PART 434—MAJOR SYSTEM ACQUISITION

Authority: 5 U.S.C. 301 and 40 U.S.C. 486(c).

Source: 89 FR 81015, Oct. 7, 2024, unless otherwise noted.

434.001 Definition.

434.002 Policy.

434.003 Responsibilities.

434.005 General requirements.

434.005-6 Full production.

Parent topic: SUBCHAPTER F—SPECIAL CATEGORIES OF CONTRACTING

434.001 Definition.

Pursuant to OMB Circular No. A-11 (Circular A-11) and the definition at FAR 2.101, within USDA, a system shall be considered a *major system* if:

(a) The system has been identified as a Major IT Investment pursuant to USDA Departmental Regulation 3030- 008, Definition of Major Information Technology Investments,

(b) The total non-IT acquisition costs are estimated to be $50 million or more, or

(c) The system, regardless of estimated acquisition or life cycle costs, has been specifically designated to be a major system by the USDA Acquisition Executive or by the Major Information Technology Systems Executive. The Assistant Secretary for Administration (ASA) is the USDA Acquisition Executive for major system acquisition other than acquisitions of information technology.

434.002 Policy.

In addition to the policy guidance at FAR 34.002 and other parts of the FAR, the policies outlined in part 7 of Circular A-11 should serve as guidelines for all contracting activities in planning and developing systems, major or otherwise.

434.003 Responsibilities.

(a) The key executives of USDA (Secretary, Deputy Secretary, Under Secretaries and Assistant Secretaries) individually or as a group will participate in making four key decision in each major system acquisition process.

(1) Identification and definition of a specific mission need to be fulfilled, the relative priority

assigned within the agency, and the general magnitude of resources that may be invested.

(2) Selection of competitive system design concepts to be advanced to a test/demonstration phase or authorization to proceed with the development of a noncompetitive (single concept) system.

(3) Commitment of a system to full-scale development and limited production.

(4) Commitment of a system to full production.

(b) The Chief Information Officer (CIO) is the Major Information Technology Systems Executive. For acquisitions of information technology, the CIO will ensure that Circular A-11 is implemented in USDA and that the management objectives of Circular A-11 are realized. The CIO is responsible for designating the program manager for each major information technology system acquisition, designating an acquisition to be a major information technology system acquisition, and approving the written charter and project control system for each major information technology system acquisition.

(c) The ASA will ensure that Circular A-11 is implemented in USDA and that the management objectives of Circular A-11 are realized. The SPE is responsible for designating the program manager for each major system non-IT acquisition, designating an acquisition to be a major system non-IT acquisition, and approving the written charter and project control system for each major system non-IT acquisition.

(d) The Mission Area senior contracting official must:

(1) Ensure compliance with the requirements of Circular A-11, FAR part 34, and AGAR part 434.

(2) Ensure that potential major system acquisitions are brought to the attention of the USDA Acquisition Executive or the Major Information Technology Systems Executive, as appropriate.

(3) Coordinate with Mission Area Program Managers (MASPMs) to recommend qualified candidates for designation as program managers for each major system acquisition within their jurisdiction.

(4) Coordinate with MASPMs to verify that program managers fulfill their responsibilities and discharge their duties.

(5) Cooperate with the ASA and Major Information Technology Systems Executive in implementing the requirements of Circular A-11.

(e) The program manager is responsible for planning and executing the major system acquisition, ensuring appropriate coordination with the USDA Acquisition Executive, Major Information Technology Systems Executive, and other key USDA executives.

434.005 General requirements.

434.005-6 Full production.

The Secretary or the Secretary's designee for the specific program is the agency head for the purposes of FAR 34.005-6.