



Langley Research Center

LPR 5000.2

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PROCUREMENT INITIATOR'S GUIDE

Office of Primary Responsibility: Office of Procurement

PREFACE

P.1 PURPOSE

- a. This directive provides general information that procurement initiators should be aware of for procurement planning purposes. Detailed procedures are set forth in the Langley Management System (LMS) Center procedures and Office of Procurement (OP) organizational procedures.
- b. Sample procurement documents and guidance on numerous procurement topics can also be found on the Langley Research Center (LaRC), OP, "Procurement Outreach" site (url available in the references listing).
- c. Initiators should contact the OP as soon as organizational needs have been identified to ensure that procurements are processed accurately and in a timely manner.
- d. This directive is a supplement to the Federal Acquisition Regulations (FAR), the NASA FAR Supplement (NFS), and Federal Law and does not supersede these regulations.

P.2 APPLICABILITY

This directive is applicable to NASA Langley employees.

P.3 AUTHORITY

NPD 5101.32, Procurement

P.4 REFERENCES

- a. Federal Acquisition Regulation, 48 CFR Chapter 1
- b. NASA FAR Supplement, 48 CFR Chapter 18
- c. NPD 8730.5, NASA Quality Assurance Program Policy
- d. NPR 5800.1, Grant and Cooperative Agreement Handbook
- e. NPR 7120.5, NASA Space Flight Program and Project Management Requirements
- f. LAPD 2030.1, Requirements for Legal Review of Acquisition Matters
- g. LPR 5300.1, Product Assurance Plan

- h. LMS-CP-4501, Procurement Process Overview
- i. LMS-CP-4504, Market Research for Procurements
- j. LMS-CP-4505, Purchase Requisition (PR) Initiation/Modification/Cancellation and Supporting Documentation
- k. LMS-CP-4540, Purchase Card
- l. LMS-CP-4543, Receipt and Evaluation of Unsolicited Proposals
- m. LMS-CP-4545, Obtaining Purchase Cards
- n. LMS-CP-5108, Purchase Card, Quality Sensitive Items
- o. LMS-CP-5523, Statement of Work (SOW), Review Procedures
- p. LMS-OP-4508, Milestones and Lead-times
- q. PIC 04-04, Engineering Standards and Specifications Cited in NASA Solicitations and Contracts at <<http://www.hq.nasa.gov/office/procurement/regs/pic.html>> .
- r. Langley Research Center, Office of Procurement, "Procurement Outreach Site" at <<http://op.larc.nasa.gov/outreach2/OPFrameset-1.htm>> .

P.5 CANCELLATION

LPR 5000.2, dated February 25, 2005, is rescinded and is to be destroyed.

Original signed on file

Cynthia C. Lee
Associate Director

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TABLE OF CONTENTS

	Page
1. INTRODUCTION	1
2. CENTER ACQUISITION PLANNING	1
3. INDIVIDUAL PROCUREMENT PLANNING	2
4. CONSOLIDATED CONTRACTING INITIATIVE (CCI)	3
5. COMPETITION	4
6. PUBLICIZING PROCUREMENT ACTIONS	4
7. OTHER THAN FULL AND OPEN COMPETITION	4
8. METHODS OF PROCUREMENT	5
9. CONTRACT TYPE	9
10. SMALL BUSINESS CONSIDERATIONS	12
11. PERFORMANCE BASED ACQUISITION (PBA)	13
12. PREPARING SUPPORTING DOCUMENTS FOR PURCHASE REQUESTS	13
13. STATEMENTS OF WORK (SOW) AND SPECIFICATIONS	14
14. DATA REQUIREMENTS DOCUMENT (DRD)/CONTRACT DATA REQUIREMENTS LIST (CDRL)	17

1. INTRODUCTION

1.1 The procurement process begins when a LaRC civil servant procurement initiator (hereafter referred to as the initiator) identifies a need for a supply or service. The initiator must then follow the process identified in LMS-CP-4501, Procurement Process Overview, to obtain the required supply or service.

