

U.S. Department of
Homeland Security

United States
Coast Guard



COAST GUARD ACQUISITION PROCEDURES (CGAP)



Edition (March 2014)

U.S. Department of
Homeland Security

United States
Coast Guard



Commandant
United States Coast Guard

2701 Martin Luther King Jr. Ave.
Washington, DC 20593-7828
Staff Symbol: CG-9132
Phone: (202) 475-3092
Fax: (202) 372-8459
Email: mark.l.hopkins@uscg.mil

Subj: COAST GUARD ACQUISITION PROCEDURES (CGAP)

1. **PURPOSE.** The Coast Guard Acquisition Procedures (CGAP) is intended for use by all Coast Guard personnel involved in the acquisition process. CGAP implements the Federal Acquisition Regulation (FAR), Department of Homeland Security (DHS) Acquisition Regulation (HSAR), Homeland Security Acquisition Manual (HSAM), and other related Federal and agency contracting guidance, and establishes Coast Guard acquisition procedures.
2. **ACTION.** All Coast Guard acquisition and contracting personnel shall comply with the provisions of these acquisition procedures. Internet release is authorized.
3. **AUTHORITY.** Pursuant to HSAR 3001.301(2)(i) and HSAM 3001.304, the Head of the Contracting Activity (HCA) is authorized to promulgate component acquisition procedures and supplement the FAR, HSAR and HSAM as necessary.
4. **DIRECTIVES AFFECTED.** Coast Guard Acquisition Procedures (CGAP), COMDTINST M4200.19J is hereby cancelled.
5. **DISCUSSION.** The FAR system consists of the FAR, the primary document codifying uniform Federal acquisition policies, and the HSAR and HSAM which supplement the FAR within DHS. FAR system guidance flows down from the FAR through the HSAR and HSAM, and prohibits the repeating or paraphrasing of material addressed elsewhere. In order to fully understand the CGAP, the reader must review it in conjunction with the FAR, HSAR, and HSAM. CGAP citations supplementing the FAR, HSAR and HSAM are subdivided into Chapters and Subchapters.

This new version of CGAP and any subsequent changes will be available electronically, through the Coast Guard Procurement Policy and Oversight (CG-913)

Intranet site at: <http://hqs-spweb10->

[001:10113/1/CG913/9132/Acquisition%20Regulations,%20Manuals%20and%20Best%20Practices%20library/default.aspx](http://hqs-spweb10-001:10113/1/CG913/9132/Acquisition%20Regulations,%20Manuals%20and%20Best%20Practices%20library/default.aspx) and internet site at:

<http://www.uscg.mil/acquisition/business/policy.asp>. No hard copies of the Manual will be printed.

6. **SUMMARY OF CHANGES.** The CGAP as revised reflects various changes resulting from the FAR, HSAR, HSAM and Coast Guard acquisition policy since January 2011, along with the results of a subsequent internal review by CG-913, and comments provided by the

March 2014

COCOs and other Coast Guard acquisition stakeholders on the draft manuscript. The CGAP is current through issuance of COCO Alert 14-07 (Service Bulletin 3033.103-90).

7. REQUEST FOR CHANGES. Address comments, suggestions, and corrections to the Office of Procurement Policy and Oversight, Commandant (CG-913); HQS-SMB-CG913Policy.

ASHLEY J. LEWIS /s/
Head of the Contracting Activity

SUMMARY OF CHANGES

Table of Contents
Updates page numbers and the Enclosure listing. Identifies new chapters that are currently marked "RESERVED".

Organization and Content in Manual
Revises CGAP Chapters and Enclosures to reflect implementation of related HSAR/HSAM provisions, Department of Homeland Security (DHS) Management Directives (MDs), HSAR/HSAM Notices, and other similar guidance. Adds new and updated hyperlinks to FAR, DHS, Coast Guard and other related guidance on acquisition topics where applicable.

Summary of Changes
The CGAP contains various revisions and changes instituted as a result of an initial review of the CGAP (COMDTINST M4200.19J) , and incorporates CGAP Service Bulletins through COCO Alert 14-07 (Service Bulletin 3033.103-90). Additionally, the CGAP as revised reflects subsequent changes resulting from comments received since the initial draft of these acquisition procedures was released on December 26, 2013. A summary of comments and recommendations received and responses will be provided at the CG-913 Portal Site here: https://cgportal2.uscg.mil/units/cg9/1/CG913/CG9132/AcquisitionRegulationsPolicy/Pages/default.aspx .

