




DATE: October 19, 2011

TO: Procurement Directors

FROM: Director 
Contract and Financial Assistance Policy Division
Office of Policy
Office of Procurement and Assistance Management

SUBJECT: Business Case Analysis Requirements for Certain Interagency and Agency-Specific Acquisitions

SUMMARY: Office of Federal Procurement Policy's (OFPP) memorandum, dated September 29, 2011, *Development, Review and Approval of Business Cases for Certain Interagency and Agency-Specific Acquisitions*, outlines required elements of business case analysis as well as a process for developing, reviewing, and approving business cases to support the establishment and renewal of government-wide acquisition contracts (GWACs), certain multi-agency contracts, certain agency-specific contracts, or agency-specific blanket purchase agreement (BPA). Agency-specific vehicles are either indefinite-delivery, indefinite quantity contracts or blanket purchase agreements intended for the use of your contracting activity, the Department of Energy, or another Federal Agency.

The business case analysis applies to an agency-specific action where the contract or BPA would create a significant overlap (i.e., obligations for the supplies and/or services are anticipated to exceed 25% of total obligations over the life of the proposed acquisition) between the scope of the proposed acquisition and the scope of existing contracts or agreements established under the Federal Strategic Sourcing Initiative, General Services Administration's SmartBUY Program or an existing GWACs. A business case is required when the estimated value of the proposed acquisition vehicle is equal to or greater than:

<u>Fiscal Year</u>	<u>Dollar Threshold</u>	<u>Anticipated Solicitation Release Date</u>
2012	\$250 million	January 1, 2012
2013	\$100 million	October 1, 2012
2014	\$ 50 million	October 1, 2013

If your contracting activity is planning an agency-specific contract or agency-specific blanket purchase agreement, which will create a significant overlap of existing contracts and will be equal to or greater than the thresholds and within the time periods described above, then a business case analysis is required. Follow the OFPP guidance which is attached or available at:

http://www.whitehouse.gov/omb/procurement_index_interagency_acq/. Also, you may contact Barbara Binney at (202) 287-1340 or barbara.binney@hq.doe.gov, for advice and assistance.

This Flash will be available online at the following website:

<http://energy.gov/management/office-management/operational-management/procurement-and-acquisition/policy-flashes>.

The OFPP guidance will be referenced and some parts will be incorporated into the next revision to Acquisition Guide Chapter 17.1, Interagency Agreements. Questions concerning this policy flash should be directed to Barbara Binney of the Contract and Financial Assistance Policy Division, Office of Policy, Office of Procurement and Assistance Management at (202) 287-1340 or barbara.binney@hq.doe.gov.

Attachment