1.2 The initiator is responsible, with procurement assistance as appropriate, for conducting initial market research, developing a Statement of Work (SOW) or specification, preparing a Government estimate and other supporting documentation as required, and requesting the requisitioner (defined in LMS-CP-4501) initiate the purchase request.

1.3 The initiator may also participate in solicitation preparation and be the "Technical Evaluator" during evaluation of offers or the "Technical or Task Monitor" or "Contracting Officer's Technical Representative (COTR)" during contract administration.

1.4 The procurement process steps are detailed in individual procedures corresponding to each particular step.

2. CENTER ACQUISITION PLANNING

2.1 Advance planning of procurement activities is essential in order for the Center to meet its procurement, programmatic and financial commitments. The OP will contact each initiating organization on a semi-annual basis requesting input regarding potential procurement needs for inclusion in the Center's comprehensive Acquisition Forecast.

2.2 The information provided shall include the following:

- a. Type of Procurement (Supply, R&D, or Services);
- b. Description of requirement;
- c. Estimated dollar value;
- d. Name of initiator, organization code, and phone number;
- e. Fiscal Year Quarter when requirement will be procured;
- f. Number of procurement actions; and
- g. Whether or not the requirement will be procured commercially or non-commercially.

2.3 The OP will then ensure that, in accordance with NFS Part 1807, all planned procurement requests over \$100,000 are included in the Acquisition Forecast. The Acquisition Forecast is a mechanism used to inform industry of possible business opportunities.

2.4 Each Center is also required to submit to NASA Headquarters, by July 15 of each year, a Master Buy Plan containing information regarding all procurements over \$50M, or the three largest planned procurements for the next fiscal year if the Center has less than three over \$50M. The OP shall send out a Center-wide call for information regarding these procurements in May of each year. Failure to identify these procurements during the yearly Master Buy process may cause schedule delays in the procurement.

2.5 After the Master Buy Plan is received by NASA Headquarters, they will determine which major activities (if any) of the procurement process will be selected for review and/or approval.

3. INDIVIDUAL PROCUREMENT PLANNING

3.1 In addition to the Center-level planning described above, it is important for initiators to plan individual procurements. Early planning enables OP to recommend an appropriate procurement strategy based upon the items or services to be acquired, and facilitates an overall reduction in procurement lead-times. Planning includes evaluating the alternative acquisition methods discussed below and determining the best strategy for meeting the Government's requirements.

3.2 The acquisition team includes, but is not limited to, the Contracting Officer, the Contract Specialist, the technical initiator, the evaluation team, and as appropriate, cost/price analyst(s), representatives of the Office of the Chief Counsel and functional experts.

3.3 The acquisition team must specify needs, refine specifications or SOW, perform market research or surveys, and solicit offers in a manner that promotes full and open competition among prospective offerors. Teamwork between initiators and the OP will result in a more effective, efficient procurement process that meets all requirements.

3.4 For acquisitions with an estimated value greater than \$5M or acquisitions of any value for equipment or analysis for space flight systems, the NASA engineer is responsible for providing written documentation that all NASA Preferred Technical Standards or other engineering standards or specifications have been thoroughly reviewed and the appropriate ones have been applied to the acquisition, are of the latest version, and have been registered with the NASA Standards Update Notification System (SUNS) at <http://standards.nasa.gov/>.

3.5 AS9100 Compliance Requirement –NASA Policy Directive (NPD) 8730.5, NASA Quality Assurance Program Policy, specifies that requirements for work considered to be both “critical and complex” be conducted in compliance with a global standard for quality management systems; i.e. the AS9100 standard. “Critical and complex” requirements as defined in NPD 8730.5 involve the processes and services that support the design, development, fabrication, component assembly, and system installation of flight hardware, flight software, and associated ground support equipment interfacing with flight hardware and flight software.

3.5.1 Specifically, critical work is any hardware task that, if performed incorrectly or in violation of prescribed requirements, could result in loss of human life, serious injury, loss of mission, or loss of significant mission resources (e.g., Government test or launch facility).

