

THE PURCHASE REQUEST PACKAGE



Bureau of Indian Affairs
Acquisition Division
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Purpose

- Provide a user friendly tool to the contracting officer's representative (COR)
- Identify the elements of a PR package
- Identify best practices
- Identify pitfalls



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The purpose of this presentation is to provide a user friendly resource and general guidance to the program office contracting officer's representatives who compile the necessary elements of a purchase request package. This information is targeted primarily towards CORs who seek supplies and simple services. This presentation highlights best practices and notes pitfalls and common mistakes in the process.



Spending Taxpayer Dollars

- The basic obligations of a public servant establishes:

Employees shall not knowingly make unauthorized commitments or promises of any kind purporting to bind the Government.

(#6 Basic obligations of a public servant 5CFR 2365.101)

The Players: Contracting Officer

- A person with the delegated **AUTHORITY** to enter into, administer, and terminate contracts and make related determinations and findings (FAR 1.602-1)



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The Players: COR

- Program personnel responsible for creating and submitting the purchase request package.
- COR responsibilities (to the contract) are delegated in writing by the contracting officer (FAR 1.604).



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Purchase Request Package

A complete purchase package includes the following:

- Description (Statement of Work)*
- Funding
- Independent government estimate
- Recommend sources
- Justification and approval if limiting competition

A helpful tool to write the SOW can be found at:
https://acc.dau.mil/arrt#ARRT_Overview

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All requirements packages contain a few basic ingredients. These ingredients are: 1.) description, 2.) funding, 3.) independent government estimate, 4.) recommended sources. 5.) If justified--brand name justification or justification and approval for limiting competition.

Description

The supplies and services must be described in a manner that will encourage maximum competition and eliminate any restrictive features that limit acceptable quotes to one contractor's product.

The description must be clear, detailed and complete enough to allow someone who is not familiar with the request to determine what the requirement is by only reading the description.

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Let's talk about each of these ingredients.

1.) Description

The requirement is referred to by a variety of terms—purchase description, statement of work, performance work statement, or statement of objectives. For small purchases we will primarily use the term purchase description. The purpose of the description is to ensure the requirement describes *what* is to be accomplished not *how* to accomplish it. By describing *what* is to be accomplished through a functional or performance description, you will support the Government's goals of acquiring commercial items and promoting full and open competition. The Competition in Contracting Act requires, with rare exception, all work using federal taxpayer dollars must be competed. In other words it is illegal to award a contract or purchase order without competition.

A requirement description must be for the minimum needs of the government and clearly support the mission of the bureau and department. In addition, an acceptable description contains answers to the following questions:

What is it?

Why is it needed?

Who is it for?

When is it required?

How much or how many are needed?

Where should it be delivered to?

How long is it needed?

Are there any special requirements?

Description (continued)

The description must address:

- What is it?
- Why is it needed?
- Who is it for?
- When is it required?
- How much or how many are needed?
- Where should it be delivered to?
- How long is it needed?
- Are there any special requirements?

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Description (continued)

What is it?

Supply

- Gas powered push lawnmower with detachable bag.
- 75 watt light bulb or compact fluorescent light equivalent



Service

- Guards Services
- Janitorial Services



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Description (continued)

Why is it needed?

This is to ensure we have a bone fide need and should align with the mission of the program, the bureau and the department.

For example the program has a need for:

- A lawn mower to maintain the grounds to ensure safe passage.
- Guard services to patrol and protect property.

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Description (continued)

When is it required?

Supply

March 14, 2012

30 days after receipt of purchase order

Services

March 14, 2012 – March 13, 2013

From date of award – March 13, 2013



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Description (continued)

How much or how many are needed?

Supply:

3 lawnmowers

Services:

3 months of guards services



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Description (continued)

Where should it be delivered to?

Department of the Interior

Bureau of Indian Affairs

2051 Mercator Drive

Reston, VA 20191

Attention: Contracting Officer's Representative



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Description (continued)

How long is it needed?

Supply

N/A if purchased outright

Service

12 months

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Description (continued)

How long is it needed?

Supply

N/A if purchased outright

Service

12 months

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The Funding Document

If the available funding is insufficient consider the following alternatives:

- Obtain additional funding
- Decrease quantity
- Decrease one or more line items
- Reduce the scope of work
- Cancel the requirement



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Funding

2.) A fully funded document signed by a certifying funds official is required. This funding document certifies the program office has a bona fide need and the proper funding is available and committed to the COR's supply or service.

