MEMORANDUM FOR ALL GSA EMPLOYEES

FROM: Jeffrey A. Koses
Senior Procurement Executive
Office of Acquisition Policy (MV)

SUBJECT: Class Deviation to Federal Acquisition Regulation (FAR) Subpart 17.5, Interagency Acquisitions

1. **Purpose.** This class deviation exempts mandatory sources from the business-case analysis requirement at FAR 17.502-1(c).

2. **Background.** On September 29, 2011, The Office of Federal Procurement Policy (OFPP) issued memorandum *Development, Review, and Approval of Business Cases for Certain Interagency and Agency-Specific Acquisitions* to prevent agencies from establishing overlapping and duplicative contracts for supplies or services. The memorandum outlined required elements of business case analysis and a process for developing, reviewing, and approving business cases to support the establishment and renewal of GWACs, multi-agency contracts, BPAs, and agency-specific contracts. On January 3, 2012, a final FAR rule was issued to amend FAR subpart 17.5 to expand the requirement for business-case analysis when creating multi-agency contracts (MACs) to include Government-wide acquisition contracts (GWACs). In addition, the final rule incorporated the OFPP business case guidance into FAR 17.502-1(c).

3. **Which GSA programs are mandatory sources?** The City Pair Program and GSA Automotive are mandatory sources required by the Code of Federal Regulations (CFR). Pursuant to FTR 301-10.106, all civilian employees of an agency must use a contract city-pair fare for scheduled air passenger transportation service. GSA

---


U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405-0001
www.gsa.gov
Automotive is the mandatory source for the purchase of federal agency vehicles, under FPMR 101-26.501.

4. **When is the policy effective?** The policy is effective upon the date of signature for five (5) years or until incorporated into the General Services Acquisition Manual (GSAM).

5. **References.**
   - FAR 17.502-1(c) (https://acquisition.gov/far/current/html/Subpart%2017_5.html#wp1076801)

6. **Point of Contact.** Any questions regarding this memo should be directed to Leah Price, Procurement Analyst, General Services Acquisition Policy Division, at (703) 605-2558, or via email leah.ballis@gsa.gov.

Jeffrey A. Koses
Senior Procurement Executive

Attachment
Attachment

This class deviation exempts the City Pair Program and GSA Automotive from the business-case analysis requirement found at FAR 17.502-1(c). Contracting officers must continue to conduct the business-case analysis requirement found at FAR 17.502-1(c) for all multi-agency contracts and governmentwide acquisition contracts.

Subpart 17.5 – Interagency Acquisitions

17.502-1 General.

*****

-(c) Business-case analysis requirements for multi-agency contracts and governmentwide acquisition contracts. In order to establish a multi-agency or governmentwide acquisition contract, a business case analysis must be prepared by the servicing agency and approved in accordance with the Office of Federal Procurement Policy (OFPP) business case guidance, available at http://www.whitehouse.gov/sites/default/files/omb/procurement/memo/development-review-and-approval-of-business-cases-for-certain-interagency-and-agency-specific-acquisitions-memorandum.pdf. The business case analysis shall—

(1) Consider strategies for the effective participation of small businesses during acquisition planning (see 7.103(u));
(2) Detail the administration of such contract, including an analysis of all direct and indirect costs to the Government of awarding and administering such contract;
(3) Describe the impact such contract will have on the ability of the Government to leverage its purchasing power, e.g., will it have a negative effect because it dilutes other existing contracts;
(4) Include an analysis concluding that there is a need for establishing the multi-agency contract; and
(5) Document roles and responsibilities in the administration of the contract.

*****