

GSA Office of Government-wide Policy

Acquisition Letter MV-22-05

1/19/2023

MEMORANDUM FOR: SONNY HASHMI

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-DocuSigned by:

FROM: JEFFREY A. KOSES

SENIOR PROCUREMENT EXECUTIVE (SPE)

OFFICE OF ACQUISITION POLICY (MV)

SUBJECT: Placing Defense Priorities and Allocations System (DPAS)

Rated Orders Under Assisted Acquisition Services (AAS)

- **1. Purpose.** This Acquisition Letter (AL) provides guidance on placing Defense Priorities and Allocations System (DPAS) rated orders under the Assisted Acquisition Services (AAS). For DPAS rated orders using the GSA Schedules Program see MV-22-03.
- **2. Background.** The U.S. President under Section 101 of the Defense Production Act (DPA) is authorized to require acceptance and priority performance of contracts or orders and to allocate materials, services, and facilities to promote the national defense or to maximize domestic energy supplies. The President's priorities and allocations authority is delegated, in Executive Order (E.O.) 13603¹, to the Departments of

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¹ Executive Order 13603 of March 16, 2012 (<u>3 CFR</u>, 2012 Comp., p. 225)

Agriculture (USDA), Energy (DOE), Department of Health and Human (HHS), Transportation, Defense (DOD), and Commerce (DOC) (referred to as "Resource Departments") with respect to resources within each department's jurisdiction.

Section 201(b) of E.O. 13603, requires the Secretary of each Resource Department (e.g., DOC) to issue policy that establish standards and procedures by which this authority is used to promote national defense, under both emergency and non-emergency conditions. DOC's guidelines are called the Defense Priorities and Allocations System (DPAS)². The DPAS also provides for circumstances where, under 15 CFR §700.50 *General provisions*, persons may request Special Priorities Assistance (SPA). Generally, SPA authority may be provided by DOC for any reason in support of the DPAS regulation, such as authorizing the use of DPAS priority ratings, resolving delivery conflicts, assisting in placing rated orders, locating suppliers, or to verify information supplied by customers and vendors.

On April 28, 2022, as amended, DOC issued Strategic Industries and Economic Security (SIES) Rating Authorization (RA) 22-04-02 to HHS to authorize Special Priorities Assistance for the Strategic National Stockpile (SNS) Facilities Program. The RA designated GSA as the contracting and acquisition agent to support HHS for the SIES RA (see Attachment A).

This AL provides guidance to the GSA Assisted Acquisition Services (AAS) Program to assist in the implementation and administration of contracting services for approved DPAS rating programs.

3. Effective Date. This AL is effective immediately and remains in effect during the period of performance in approved DPAS rating programs or until the program authority is canceled.

4. Authorities.

- **a. Program Eligibility.** Program eligibility is ultimately determined by DOC, as prescribed in 15 CFR §700.50 *General provisions*. Per 15 CFR § 700, only the following agencies may rate their own orders:
 - Department of Defense (DOD)
 - Department of Energy (DOE)
 - Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) is the DPAS lead agency within DHS
 - General Services Administration (GSA)

² See 15 CFR Part 700 <u>Defense Priorities and Allocations System.</u>

- DOC may also authorize other entities to place rated orders on a case-bycase basis, as determined as necessary or appropriate to promote the national defense by DOD, DOE, or DHS.
- **b. Rating Authorization.** DPAS rating authority should include the following:
 - Identification or title of applicable projects requiring industrial resources³;
 - Laws or regulations giving authority to delegate the DPAS authority;
 - Period of performance;
 - Identification of all applicable rules and regulations regarding the implementation of the DPAS rating authority;
 - GSA's roles and responsibilities. The DPAS rating authority should specifically name GSA as an "Acquisition Agent". The DPAS rating authority should not name a specific office within GSA;
 - Other Federal agency's roles and responsibilities in implementing the DPAS authority;
 - Appropriate priority rating (e.g., DO-N1);
 - Wording which is considered acceptable in meeting specific delivery date(s) and any other special provisions;
 - Limitations to the authority in administering the acquisition services to the appropriate Federal agency; and
 - Monitoring and reporting requirements, as needed.
- c. Federal Acquisition Regulation⁴. The DPAS rating authority does not preclude the use of applicable Federal Acquisition Regulation (FAR) requirements. GSA offices should ensure that applicable FAR requirements are adhered to, as appropriate.
- **d. GSA Acquisition Policy.** The DPAS rating authority does not preclude the use of applicable GSA Acquisition Regulation (GSAR), Acquisition Letters (ALs), or other policies relevant to the procurement or AAS in general. GSA offices should ensure that applicable GSA acquisition policies are adhered to, as appropriate.
- **5. Applicability.** This policy provides guidance for AAS contracting activities placing DPAS rated orders for industrial resources as specified in applicable rating

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³ "Industrial resources" is the term used in the DPAS regulation to describe the materials, services, and facilities that fall within DPAS jurisdiction. The DPAS definition of "industrial resources" includes all materials, services, and facilities, including construction materials, with the following exceptions: All forms of energy, Health resources, Civil transportation, Water resources, Food resources, Food resource facilities, Livestock resources, Veterinary resources, Plant health resources, Domestic distribution of farm equipment, and Commercial fertilizer. Note: The DPAS definition of "industrial resources" should not be confused with the different definition of this term provided in the DPA.

⁴ FAR Subpart 11.6

authoritizations (e.g., DOC SIES RA). The specific AAS contracting activities authorized to exercise the applicable authority will be determined by the Senior Procurement Executive (SPE), FAS Office of Policy and Compliance (FAS OPC), and FAS Assisted Acquisition Services (FAS AAS)

- **6. Requirements.** Applicable AAS contracting activities can place DPAS rated orders for industrial resources in accordance with the appropriate rating authority, after consulting with the SPE, FAS OPC, and FAS AAS.
 - a. Procedures. FAS OPC and FAS AAS will designate the appropriate AAS office to complete the requirements. The designated office must follow the applicable rating guidelines and any "normal" appropriate AAS contracting operating procedures such as allowing the customer agency to review draft statements of work or providing status updates. In addition, the designated AAS office must follow the procedures in Attachment B for DPAS Rated Orders Under AAS.
 - **b. Reporting.** All actions taken in regards to the appropriate DPAS rating authority must be reported on the <u>DPAS Assistance Actions Tracker</u> within five days of awarding the contract.
 - c. Contract Compliance. DOC will designate which Federal agency(s) are responsible for monitoring the contract.
 - **d. Contract Language.** DOC will provide the language that must be included in procurement actions under the rating authority.
- **7. Training.** Authorized AAS contracting activities should become familiar with DPAS policies and procedures prior to placing rated orders. The following training courses are available.
 - i. DOC DPAS Training Course
 - ii. CLC 043 Defense Priorities and Allocations System
- **8. Point of Contact.** Questions regarding this acquisition letter may be directed to GSARPolicy@gsa.gov. For FAS acquisition policy questions contact documentreview-fasqv@gsa.gov. For specific AAS operational questions contact aaspmoacquisition@gsa.gov.

Attachments

- Attachment A SIES Rating Authorization 22-04-02 to Support the SNS Facilities
- Attachment B Procedures for Placing DPAS Rated Orders Under AAS
- Attachment B1- AAS DPAS Decision Tree