3.5.2 Complex work involves either:

- a. the design, manufacture, fabrication, assembly, testing, integration, maintenance, or repair of machinery, equipment, subsystems, systems, or platforms; or
- b. the manufacture/fabrication of parts or assemblies which have quality characteristics not wholly visible in the end item and for which conformance can only be established progressively through precise measurements, tests, and controls applied.

3.6 When requirements are identified as “critical and complex,” the procurement initiator shall:

- a. designate these quality sensitive requirements on the Purchase Request (PR)
- b. coordinate such requirements closely with OP and the Office of Safety and Mission Assurance to ensure the appropriate reviews are conducted and the necessary clauses are incorporated into the resulting contract.

3.6.1 To ensure proper reviews occur the PR Header Text must state whether or not the PR is for “critical and complex” requirements and the NASA “QualSensitive PR” document type must be selected.

4. CONSOLIDATED CONTRACTING INITIATIVE (CCI)

4.1 Each year NASA contracts for a significant number of goods and services in the conduct of its mission. Traditionally, a new acquisition is developed, awarded, administered, and eventually closed to satisfy these requirements. CCI is a program designed to identify and logically group together similar requirements within NASA and with other government agencies so that they may be procured efficiently.

4.2 The CCI is applicable to all contracts for goods and services placed with business firms in excess of the Simplified Acquisition Threshold (currently \$100,000 dollars), and should be applied wherever it makes sense to do so. It requires that procurements are posted to a central bulletin board on the Internet and coordinated with other NASA Centers and government agencies that may want to participate in the procurement.

4.3 Initiators shall check the CCI bulletin board at <http://prod.nais.nasa.gov/cgi-bin/cci/first.cgi> for procurements and existing contracts at other NASA Centers and government agencies that may be able to fulfill their requirements and save time and resources.

5. COMPETITION

5.1 Full and open competition is required by statute (10 U.S.C. 2304 the Competition in Contracting Act). Competition is vital to the Government's interests because it makes it possible to obtain the best goods and services for the most reasonable price and provides an opportunity for all qualified sources to participate in Government procurements.

5.2 The responsibility for implementing the statutory policy on competition at LaRC has been assigned to the Center's Deputy Director, who is the Center's Competition Advocate.

5.3 The Contracting Officer is responsible for selecting the competitive procedures that most appropriately fit the particular procurement.

6. PUBLICIZING PROCUREMENT ACTIONS

6.1 Contracting Officers shall publicize contract actions in order to:

- a. increase competition;
- b. broaden industry participation in meeting Government requirements; and
- c. assist small business concerns in obtaining contracts and subcontracts.

6.2 Publishing requirements are:

- a. For proposed contract actions expected to exceed \$25,000, by synopsisizing for at least 15 days prior to issuing a solicitation,
- b. For proposed contract actions expected to exceed \$10,000, but not expected to exceed \$25,000, by posting on the NAIS Electronic Posting System for at least five days prior to issuing a solicitation.

7. OTHER THAN FULL AND OPEN COMPETITION

7.1 Certain circumstances do permit contracts to be awarded without providing for full and open competition. These circumstances are the exception and shall be well documented with varying approval levels depending on the dollar value of the procurement.

7.2 Procurements \$100,000 and below require a Sole Source Justification. Procurements over \$100,000 require a Justification for Other than Full and Open Competition (JOFOC). Guidance and samples can be found on the LaRC Procurement Outreach Site.

8. METHODS OF PROCUREMENT

8.1 Supplies and services may be obtained through various procurement methods depending upon the specific requirement and its dollar value. The following are acquisition alternatives that should be considered for use in meeting the needs of requiring organizations. Procurement initiators should contact OP early in the planning phase of any procurement to discuss the available methods.

a. The Government Purchase Card may be used for purchases under the micro-purchase threshold (currently \$3,000). Procedures for how to obtain a Purchase Card may be found at LMS-CP-4545, Obtaining Purchase Cards. Procedures for use of the Purchase Card may be found in LMS-CP-4540, Purchase Card, and LMS-CP-5108, Purchase Card, Quality Sensitive Items. The LaRC Procurement Outreach Site also provides guidance.

b. Simplified acquisition procedures apply to the acquisition of supplies and services valued between \$3,001 and \$100,000 (FAR Part 13 and NFS Part 1813). In some cases, these procedures may be used for the acquisition of commercial items not exceeding \$5.5 million (FAR Part 12).

c. FAR Part 8 details the procedures to be used in ordering supplies or services under Federal Supply Schedules (FSS).

