

PROCUREMENT ADVISORY No. 103 A

Service Contract Reporting

1. SUMMARY

This Procurement Advisory updates Advisory 103, issued February 29, 2012 by changing what is required to be entered in the “description of requirement” field for service contract awards, and expanding coverage of the entry requirement to include all actions with a product or service code as a “service”. Updates are in **bold**.

2. BACKGROUND

As required in the referenced OFPP policy letter, agencies are now required to report on the role contracted services play in achieving agency objectives. Because the information is not currently collected in FPDS, the acquisition workforce will start collecting this information.

3. REFERENCES

Office of Federal Procurement Policy (OFPP) Letter 11-01, *Performance of Inherently Governmental and Critical Functions* dated September 12, 2011, and *Technical Correction to Policy Letter* dated February 12, 2012, both accessible at http://www.whitehouse.gov/omb/procurement_index_work_performance/.

4. ACTIONS

Acquisition workforce members shall review the OFPP Policy Letter 11-01, referenced above, and shall indicate in the "description of requirement" field in FPDS if the services provided under the contract are predominantly for functions closely associated to inherently governmental ones, critical functions, other functions, or a combination of closely associated functions and critical functions. **This shall be done for all actions with a Product or Service Code as a 'Service' and that are signed on or later than 03/01/2012 to indicate whether they are 'Closely Associated', 'Critical Functions', 'Other Functions' or a combination of 'Closely Associated' and 'Critical Functions' in the "Description of Requirements".**

Acquisition workforce members and others that input contract actions into the Federal Procurement Data System – Next Generation (FPDS-NG) shall indicate in the "description of requirement" field in FPDS-NG if the services provided under the contract are predominantly for functions closely associated to inherently governmental ones, critical functions, or other functions, as follows:

Enter (as the first words in the “Description of Requirement”):	If the services provided under the contract are:
IGF::CL::IGF	Closely Associated – Functions closely associated to inherently governmental ones.
IGF::CT::IGF	Critical Functions – Functions that are necessary to the agency being able to effectively perform and maintain control of its mission and operations.
IGF::CL,CT::IGF or IGF::CT,CL::IGF	A combination of 'Closely Associated' and 'Critical Functions'
IGF::OT::IGF	Other Functions – When none of the above applies.

FPDS-NG has been updated to require one of the entries indicated above for all contract actions with a product and service code as a “service.” Validation rules have been incorporated into FPDS-NG and users will not be able to record service actions unless one of the above entries has been made.

Identifying functions should assist agencies (in the case of closely associated functions) in prioritizing which contracts may require increased management attention and oversight to ensure that mission creep does not result in contractors performing inherently governmental functions and (in the case of critical functions) ensure that the agency does not lose control of its mission and operations.

5. CONTACTS

If you have questions or comments regarding this advisory, please contact Al Muñoz by telephone at (202) 720-1273 or email at al.munoz@dm.usda.gov or send an email message to procurement.policy@dm.usda.gov.

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EXPIRATION DATE: Effective upon issue date until canceled.

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