7.105 Contents of written acquisition plans.

In *order* to facilitate attainment of the *acquisition* objectives, the plan *must* identify those milestones at which decisions *should* be made (see paragraph (b)(21) of this section). The plan *must* address all the technical, business, management, and other significant considerations that will control the *acquisition*. The specific content of plans will vary, depending on the nature, circumstances, and stage of the *acquisition*. In preparing the plan, the *planner must* follow the applicable instructions in paragraphs (a) and (b) of this section, together with the agency's implementing procedures. *Acquisition* plans for service contracts or *orders must* describe the strategies for implementing *performance-based acquisition* methods or *must* provide rationale for not using those methods (see subpart 37.6).

(a) *Acquisition background and objectives*-

(1) *Statement of need*. Introduce the plan by a brief statement of need. Summarize the technical and contractual history of the *acquisition*. Discuss feasible *acquisition* alternatives, the impact of prior *acquisitions* on those alternatives, and any related in-house effort.

(2) *Applicable conditions*. State all significant conditions affecting the *acquisition*, such as-

(i) Requirements for compatibility with existing or future systems or programs; and

(ii) Any known cost, schedule, and capability or performance constraints.

(3) *Cost*. Set forth the established cost goals for the *acquisition* and the rationale supporting them, and discuss related cost concepts to be employed, including, as appropriate, the following items:

(i) *Life-cycle cost*. Discuss how *life-cycle cost* will be considered. If it is not used, explain why. If appropriate, discuss the cost model used to develop life-cycle-cost estimates.

(ii) *Design-to-cost*. Describe the *design-to-cost* objective(s) and underlying assumptions, including the rationale for quantity, learning-curve, and economic adjustment factors. Describe how objectives are to be applied, tracked, and enforced. Indicate specific related *solicitation* and contractual requirements to be imposed.

(iii) *Application of should-cost*. Describe the application of *should*-cost analysis to the *acquisition* (see 15.407-4).

(4) *Capability or performance*. Specify the required capabilities or performance characteristics of the *supplies* or the performance standards of the services being acquired and state how they are related to the need.

(5) *Delivery or performance-period requirements*. Describe the basis for establishing delivery or performance-period requirements (see subpart 11.4). Explain and provide reasons for any urgency if it results in concurrency of development and production or constitutes justification for not providing for *full and open competition*.

(6) *Trade-offs*. Discuss the expected consequences of trade-offs among the various cost, capability or performance, and schedule goals.

(7) *Risks*. Discuss technical, cost, and schedule risks and describe what efforts are planned or underway to reduce risk and the consequences of failure to achieve goals. If concurrency of development and production is planned, discuss its effects on cost and schedule risks.

(8) *Acquisition streamlining*. If specifically designated by the requiring agency as a program subject to *acquisition streamlining*, discuss plans and procedures to-

(i) Encourage industry participation by using draft *solicitations*, presolicitation conferences, and other means of stimulating industry involvement during design and development in recommending the most appropriate application and tailoring of contract requirements;

(ii) Select and tailor only the necessary and cost-effective requirements; and

(iii) State the timeframe for identifying which of those specifications and standards, originally provided for guidance only, *shall* become mandatory.

(b) Plan of action—

(1) *Sources*.

(i) Indicate the prospective sources of *supplies* or services that can meet the need.

(ii) Consider required sources of *supplies* or services (see part 8) and sources identifiable through databases including the Governmentwide database of contracts and other *procurement* instruments intended for use by multiple agencies available at https://www.contractdirectory.gov/contractdirectory/.

(iii) Include consideration of small business, veteran-owned small business, service-disabled veteran-owned small business, *HUBZone* small business, small disadvantaged business, and *women-owned small business concerns* (see part 19).

(iv) Consider the impact of any consolidation or *bundling* that might affect participation of small businesses in the *acquisition* (see 7.107) (15 U.S.C. 644(e) and 15 U.S.C. 657q). When the proposed *acquisition* strategy involves *bundling*, identify the incumbent contractors and contracts affected by the *bundling*.

(v) Address the extent and results of the *market research* and indicate their impact on the various elements of the plan (see part 10).

(2) Competition.

(i) Describe how competition will be sought, promoted, and sustained throughout the course of the *acquisition*. If *full and open competition* is not contemplated, cite the authority in 6.302, discuss the basis for the application of that authority, identify the source(s), and discuss why *full and open competition* cannot be obtained.

(ii) Identify the major *components* or subsystems. Discuss *component* breakout plans relative to these major *components* or subsystems. Describe how competition will be sought, promoted, and sustained for these *components* or subsystems.

(iii) Describe how competition will be sought, promoted, and sustained for spares and repair parts. Identify the key logistic milestones, such as *technical data* delivery schedules and *acquisition*

method coding conferences, that affect competition.

