DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

Acquisition Procedures Update No. 17-02
Dated: October 28, 2016

MEMORANDUM FOR BUREAU CHIEF PROCUREMENT OFFICERS

FROM: IRIS B. COOPER, Acting for:
SENIOR PROCUREMENT EXECUTIVE,
OFFICE OF THE PROCUREMENT EXECUTIVE

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AND

JOSE L. ARRIETA,
DIRECTOR,
OFFICE OF SMALL AND DISADVANTAGE BUSINESS UTILIZATION

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SUBJECT: Amendments to the DTAP to address consolidation and bundling requirements.

1. Purpose: This Acquisition Procedures Update (APU) is issued to amend the Department of Treasury Acquisition Procedure (DTAP) October 2016 edition version 1.0 for the purposes of addressing new consolidation and bundling requirements that take effect October 31, 2016.

2. Effective Date: October 31, 2016

3. Expiration Date: Until otherwise canceled, superseded or included within a future edition of the DTAP.

4. Background: Federal Acquisition Circular 2005-91 was issued on September 30, 2016 and included the final rule for FAR Case 2014-015, Small Business Subcontracting Improvements. The purpose of this final rule is to amend the Federal Acquisition Regulation (FAR) to implement sections of the Small Business Jobs Act of 2010 and regulatory changes made by the Small Business Administration, which provide for a Government-wide policy on consolidation and bundling. This amendment to the FAR takes effect October 31, 2016.

In review, it was determined that the DTAP needed to be amended in order to address the new FAR requirements concerning bundling and consolidation resulting from the implementation of this final rule. For example, Treasury Standard Form (SF) 1007, Determination that bundling is necessary and justified version needed to be completed revised in order to address these new requirements. Overall, the Director, of the Office of Small Disadvantaged Business Utilization (OSDBU) and the Senior Procurement Executive (SPE) have determined that the issuance of an amendment to the DTAP is necessary.

5. <u>Department of the Treasury Acquisition Procedures:</u> The DTAP is amended as follows:

A. Revise Treasury Standard Form (SF) 1007 as follows[1]:

FROM: Treasury Standard Form 1007 (SF 1007), Determination that bundling is necessary and justified version 10/16

TO: Treasury Standard Form 1007 (SF 1007), Determination that consolidation, bundling or substantial bundling is necessary and justified version 11/16

B. Revise 1004.7003(a) as follows:

REPLACE: "involve bundling" **WITH** "involve bundling or consolidation"

C. Revise 1004.7004(b)(4) as follows:

A. REPLACE the paragraph header "*Bundled requirements."* **WITH** "*Bundling and consolidation requirements.*"

B. REPLACE the following language "involving bundling" **WITH** "involving bundling or consolidation"

D. Revise 1007.107 as follows:

FROM: "1007.107 Additional requirements for acquisitions involving bundling.
(a) The CO is responsible for performing the market research required by FAR 7.107(a).
(1) Treasury Standard Form 1007 (SF 1007), Determination that bundling is necessary and justified, shall be used to support the determination prescribed by FAR 7.107(a).

(c) The BCPO shall prepare a written determination that bundling is necessary and justified for approval by the Deputy Secretary and submit it in accordance with 1001.7000(b). The determination shall include all pertinent information to support the determination and the date the Bureau needs to make an award."

TO: "1007.107 Additional requirements for acquisitions involving consolidation, bundling, or substantial bundling.
(a) The CO shall immediately notify the Bureau SBS if they are contemplating an acquisition to involve consolidation, bundling or substantial bundling (see FAR 10.001(c)).

1007.107–2 Consolidation.
(a) Treasury Standard Form 1007 (SF 1007), Determination that consolidation, bundling or substantial bundling is necessary and justified, shall be used to support the determination prescribed by FAR 7.107-2(a).

[1] This form is available at https://thegreen.treas.gov/do/ope/Policy/Forms%20DTAP/Forms/Public.aspx

1007.107–3 Bundling.

(a) Treasury SF 1007, Determination that consolidation, bundling or substantial bundling is necessary and justified, shall be used to support the determination prescribed by FAR 7.107-3(a).

1007.107–4 Substantial bundling.

(a) Treasury SF 1007, Determination that consolidation, bundling or substantial bundling is necessary and justified, shall be used to support the determination for substantial bundling described by FAR 7.107-4.

1007.107–5 Notifications.

(b) The CO shall submit the notification required by FAR 7.107-5(b) to the Bureau SBS who will be responsible for coordinating with the OSDBU the posting of the notice on Treasury's website.

(c) The CO shall submit the information required by FAR 7.107-5(c) to the Bureau SBS and OSDBU as well."

E. Revise 1010.001 as follows:

FROM: "(a)(3)(vi) (see 1007.107)"

TO: "(a)(3)(vi) (see 1007.107-2)
(vii) (see 1007.107-3)"

F. Revise subpart 1015.3 as follows:

ADD: "1015.304 Evaluation factors and significant subfactors.

(c)(3)(ii) The CO shall coordinate with the Bureau SBS in developing the factor described by FAR 15.304(c)(3)(ii).

(4) The CO shall coordinate with the Bureau SBS in developing the factor described by FAR 15.304(c)(4)."

G. Revise part 1019 as follows:

ADD: "1019.202-1 Encouraging small business participation in acquisitions.

(e)(1)(iii) The e-SBRS is the system to be used by the CO to provide the information requested by FAR 19.202-1(e)(2)(iii) (see subpart 1004.70).

(e)(4) If the CO rejects the recommendation of the SBA PCR, the CO shall provide written notice to the Bureau SBS and OSDBU within five (5) working days of the CO's receipt of the recommendation."

H. Revise 1053.207-170(c) as follows:

FROM: "Treasury SF 1007, Determination that bundling is necessary and justified, shall be used as specified in 1007.107(a)."

TO: "Treasury SF 1007, Determination that consolidation, bundling or substantial bundling is necessary and justified, shall be used as specified in 1007.107(a)."

I. Revise 1053.303 as follows:

FROM: "...

Determination that bundling is necessary and justified	SF 1007

..."

TO: "...

Determination that consolidation, bundling or substantial bundling is necessary and justified	SF 1007

..."

6. <u>Required Bureau Actions</u>: Bureau Chief Procurement Officers shall—

a. Ensure dissemination of this APU to all impacted personnel and

b. Update any related Bureau policies and procedures impacted by this APU.

7. <u>Additional Information</u>: Points of contact for this APU are: Mrs. Pamela Wilson, OSDBU Business Analyst who may be reached at pamela.wilson@treasury.gov and Mr. Thomas O'Linn, OPE Policy Analyst who may be reached at thomas.olinn@treasury.gov / at OfficeoftheProcurementExecutive@treasury.gov.