(1) The General Services Administration (GSA) awards indefinite delivery contracts to commercial firms to provide goods and services at stated prices for given periods of time. LaRC OP orders from these contracts via delivery/task orders placed directly with the commercial contractor at the price stated in the GSA contract.

(2) GSA has a Web site at <<http://www.gsaadvantage.com/>> that should be reviewed to ascertain if the goods or services are available from that source.

d. The NASA Solutions for Enterprise-Wide Procurement (SEWP) contract vehicle at <<https://www.sewp.nasa.gov/cgi-bin/rfq.pl>> has an outstanding track record for providing the latest in Information Technology (IT) products and services. SEWP, a Government-Wide Acquisition Contract (GWAC), was awarded using both full and open competitive processes and small business set-asides.

(1) Through SEWP, agencies can find an exact fit for their needs at the best overall value by searching the Web and choosing the right solutions offered directly by leading hardware and software manufacturers and experienced Government integrators.

(2) The SEWP website provides tools for manufacturer and product searches and the ability to issue Request for Quotes (RFQs) directly to the SEWP contract holders. See the LaRC Procurement Outreach Site for additional guidance.

e. Sealed bidding employs the public opening of sealed bids and award to the lowest priced, responsive, and responsible offeror. This procurement strategy should be used when detailed performance or design specifications are available (e.g., construction of facilities); evaluation of price and price-related factors is the sole basis for contractor selection (FAR Part 14 and NFS Part 1814).

f. Competitive negotiated procurements are procurements awarded using multiple evaluation criteria. There are varying methodologies to acquire these goods and services ranging from Source Evaluation Teams (SETs) to the more formal Source Evaluation Board (SEB) Procedures applicable to procurements greater than \$50,000,000.

(1) Membership of the SETs and SEBs will vary with complexity but will always include the Contract Specialist/Contracting Officer and procurement initiator with other technical and business experts included as needed. Competitive negotiated procurements may involve source selection techniques utilizing best value, tradeoff processes, lowest price technically acceptable processes, or scoring procedures.

(2) The SET/SEB develops the solicitation including the proposal evaluation criteria and upon receipt of proposals reviews and evaluates the proposals first from a technical point of view without regard to price or cost. Consideration is given to the proposed price or cost to determine the reasonableness and realism of the price or cost. Past performance of the offeror is also considered and may be a discriminator in the selection process.

(3) FAR Part 15 and NFS Part 1815 govern the acquisition of goods and services using competitive negotiated procedures. Awards under this methodology may be made with or without discussions.

g. Basic Ordering Agreements (BOA) are types of agreements that establish terms and clauses covering future orders to be placed with a contractor when substantial requirements are anticipated, but specific quantities and/or prices are not currently known. BOAs are “agreements with sources” and are not contracts.

(1) A BOA may be used to expedite contracting for uncertain requirements for supplies or services when specific items, quantities, and prices are not known at the time the agreement is executed.

(2) A BOA shall not state or imply any agreement by the Government to place future contracts or orders with the contractor or be used in any manner to restrict competition.

h. A Blanket Purchase Agreement (BPA) is a simplified method of filling anticipated repetitive needs for supplies or services by establishing accounts or agreements with qualified sources of supply.

(1) The use of BPAs does not exempt an agency from the responsibility for keeping obligations and expenditures within available funds.

(2) The following are circumstances under which contracting officers may establish BPAs:

(a) There is a wide variety of items in a broad class of supplies or services that are generally purchased, but the exact items, quantities, and delivery requirements are not known in advance and may vary considerably.

(b) There is a need to provide commercial sources of supply for one or more offices or projects in a given area that do not have or need authority to purchase otherwise.