(iv) When effective subcontract competition is both feasible and desirable, describe how such subcontract competition will be sought, promoted, and sustained throughout the course of the *acquisition*. Identify any known barriers to increasing subcontract competition and address how to overcome them.

(3) *Contract type selection*. Discuss the rationale for the selection of contract type. For other than firm-fixed-price contracts, see 16.103(d) for additional documentation guidance. *Acquisition* personnel *shall* document the *acquisition* plan with findings that detail the particular facts and circumstances, (*e.g.*, complexity of the requirements, uncertain duration of the work, contractor's technical capability and financial responsibility, or adequacy of the contractor's accounting system), and associated reasoning essential to support the contract type selection. The *contracting officer shall* ensure that requirements and technical personnel provide the necessary documentation to support the contract type selection.

(4) *Source-selection procedures*. Discuss the source selection procedures for the *acquisition*, including the basis for using a *reverse auction* (when applicable), the timing for submission and evaluation of proposals, and the relationship of evaluation factors to the attainment of the *acquisition* objectives (see subpart 15.3). When an EVMS is required (see FAR 34.202(a)) and a preaward IBR is contemplated, the *acquisition* plan *must* discuss-

(i) How the pre-award IBR will be considered in the source selection decision;

(ii) How it will be conducted in the source selection process (see FAR 15.306); and

(iii) Whether *offerors* will be directly compensated for the costs of participating in a pre-award IBR.

(5) *Acquisition* considerations.

(i) For each contract contemplated, discuss use of multiyear *contracting*, *options*, or other special *contracting* methods (see part 17); any special clauses, special *solicitation* provisions, or FAR deviations required (see subpart 1.4); whether sealed bidding or negotiation will be used and why; whether equipment will be acquired by lease or purchase (see subpart 7.4) and why; and any other *contracting* considerations. Provide rationale if a *performance-based acquisition* will not be used or if a *performance-based acquisition* for services is contemplated on other than a firm-fixed-price basis (see 37.102(a), 16.103(d), and 16.505(a)(3)).

(ii) For each *order* contemplated, discuss-

(A) For *information technology acquisitions*, how the capital planning and investment control requirements of 40 U.S.C. 11312 and OMB Circular A-130 will be met (see 7.103(v) and part 39); and

(B) Why this action benefits the Government, such as when-

(1) The agency can accomplish its mission more efficiently and effectively (*e.g.*, take advantage of the *servicing agency*'s specialized expertise; or gain access to contractors with needed expertise); or

(2) Ordering through an indefinite delivery contract facilitates access to small business concerns, including *small disadvantaged business concerns*, 8(a) contractors, *women-owned small business concerns*, *HUBZone* small business concerns, veteran-owned small business concerns, or service-

disabled veteran-owned small business concerns.

(iii) For *information technology acquisitions* using Internet Protocol, discuss whether the requirements documents include the Internet Protocol compliance requirements specified in 11.002(g) or a waiver of these requirements has been granted by the agency's Chief Information Officer.

(iv) For *information technology acquisitions*, identify the applicable ICT accessibility standard(s). When an exception or an exemption to the standard(s) applies, the plan *must* list the exception and/or exemption, and the item(s) to which it applies. For those items listing 39.204 or 39.205(a)(1) or (2), the corresponding accessibility standard does not need to be identified. See subpart 39.2 and 36 CFR 1194.1.

(v) For each contract (and *order*) contemplated, discuss the strategy to transition to firm-fixed-price contracts to the maximum extent practicable. During the requirements development stage, consider structuring the contract requirements, *i.e.*, *line items*, in a manner that will permit some, if not all, of the requirements to be awarded on a firm-fixed-price basis, either in the current contract, future *option* years, or follow-on contracts. This will facilitate an easier transition to a firm-fixed-price contract, because a cost history will be developed for a recurring definitive requirement.

(6) *Budgeting and funding.* Include budget estimates, explain how they were derived, and discuss the schedule for obtaining adequate funds at the time they are required (see subpart 32.7).

(7) *Product or service descriptions.* Explain the choice of product or service description types (including *performance-based acquisition* descriptions) to be used in the *acquisition*.

(8) *Priorities, allocations, and allotments*. When urgency of the requirement dictates a particularly short delivery or performance schedule, certain priorities *may* apply. If so, specify the method for obtaining and using priorities, allocations, and allotments, and the reasons for them (see subpart 11.6).

(9) *Contractor versus Government performance*. Address the consideration given to OMB CircularNo.A-76 (see subpart 7.3).

(10) *Inherently governmental functions*. Address the consideration given to subpart 7.5.

