

**GSA Office of Government-wide Policy** 

Acquisition Letter MV-2023-05

### MEMORANDUM FOR GSA ACQUISITION ACTIVITIES

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SUBJECT: Placing Defense Priorities and Allocations System (DPAS)

Priority Rating Contracts and Orders

## 1. Purpose.

This Acquisition Letter (AL) provides guidance on placing Defense Priorities and Allocations System (DPAS) priority ratings on GSA contracts and orders. GSA has limited authority to use rated orders to assure the timely availability of industrial resources in support of the Departments of Defense (DOD), Energy (DOE), Homeland Security (DHS), and their associated agencies to promote national defense.<sup>1</sup>

# 2. Background.

Executive Order (E.O.) 13603 *National Defense Resources Preparedness*, issued March 16, 2012, <sup>2</sup> delegated the authority granted to the President by Title 1 of the Defense Production Act of 1950 (DPA), as amended, to require preferential acceptance and performance of contracts and orders for industrial resources to the Secretary of the Department of Commerce (DOC). GSA and DOC continued to work together to update and expand GSA's authority to issue rated orders and contracts on behalf of DoD, DoE and DHS.

<sup>&</sup>lt;sup>1</sup> The term "national defense" means programs for military and energy production or construction, military or critical infrastructure assistance to any foreign nation, homeland security, stockpiling, space, and any directly related activity. Such term includes emergency preparedness activities conducted pursuant to title VI of The Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. § 5195 et seq.] and critical infrastructure protection and restoration.

<sup>&</sup>lt;sup>2</sup> Executive Order 13603 Section 201(b), dated March 16, 2012 (3 CFR, 2012 Comp., p. 225)

On May 3, 2023, DOC updated its <u>DPAS Delegation #3</u> to permit GSA to place rated orders under Federal Supply Schedules, GWACs and other contracts on behalf of DoD, DoE, and DHS. Delegation #3 addresses this authority for both DO and DX rated orders. It explains that as long as GSA is acting as the acquisition agent for those agencies, it does not have to be formally identified in the Office of Strategic Industries and Economic Security (SIES) rating authority (RA) document.

On June 7, 2023, DOC granted GSA rated order authority under <u>SIES Rating</u> <u>Authorization 23-06-02</u> to support 26 construction and modernization land port of entry contracts as they specifically support DHS and national security.

This AL supplements GSAR Subpart 511.6 - Priorities and Allocations by providing GSA contracting offices with updated procedures for receiving and placing DPAS priority rating on DPAS approved programs. The AL provides sample language for use in receiving and placing DPAS priority ratings on new or existing contracts and orders, decision trees and step by step instructions

#### 3. Effective Date.

This AL is effective immediately and remains in effect until canceled or incorporated into the GSAM.

### 4. Cancellation.

Acquisition Letters MV-22-03 and MV-22-05 are canceled by this AL.

### 5. Authorities.

This AL is implemented under the following authorities:

- a. FAR 11.6 and GSAR 511.6 Priorities and Allocations
- b. <u>15 CFR Part 700</u> Defense Priorities and Allocations System

## 6. Applicability.

DPAS priority rating process is self-executing through the DOC-delegated DPAS authority provided to the appropriate agencies. This policy provides supplemental guidance to GSAR 511.6 for contracting activities receiving or requesting the placement of DPAS priority rated orders for approved industrial resources programs in support of DOD, DOE, DHS, and their associated agencies or applicable rating authorizations (e.g., DOC SIES RA).

### 7. Limitations.

DPAS is a very limited authority to promote national defense and national security. It should not be used widely Therefore, DOC DPAS Delegation #3 is restricted to GSA procurement systems (Schedules, GWACs, or other open market contracts) in support of DOD, DOE and DHS approved programs (see <a href="Schedule I to Part 700">Schedule I to Part 700</a>) and shall not be used to support the procurement of any product or service listed in <a href="GSAR 511.602">GSAR 511.602</a></a>
<a href="General">General</a> (d). GSA's authority for the land port of entry program is limited to the 26 named projects.

#### 8. Procedures.

Contracting officers shall use the procedures described in:

- Attachment A when receiving requests for DPAS priority ratings from customer agencies and making requests for DPAS priority ratings for GSA.
- Attachment A1 for best practices when requesting DPAS priority rating.
   Contracting officers may use the sample template to document the request from the appropriate agency.
- Attachment B for including DPAS priority ratings in solicitations, new or existing contracts or orders.
- Attachment C for notifications of contract modifications for DPAS priority ratings.
   Contracting officers may use the sample language or provide a similar document to notify the prime contractor of GSA's placement of the DPAS priority rating on the existing contract or order.

Flowcharts depicting the procedures for receiving requests, placing DPAS ratings on new and existing contracts and orders are provided at Attachments A2, B1, and B2, respectively.

After receipt of a DPAS priority rating, contracting officers may determine the use of the priority rating is no longer appropriate for the project (e.g., supply chain issues have been resolved, effective substitute identified, delay the obtaining the supplies or services due to negotiation with Commerce). In such cases, the contracting officer may cancel the DPAS priority rating to the contractor.

# 9. Reporting.

All actions taken in regards to the appropriate DPAS rating authority must be reported on the <u>DPAS Reporting Tracker</u> within five (5) business days of awarding or modifying

the contract or order. The tracker must be updated for any changes or cancellations of DPAS priority ratings, as applicable.

## 10. Training.

Authorized contracting officers should become familiar with DPAS policies and procedures prior to placing rated orders. The following training courses are available.

- <u>Defense Acquisition University Defense Priorities and Allocations System</u>
   <u>Continuous Learning Module (CLC 043)</u>
- Defense Acquisition University Contractual Flow-Down DPAS
- Defense Contract Management Agency DPAS for the Contractor
- Department of Commerce DPAS Training Course

#### 11. Point of Contact.

Questions regarding this acquisition letter may be directed to <a href="mailto:GSARPolicy@gsa.gov">GSARPolicy@gsa.gov</a>.

### Attachments:

Attachment A: Procedures for Requesting DPAS Priority Rating

Attachment A1: Best Practice for Requesting DPAS Priority Rating Template

Attachment A2: Procedures for Requesting DPAS Decision Tree

Attachment B: Procedures for Placing DPAS Priority Ratings On Contracts or Orders

Attachment B1: Procedures for Placing DPAS Decision Tree - New Contract or Order

Attachment B2: Procedures for Placing DPAS Decision Tree - Existing Contract or Order

Attachment C: Sample DPAS Notification of Modification to Existing Contracts and Orders