(c) The use of this procedure would avoid the writing of numerous purchase orders.

(d) There is no existing requirements contract for the same supply or service that is required to be used.

(3) BPAs may be established with more than one supplier for supplies or services of the same type to provide maximum practicable competition; a single firm from which numerous individual purchases at or below the simplified acquisition threshold will likely be made in a given period; or (FSS) contractors, if not inconsistent with the terms of the applicable schedule contract.

i. Broad Agency Announcements (BAAs) include NASA Research Announcements (NRAs) (NFS Part 1835) and Announcements of Opportunity (AO) (NFS Part 1872).

(1) These announcements solicit participation by all offerors capable of satisfying the Government's needs in identified areas of research interest. Resulting awards are considered competitive.

(2) BAAs are not used when the requirement is sufficiently identified such that an end product or service can be specified to allow the issuance of an Invitation for Bid or Request for Proposal.

j. Grants and Cooperative Agreements are used to transfer something of value, typically funding, to accomplish a legal public purpose of support or stimulation.

(1) The recipient of a Grant or Cooperative Agreement is free to conduct a fairly autonomous program with the assistance provided.

(2) Cooperative Agreements are similar to Grants, except NASA participates substantially in the performance of the effort.

(3) Guidance on the use of these instruments may be found in NPR 5800.1E, NASA Grant and Cooperative Agreement Handbook.

(4) Grants often result from unsolicited proposals. These proposals require an evaluation by the appropriate LaRC technical office. Evaluations are conducted as prescribed by LMS-CP-4543.

(a) If the proposal is rejected the OP Grants Officer shall notify the offeror by letter.

(b) If the proposal is accepted, the cognizant LaRC technical evaluator shall proceed to contact the NASA Shared Services Center (NSSC), which is the organization responsible for NASA Grant awards. The NSSC Web site is: <https://www.nssc.nasa.gov/portal/site/customerservice> .

(4) Refer to the LaRC Procurement Outreach Site for additional guidance.

k. An Interagency Acquisition (IA) is a procedure that allows an agency needing supplies and services (requesting agency) to acquire them from another agency (servicing agency). (For example, NASA often acquires supplies/services from Department of Defense (DOD) agencies and other Civilian Agencies.) These supplies or services may be provided directly to NASA by the servicing agency or may be provided through a servicing agency's contractor. The Economy Act, 31 U.S.C 1535; Space Act, 42 USC 2451 et seq.; or other appropriate authority is used as applicable.

(1) All IAs between NASA and a servicing agency not covered by the FAR (e.g., FAA) shall be approved by the Assistant Administrator for Procurement. Thus, initiators should factor additional time for processing these IAs.

(2) All documentation required to initiate and support the award of an IA procurement is located on the LaRC Procurement Outreach Site.

9. CONTRACT TYPE

9.1 The type of contract to be used varies according to the degree to which the Government can specify its requirements, the amount of risk that can reasonably be borne by the contractor and will best motivate the contractor to perform the contract satisfactorily and economically.

9.2 A very broad description of the major types of contracts follows (see FAR Part 16 and NFS Part 1816 for detailed descriptions of each contract type).

a. Fixed Price Contracts - Fixed-price contracts place upon the contractor maximum risk and full responsibility for all costs and resulting profit or loss. It provides maximum incentive for the contractor to control costs and perform effectively and imposes a minimum administrative burden upon the contracting parties.

(1) Fixed price contracts are the most preferred contract type and are appropriate when a reasonably definitive, complete statement of the Government's requirements are available, and fair and reasonable prices can be established.

(2) In addition to the definitiveness of the Government's stated requirements, a major criterion for selection is the level of confidence the Government has that the contractor's estimate of the total price of performance is fair and reasonable.

(3) Contracts for commercial items are required to be either firm-fixed price, fixed price with economic price adjustment or time-and-material (T&M). T&M contracts require execution of a determination and findings that no other contract type is suitable.

(4) Firm fixed price and fixed price with economic adjustment contracts can be awarded under sealed bid procedures. T&M contracts are not authorized under sealed bid procedures.

b. Incentive Contracts - These contracts provide for cost, performance, or delivery incentives relating to the amount of fee or profit payable under the contract for the contractor's performance.

