PART 2834—MAJOR SYSTEM ACQUISITION

Authority: 28 U.S.C. 510; 40 U.S.C. 486(c); 28 CFR 0.75(j) and 0.76(j).

Source: 87 FR 47118, Aug. 2, 2022, unless otherwise noted.

Subpart 2834.0—General

2834.002 Policy.

2834.003 Responsibilities.

2834.005 General requirements.

2834.005-6 Full production.

Parent topic: SUBCHAPTER F—SPECIAL CATEGORIES OF CONTRACTING

Subpart 2834.0—General

2834.002 Policy.

The Small Business and Federal Procurement Competition Enhancement Act of 1984 allows an executive agency to establish a dollar threshold for the designation of a major system, in accordance with Public Law 98-577. Dollar thresholds for a major system under OMB Circular A-109 are designated in this section.

(a) *Major automated information system.* Within DOJ, a major automated information system is one whose life-cycle cost is in excess of $100 million.

(b) *Major real property system.*

(1) By purchase, when the assessed value of the property exceeds $60 million.

(2) By lease, when the annual rental charges, including basic services (*e.g.,* cleaning, guards, maintenance), exceed $1.8 million.

(3) By transfer from another agency at no cost when the assessed value of the property exceeds $12 million.

(c) *Research and development (R&D) system.* Any R&D activity expected to exceed $500,000 for the R&D phase is subject to OMB Circular A-109, unless exempted by the HCA or designee under paragraph (e) of this section.

(d) *Any other system or activity.* The HCA or designee responsible for the system may designate any system or activity as a Major System under OMB Circular A-109, *e.g.,* selected systems designed to support more than one principal organizational unit.

(e) *Exemption.* The CAO, upon recommendation by the HCA or designee responsible for the system, may determine that, because of the routine nature of the acquisition, the system (*e.g.,* an

information system utilizing only off-the-shelf hardware or software) will be exempt from the OMB Circular A-109 process, even where by virtue of the life cycle costs it would otherwise be identified as “major” in response to OMB Circular A-109.

2834.003 Responsibilities.

(a) The SPE is the agency head for the purposes of FAR 34.003(a).

(b) The CAO is the agency head for the purposes of FAR 34.003(c).

2834.005 General requirements.

2834.005-6 Full production.

The CAO is the agency head for the purposes of FAR 34.005-6.