

## **PROCUREMENT ADVISORY No. 130A**

### **Acquisition Planning and Major System Reviews**

This advisory supersedes all previous Procurement Advisory No. 118 guidance and replaces that previous guidance by establishing a review and approval process for major systems that meets the definition in AGAR Part 434 as well as all information technology contract actions with a life cycle value of \$25,000 or greater. This advisory also establishes updated requirements for written acquisition plans.

The information technology limits are established in Section 706 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017, Pub. L. 115-31 (May 5, 2017) and in subsequent appropriations acts. In addition, 40 U.S.C. § 11319(b)(1)(C) states agencies “may not enter into a contract or other agreement for information technical or information technology services, unless the contract or other agreement has been reviewed and approved by the Chief Information Officer of the agency.” In this context, “agency” refers to USDA.

OPPM has determined that the policies stated in this advisory will not have significant effect beyond internal operating procedures of the Department, or a significant cost or administrative impact on contractors or prospective contractors. The purpose of this Advisory is to add to and/or modify the Agriculture Acquisition Regulation, as follows:

**1. Entirely replace the text of AGAR 434.002 with the following:**

434.002 Policy.

(a) No later than October 15 of each year (or such date as shall be established by the Senior Procurement Executive (SPE)), the Head of the Contracting Activity (HCA) shall, without power to re-delegate, approve and have submitted to the SPE and United States Department of Agriculture (USDA) Office of Chief Information Officer (OCIO) (with evidence of HCA approval) a spreadsheet that specifies:

(1) each acquisition that has a planned award date in the current or following fiscal year that meets or exceeds the dollar value specified in AGAR 434.001(a),

(2) all actions that are required to obtain Acquisition Approval Request (AAR) review and/or approval from the OCIO, and

(3) all other planned acquisitions that have been requested to be designated as major systems by the USDA Acquisition Executive, OCIO or HCA.

(b) If no actions fit in one of the three categories discussed in paragraph (a) above “none” is a sufficient response. The Spreadsheet shall be updated as needed to support OMB data calls as requested by the OCIO.

(c) The spreadsheet shall contain at least the information outlined below:

**Planned Contract Actions FY XX - XX**

Agency	Description of the Requirement/ Contracting Action	Category: e.g. New Action, Follow-on Action, Option Exercise	AAR # (If obtained)	Independent Government Cost Estimate (IGCE) Amount	Planned Award Date	Name, email and telephone number of assigned program manager
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**2. Add the following new section to the AGAR:**

407.104 General Procedures.

(f) A written Acquisition Plan (AP) under FAR Part 7 shall be prepared for each acquisition meeting or exceeding the dollar value, or designated to be a major system, pursuant to AGAR 434.001 and shall, to the greatest extent practicable, be written on a systems versus individual contract basis. Without power of delegation the AP shall be signed by and include the concurrence or non-concurrence of the HCA, the Program Manager and the Contracting Officer and others as determined by the HCA. The AP shall be submitted to the USDA Procurement Policy Division (PPD) at [procurement.policy@dm.usda.gov](mailto:procurement.policy@dm.usda.gov) and OCIO Capital Planning and IT Governance Division (CPITGD) [capitalplanningdivision@ocio.usda.gov](mailto:capitalplanningdivision@ocio.usda.gov) in sufficient time to allow review and coordination by the Secretary and Assistant Secretary for Administration and their staffs. The Senior Procurement Executive (SPE) has approval authority of the AP and no solicitation shall be released prior to SPE approval or SPE waiver.

(g) Except as found appropriate in writing by the HCA, without delegation, no written AP under FAR Part 7 is required for any proposed action when the contract file evidences each of the following: (1) that market research supports the expectation that offers will be received from at least two responsible firms; (2) the action does not exceed the dollar values specified in AGAR 434.001(a); and (3) award will be Firm Fixed Price.

(h) For any Information Technology action that is estimated to meet or exceed \$25,000, the Contracting Officer shall not issue a solicitation unless an AAR number has been granted for the full estimated price of the action or the Chief of the OCIO has granted a written waiver which must be placed in the file.

Please email any questions regarding this policy to [procurement.policy@dm.usda.gov](mailto:procurement.policy@dm.usda.gov).