(11) *Management information requirements*. Discuss, as appropriate, what management system will be used by the Government to monitor the contractor's effort. If an *Earned Value Management System* is to be used, discuss the methodology the Government will employ to analyze and use the earned value data to assess and monitor contract performance. In addition, discuss how the *offeror*'s/contractor's EVMS will be verified for compliance with the Electronic Industries Alliance Standard 748 (EIA-748), *Earned Value Management Systems*, and the timing and conduct of integrated baseline reviews (whether prior to or post award). (See 34.202.)

(12) *Make or buy.* Discuss any consideration given to *make-or-buy programs* (see 15.407-2).

(13) *Test and evaluation.* To the extent applicable, describe the test program of the contractor and the Government. Describe the test program for each major phase of a *major system acquisition*. If concurrency is planned, discuss the extent of testing to be accomplished before production release.

(14) *Logistics considerations*. Describe-

(i) The assumptions determining contractor or agency support, both initially and over the life of the

acquisition, including consideration of contractor or agency maintenance and servicing (see subpart 7.3), support for contracts to be performed in a *designated operational area* or *supporting a diplomatic or consular mission* (see 25.301-3); and distribution of *commercial products* or *commercial services*;

(ii) The reliability, maintainability, and quality assurance requirements, including any planned use of *warranties* (see part 46);

(iii) The requirements for contractor data (including repurchase data) and data rights, their estimated cost, and the use to be made of the data (see part 27); and

(iv) Standardization concepts, including the necessity to designate, in accordance with agency procedures, technical equipment as "standard" so that future purchases of the equipment can be made from the same manufacturing source.

(15) *Government-furnished property*. Indicate any Government property to be furnished to contractors, and discuss any associated considerations, such as its availability or the schedule for its *acquisition* (see 45.102).

(16) *Government-furnished information.* Discuss any Government information, such as manuals, drawings, and test data, to be provided to prospective *offerors* and contractors. Indicate which information that requires additional controls to monitor access and distribution (*e.g.*, technical specifications, maps, building designs, schedules, etc.), as determined by the agency, is to be posted via the enhanced controls of the *Governmentwide point of entry (GPE*) at https://www.sam.gov (see 5.102(a)).

(17) *Environmental and energy conservation objectives*. Discuss—

(i) All applicable environmental and energy conservation objectives associated with the *acquisition* (see part 23);

(ii) The applicability of an environmental assessment or environmental impact statement (see 40 CFR part 1502);

(iii) The proposed resolution of environmental issues; and

(iv) Any *sustainable acquisition* requirements to be included in the *solicitation* and contract (see 11.002 and 23).

(18) *Security considerations*.

(i) For *acquisitions* dealing with classified matters, discuss how adequate security will be established, maintained, and monitored (see subpart 4.4).

(ii) For *information technology acquisitions*, discuss how agency *information security* requirements will be met.

(iii) For *acquisitions* requiring routine contractor physical access to a Federally-controlled facility and/or routine access to a *Federally-controlled information system*, discuss how agency requirements for personal identity verification of contractors will be met (see subpart 4.13).

(iv) For *acquisitions* that *may* require Federal contract information to reside in or transit through

contractor information systems, discuss compliance with subpart 4.19.

(19) *Contract administration*. Describe how the contract will be administered. In contracts for services, include how *inspection* and acceptance corresponding to the work statement's performance criteria will be enforced. In contracts for *supplies* or service contracts that include *supplies*, address whether higher-level quality standards are necessary (46.202) and whether the *supplies* to be acquired are critical items (46.101).

(20) *Other considerations.* Discuss, as applicable:

(i) Standardization concepts;

(ii) The industrial readiness program;

(iii) The Defense Production Act;

(iv) The Occupational Safety and Health Act;

(v) Support Anti-terrorism by Fostering Effective Technologies Act of 2002 (SAFETY Act) (see subpart 50.2);

(vi) Foreign sales implications;

(vii) Special requirements for contracts to be performed in a *designated operational area* or *supporting a diplomatic or consular mission*; and

(viii) Any other matters germane to the plan not covered elsewhere.

(21) *Milestones for the acquisition cycle*. Address the following steps and any others appropriate:

Acquisition plan approval.

Statement of work.

Specifications.

Data requirements.

Completion of *acquisition*-package preparation.

Purchase request.

Justification and approval for other than *full and open competition* where applicable and/or any required D&F approval.

Issuance of synopsis.

Issuance of *solicitation*.

Evaluation of proposals, audits, and field reports.

Beginning and completion of negotiations.

Contract preparation, review, and clearance.

Contract award.

(22) *Identification of participants in acquisition plan preparation.* List the individuals who participated in preparing the *acquisition* plan, giving contact information for each.

Parent topic: Subpart 7.1 - Acquisition Plans