers for a bundled contract with a reserve.

(b) The Government is soliciting and will consider offers from any responsible source, including responsible small business concerns and offers from Small Business Teaming Arrangements or joint ventures of small business concerns.

(End of provision)