(1) Incentive contracts are appropriate when a firm-fixed-price contract is not appropriate and the required supplies or services can be acquired at lower costs and, in certain instances, with improved delivery or technical performance, by relating the amount of profit or fee payable under the contract to the contractor's performance. Incentive contracts are designed to obtain specific acquisition objectives by:

(a) Establishing reasonable and attainable targets that are clearly communicated to the contractor; and

(b) Including appropriate incentive arrangements designed to—

- (i) motivate contractor efforts that might not otherwise be emphasized; and
- (ii) discourage contractor inefficiency and waste.

- (c) When predetermined, formula-type incentives on technical performance or delivery are included, increases in profit or fee are provided only for achievement that exceeds the targets, and decreases are provided for to the extent that such targets are not met. The incentive increases or decreases are applied to performance targets rather than minimum performance requirements.
- (d) The two basic categories of incentive contracts are fixed-price incentive contracts and cost-reimbursement incentive contracts. Since it is usually to the Government's advantage for the contractor to assume substantial cost responsibility and an appropriate share of the cost risk, fixed-price incentive contracts are preferred when contract costs and performance requirements are reasonably certain.

c. Cost Reimbursement Contracts – Cost-reimbursement contracts provide for payment of allowable incurred costs, to the extent prescribed in the contract. These contracts establish an estimate of total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at its own risk) without the approval of the Contracting Officer.

(1) Cost-reimbursement contracts are suitable for use only when uncertainties involved in contract performance do not permit costs to be estimated with sufficient accuracy to use any type of fixed-price contract. The use of cost-reimbursement contracts is prohibited for the acquisition of commercial items.

(2) A cost-reimbursement contract may be used only when:

- (a) The contractor's accounting system is adequate for determining costs applicable to the contract; and
- (b) Appropriate Government surveillance during performance will provide reasonable assurance that efficient methods and effective cost controls are used.

(3) A cost contract is a cost-reimbursement contract in which the contractor receives no fee.

(4) A cost contract may be appropriate for research and development work particularly with nonprofit educational institutions or other nonprofit organizations.

d. Time and Material, Labor Hour and Letter Contracts – These contract types are the least preferred methods of contracting because intensive surveillance is required to protect the Government's interests. T&M contracts provide for payment to the

contractor for direct labor hours (paid at a composite hourly rate that includes profit) plus the cost of materials.

- (1) This type of contract is appropriate only when the Government is unable to estimate the scope or duration of the work, or its reasonable cost.
- (2) These types of contracts are used in lieu of cost-reimbursement contracts when price competition occurs on the basis of per-hour rates (e.g., repair services).
- (3) If this type of contract is used, the contract contains an estimate of the ceiling price, and a determination of the method of pricing the material.
- (4) A labor hour contract is a variation of the T&M contract, differing only in that materials are not supplied by the contractor.
- (5) A T&M contract may be used only if the contracting officer prepares a determination and findings that no other contract type is suitable.

e. Letter Contracts - A letter contract is a written preliminary contractual instrument that authorizes the contractor to begin immediately manufacturing supplies or performing services.

- (1) A letter contract may be used when
 - (a) the Government's interests demand that the contractor be given a binding commitment so that work can start immediately and
 - (b) negotiating a definitive contract is not possible in sufficient time to meet the requirement. However, a letter contract should be as complete and definite as feasible under the circumstances.
- (2) When a letter contract award is based on price competition, the contracting officer shall include an overall price ceiling in the letter contract.
- (3) Each letter contract shall contain a negotiated definitization schedule including
 - (a) dates for submission of the contractor's price proposal, required cost or pricing data, and, if required, make-or-buy and subcontracting plans,
 - (b) a date for the start of negotiations, and
 - (c) a target date for definitization of the formal agreement. The schedule shall provide for definitization of the contract within 180 days after the date of the letter contract or before completion of 40 percent of the work to be performed, whichever occurs first.

f. Indefinite Delivery Contracts - There are three types of indefinite-delivery contracts: definite-quantity contracts, requirements contracts, and indefinite-quantity contracts.