Independent Government Estimate

3.) An independent government estimate (IGE) provides a price estimate for the product or service. The complexity of the estimating technique is dependent upon the complexity of the acquisition. An IGE *must be provided* with every procurement request package as one of the means by which the contracting officer can determine reasonableness of price and can then obligate taxpayer dollars.

An IGE can be determined through a number of ways. A few are: historical pricing (what did the government pay last year?), an average (Product X, Y, and Z are all comparable. By adding the 3 current market prices together and dividing by 3 we can arrive at an average estimate.), and what have other agencies or departments paid for the same or similar thing?

An IGE *is not* a quote from a contractor, an email from a contractor, or the opinion of a contractor. The estimate is *independent* from industry opinion.

Recommended Sources

The COR should include recommend resources discovered from market research. However the COR should keep in mind the contracting officer will determine who, if at all, the contract is awarded to. CORs should note:

Employees shall act impartially and not give preferential treatment to any private organization or individual.

(#8 Basic obligations of a public servant 5CFR 2365.101)

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4.) Recommend Sources

The program office should include recommended sources; however the contracting officer is the responsible authority for the contracting process and is the authority who will select and award to the contractor whose response or price is most advantageous to the government and conforms to the requirement and other laws, policies, and sound business practices as applicable. Potential sources should enhance competition. If the customer is restricting competition, the PR must contain the appropriate justification



Restricting Competition

There are legitimate times when the Federal government can exclude competition. This is never done without justification. The COR is responsible for drafting the technical justification to the satisfaction of the contracting officer.

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5.) Restricting Competition

With limited statutory exceptions, contracting officers must promote and provide for full and open competition in soliciting offers and awarding government contracts and purchase orders. A justification for use of other than full and open competition must contain specific facts and rationale to justify soliciting from only one or a limited number of sources. There are 7 exceptions but the three used most regularly are: 1.) Only one responsible source and no other supplies or services will satisfy agency requirements, 2.) Unusual and compelling urgency, 3.) Authorized or required by statute.

5.) Restricting Competition (cont.)

Furthermore, an acquisition that uses a brand name description or other purchase description to specify a particular brand name, product, or feature of a product, peculiar to one manufacturer does not provide for full and open competition regardless of the number of sources solicited. The justification should indicate that the use of such descriptions in the acquisition is essential to the Government's requirements, thereby precluding consideration of a product manufactured by another company. *However*, brand-name or equal descriptions, and other purchase descriptions that permit prospective contractors to offer products other than those specifically referenced by brand name, provide for full and open competition *do not* require justifications and approvals to support their use.

Program CORs should keep in mind it is improper to base a justification for other than full and open competition on the following factors:

- (a) *"Goldplating."* The Government is only permitted to purchase supplies or services that meet its actual needs (this does not mean that we cannot demand quality in the context of critical applications and life cycle considerations).
- (b) *Cost of competition.* The cost reductions achieved through competition generally offset or overshadows any additional costs that may be associated with the competition. Often competition can also save time due to easier methods to ensure reasonable price (for example, cost or pricing data is not required when adequate competition is achieved).
- (c) *Opinion or preferences.* Requests for limitation of sources should always be accompanied by supporting factual evidence.
- (d) *Duplication of work.* The sole fact that some minor duplication of earlier efforts would be required is inadequate. The request for limited competition must show specifically the expected cost of such duplication in terms of time and dollars.

The technical justification for restricting competition must be prepared by the requesting activity and be a part of the requirements package. The contracting officer determines if the technical justification is sufficient. Furthermore, the contracting officer is available to provide assistance and examples to the program COR.

Restricting Competition (continued)

Circumstances that permit other than full and open competition

- Only one responsible source and no other supplies or services will satisfy agency requirements.
- Unusual and compelling urgency
- Industrial mobilization; engineering, developmental, or research capability; or expert services
- International agreement
- Authorized or required by statute.
- National security
- Public interest



TOP REASONS WHY PROCUREMENT ACTIONS ARE **DELAYED**...

- Justification for other than full and open competition or sole source challenge
- Poor purchase description or statement of work
- Change to requirement
- Protests
- Lack of adequate funding
- Incomplete purchase request package!

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TOP REASONS FOR **QUICKLY PROCESSED** PURCHASE REQUESTS

- Unrestricted competition
- COR reached out to the contracting office for advice early on
- Well written requirement description
- Fully funded
- Complete purchase request package

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QUESTIONS

Please contact your local acquisition professional for any questions.

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These are the basics of a purchase request package. Without a complete package the contracting officer is not able to start the procurement. If you have any further questions, please contact the acquisition professional near you.