

General Services Administration
Washington, DC 20405

APD 2800.12B, Change 66
(September 25, 2015)

GSA ORDER

Subject: GSAM Case 2015-G510, Federal Procurement Database System (FPDS) Reporting Requirements for GSA Utility Contracts (Change 66)

1. **Purpose.** This order transmits a revision to the General Services Administration Acquisition Manual (GSAM).

2. **Background.** The General Services Administration (GSA) is amending GSAM Part 541. GSAM 541.202(c) requires annual funding documentation for utility contracts and states "Contract data shall be entered into FPDS for each obligation action (including orders issued for obligation purposes only) for the initial contract action and all annual funding modifications." This rule was originally added to the GSAM to ensure Public Buildings Service (PBS) compliance with the bona fide needs rule and was intended to be applied when annual funds are used. However, the bona fide needs rule does not apply to requirements purchased with no-year funds, which is how PBS presently funds its utility contracts. In addition, 40 U.S.C. 501 (b)(1)(B) allows GSA to enter into utility contracts for a period not to exceed ten years. PBS currently has approximately 2,800 active utility contracts, many of which cover multiple accounts. By eliminating the necessity for annual funding modifications and requiring specific best practices for utility contracts within the GSAM, GSA can reduce the cost of utility contract procurements and other administrative burdens as well as increase the quality of its utility contract actions.

3. **Effective date.** September 25, 2015.

4. **Explanation of changes.** The GSAM revisions include:

(a) The annual funding requirement for utility contracts is eliminated.

(b) The statement of work for a utility contract must include a building number and a specified period of performance.

(c) The Independent Government Cost Estimate for a utility contract must include all of the following information:

(1) A cost estimate for all individual months up to the thirteenth month;

(2) The known tariff rate increases in months beyond the 13 month; and

(3) Total estimated award amount for the entire period of performance.

(d) Additional guidance regarding how the initial, interim and final entries are made into FPDS has been provided.

(e) A GSA purchase card must not be used as a payment method for any utility contract unless there are unusual circumstances or emergency situations that exist. If a GSA purchase card is used, you must inform your designated GSA budget office.

(f) References the required standard operating procedures for monitoring utility accounts, which were developed by the GSA Office of the Chief Financial Officer and the PBS Facilities Management and Services Program Division.

The specific changes to the GSAM can be seen at www.acquisition.gov/gsam.



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