(1) Requirements contracts and indefinite-quantity contracts are also known as delivery-order contracts or task-order contracts. The appropriate type of indefinite-delivery contract may be used to acquire supplies and/or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award. Preference shall be for multiple awards when using indefinite quantity contracts.

(2) The various types of indefinite-delivery contracts offer the following advantages:

(a) All three types permit—

- (i) Government stocks to be maintained at minimum levels; and
- (ii) Direct shipment to users.

(b) Indefinite-quantity contracts and requirements contracts also permit—

- (i) Flexibility in both quantities and delivery scheduling; and
- (ii) Ordering of supplies or services after requirements materialize.

(c) Requirements contracts may permit faster deliveries when production lead time is involved, because contractors are usually willing to maintain limited stocks when the Government will obtain all of its actual purchase requirements from the contractor.

(d) Indefinite-quantity contracts limit the Government's obligation to the minimum quantity specified in the contract.

10. SMALL BUSINESS CONSIDERATIONS

10.1 All or a portion of procurements may be determined appropriate for small business participation. In those cases, the procurement may be set-aside for small business (to include small business categories such as small disadvantaged, women owned, Historically Underutilized Business Zone (HUBZone), 8(a), service-disabled veteran-owned, veteran owned) or include small business subcontracting goals.

10.2 If, in response to a synopsis, two or more small businesses appear to be responsible suppliers, the procurement will be set-aside for small business, except in unusual circumstances. Otherwise, the OP will require initiator assistance in establishing small business subcontracting goals.

11. PERFORMANCE BASED ACQUISITION (PBA)

11.1 NASA requires that a Performance-Based Acquisition (PBA) approach be considered for use on all contracts. PBA means contracting for results, not just best efforts.

11.2 The acquisition is structured around the results to be achieved as opposed to the manner by which the work is to be performed; i.e., specify what is to be done rather than how it will be done.

11.3 PBA techniques focus on:

- a. using objective, measurable performance requirements and performance standards in developing SOW's and specifications;
- b. selecting contractors using performance as a consideration;
- c. determining contract type and incentives in accordance with a fair assessment and assignment of performance risk; and
- d. performing contract surveillance and administration for insight only into essential areas of contractor performance.

11.4 A PBA contract shall have performance standards (criteria for determining whether the work requirements are met), and some kind of contract measurement method , positive or negative, explicit or implicit.

11.4.1 All PBA solicitations and contracts must convey a logical, easily understood set of performance requirements (e.g., provide a product assurance plan) and standards (e.g., product assurance plan must comply with LPR 5300.1, Product Assurance Plan), the measurement method, and incentives.

12. PREPARING SUPPORTING DOCUMENTATION FOR PURCHASE REQUESTS (PRs)

12.1 PRs shall be provided with all necessary supporting documents appropriate for the procurement.

12.1.1 Procurement lead times (see LMS-OP-4508, Milestones and Lead times) are estimated from the time that all supporting documentation with sufficient content is received in the OP.

12.1.2 The lead times are approximate for various reasons which include the complexity of the procurement, whether other Centers must be coordinated with under the CCI, whether the contract is awarded under the Small Business Administration's 8(a) program, whether the procurement is competitive or noncompetitive, whether or not discussions are necessary

in competitive procurements, and whether NASA HQ has selected activities for review and approval under the Master Buy Program.

12.2 Examples of supporting documentation are as indicated below (see the LaRC Procurement Outreach Site for additional guidance):

- a. Government cost estimates and projected funding sources for each option year, if any
- b. SOW or Specifications
- c. Market research results (Reference LMS-CP-4504, Market Research for Procurements)
- d. JOFOC or Sole Source Justifications
- e. Surveillance plans
- f. Data Requirements Documents (DRD)/Contract Data Requirements Lists (CDRL)
- g. NASA Preferred Technical Standards or other engineering standards or specifications, if applicable (see Procurement Information Circular 04-04)
- h. Government-furnished property list with Supply & Equipment Management Officer (SEMO) concurrence
- i. Drawings
- j. Recommended evaluation criteria for competitive procurements
- k. Recommended evaluation team membership
- l. Staffing profile that sets forth the Government estimated staffing requirements by position (for support service procurements only)

13. STATEMENTS OF WORK AND SPECIFICATIONS

13.1 The OP shall assist initiators in preparing performance-based SOW's and specifications.

13.1.1 The preparation of these documents can be a challenge and requires a team effort between OP and initiators. This effort should be started well in advance of initiating a major procurement and as early as possible in lower value procurements to avoid delays in the procurement process.

13.1.2 Information for preparation of SOWs is available online see <<https://www.acquisition.gov/sevensteps/home.html>>. See also LMS-CP-5523, SOW Review Procedures.

SOWs and specifications must be carefully prepared to ensure that the Government will obtain what it needs. Some helpful hints on SOW/specification preparation are as follows:

a. Formats for SOWs vary widely, but they should always describe:

- (1) Scope: Quick overview of what the SOW covers.
- (2) Background: If applicable, a brief description of the problem(s) to be solved or the need giving rise to this requirement.
- (3) Objectives: The overall effect this requirement will achieve.
- (4) Contractor Tasks: Defines and explains the work to be performed.
- (5) Contract End Items: Provides requirements related to the product or service deliverable.

b. After completing the SOW, review it by asking and answering the following questions:

- (1) Who is responsible?
- (2) What is required?
- (3) When is it required?
- (4) Where is it accomplished?
- (5) Where is it needed?

13.3 The SOW/specification is often read and interpreted by persons of varied backgrounds, such as lawyers, cost estimators, production and quality control specialists, inspectors, and contract managers. Therefore, the SOW/specification shall be stated such that:

a. Only one interpretation is possible, and

- b. Each prospective offeror understands who, what, when and where the SOW must be accomplished.

13.4 It is critical that initiators question any aspect or item of the requirement that limits competition or prevents use of a commercial or non-developmental item. Requirements can restrict competition when they include any provision that:

- a. Includes a design requirement that is unnecessary for performance
- b. Includes geographic restrictions without a sound basis
- c. Incorporates higher-end components that are above agency's minimum needs
- d. Continues using features that are now obsolete
- e. Are written around a particular manufacturer's product or service

13.5 Unless synopsis is waived, requirements over \$25,000, (including the SOW/specification) are published via the Internet. Therefore, information critical to protecting Agency assets and personnel shall not be included in the SOW/specification.

13.5.1 Examples of information that **shall not be included** in SOW/specification are:

- a. Internal Center maps, including labeled aerial views.
- b. Technically detailed schematics or drawings of utilities, networks, airfields, aircraft, and buildings.
- c. Facility information including detailed drawings, schematics, physical locations of employees.
- d. Specific information on the composition, preparation, storage locations, or optimal use of hazardous materials, explosives or biotoxins.

13.5.2 When the examples of information not to be included in SOW/specifications are required by offerors in order for them to submit a proposal, initiators must address the information separately and identify as "limited dissemination." This information shall have limited distribution and shall not be disseminated to the public-at-large via the Internet.

14. DATA REQUIREMENTS DOCUMENT (DRD)/CONTRACT DATA REQUIREMENTS LIST (CDRL)

14.1 DRDs/CDRLs are generally used to obtain all of the contractor-generated data needed to perform daily duties with respect to managing NASA projects and programs, managing the contract, maintaining official records, and reporting to other Government offices. A DRD should be used to describe the format and content of the data product(s) to be generated; and the CDRL should be used to describe the government's delivery instructions for the data.

14.2 Examples of some of the types of data that may be required are:

- a. Technical progress reports, which identify current work status, any problem areas and proposed corrective action, and planned work.
- b. Financial management reports, which identify costs planned and expended by element, e.g. labor, material, and facilities maintenance expenses.
- c. Software discrepancy data (e.g., problem reports, discrepancy reports, defect databases, anomalies, errors, faults) relative to program software development activities.