CGAP RECORD OF CHANGES
(March 2014 Edition)

CGAP NOTICE NUMBER	DATE OF CHANGE	REPLACEMENT PAGES
CGAP Notice 2014-01	06/18/2014	15-2, 15-4, 15-5
CGAP Notice 2014-02	09/09/2014	36-1
CGAP Notice 2014-03	11/12/2014	4-5 to 4-7, Enclosure 3
CGAP Notice 2015-01	03/10/2015	10-1 and 52-1
CGAP Notice 2015-02	08/27/2015	4-5 and 6-6
CGAP Notice 2015-03	09/24/2015	17-4 to 17-7
CGAP Notice 2016-01	08/30/2016	1-11, 4-9, 6-3, 6-5, 6-6,7-1,15-1, 15-2, 16-1, and Enclosure (2)
CGAP Notice 2017-01	03/08/2017	1-6, 3-1, 3-2, 4-9, 6-5, 7-1, 7-2, 8-1, 9-1, 13-1, 15-1, 15-2, 15-4, 17-4, 19-2, 36-1 and 43-2
CGAP Notice 2017-02	09/29/2017	Table of Contents, 1-3, 4-6, 4-9, 6-3, 6-4, 7-1, 8-1, 15-4, 15-5, 17-1, 32-5, 52-1; and Appendix A (A-1 through A-3)

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COAST GUARD ACQUISITION PROCEDURES (CGAP)

CHAPTERS 3001 THROUGH 3053

Procedures Implementing the

Federal Acquisition Regulation (FAR)

Homeland Security Acquisition Regulation (HSAR)

Homeland Security Acquisition Manual (HSAM)

CGAP CHAPTER 3001 COAST GUARD ACQUISITION PROCEDURES SYSTEM**CGAP SUBCHAPTER 3001.1 PURPOSE, AUTHORITY, ISSUANCE****CGAP SUBCHAPTER 3001.101 Purpose.**

The purpose of the Coast Guard Acquisition Procedures (CGAP) is to establish uniform agency-wide acquisition policies and procedures for the Coast Guard, which implement or supplement policies set forth in the [Federal Acquisition Regulation \(FAR\)](#), [Homeland Security Acquisition Regulation \(HSAR\)](#), [Homeland Security Acquisition Manual \(HSAM\)](#), and other Federal, agency and statutory requirements impacting Coast Guard contracting. The CGAP is issued by and under the authority of the Head of the Contracting Activity (HCA).

CGAP SUBCHAPTER 3001.103 Authority.

- (a) The CGAP is prescribed pursuant to the authority of (FAR) [48 CFR 1.301\(a\)\(2\)](#), and [\(HSAR\) 48 CFR 3001.301\(a\)\(2\)](#).

CGAP SUBCHAPTER 3001.104 Applicability.

The CGAP applies to all Coast Guard contracting personnel (military and civilian) responsible for procuring supplies, services, and construction. The CGAP is not applicable to acquisitions involving title to either lands or improvements and lesser interests to the granting of easements, leases, licenses, and similar interests in real property. Except as otherwise set forth herein, the CGAP is not applicable to acquisitions involving housing. However, see Subchapter 3033.203 regarding leased housing appeals. Any conflict or inconsistency between Statute, FAR, HSAR, HSAM, and CGAP shall be resolved by giving the following order of precedence:

- (1) Statute;
- (2) FAR or other applicable regulation or Executive Order;
- (3) HSAR;
- (4) Department of Homeland Security (DHS) Directives;
- (5) HSAM; and
- (6) CGAP, unless the HSAR, HSAM or CGAP is more restrictive.

Whenever the U. S. Coast Guard becomes an agency under the U. S. Navy by declaration of war or national emergency, the following applies:

- (a) Actions previously requiring approval by the Secretary of the Department of Homeland Security (DHS) shall now be sent to the Office of the Secretary of the Navy (OSN) for approval. All contracting warrants issued by the Coast Guard shall remain in effect.

- (b) The U. S. Coast Guard shall discontinue using the HSAR, HSAM and CGAP and commence using the [Department of Defense \(DOD\) FAR Supplement](#) (DFARS) and [Navy Marine Corps Acquisition Regulation Supplement](#) (NMCARS)

CGAP SUBCHAPTER 3001.105 Issuance.

CGAP SUBCHAPTER 3001.105-1 Publication and code arrangement.

CGAP SUBCHAPTER 3001.105-2 Arrangement of regulations.

- (a) General. The CGAP conforms to the arrangement and numbering system prescribed by [FAR 1.105-2](#).
- (b) Numbering. All coverage in the CGAP that does not correspond to FAR, HSAR or HSAM coverage will include the digits 90 through 99, as applicable, in the numbering scheme of each Subpart and Subchapter where this situation occurs. Information in these Subparts and Subchapters is Coast Guard specific guidance or policy.

CGAP SUBCHAPTER 3001.2 ADMINISTRATION

CGAP SUBCHAPTER 3001.202 Departmental compliance with the FAR, HSAR, and HSAM.

CGAP SUBCHAPTER 3001.202-70 Compliance with the FAR, HSAR, HSAM and CGAP.

Proposed changes to the FAR, HSAR, HSAM and CGAP shall be forwarded to Commandant (CG-913) for processing and coordination.

CGAP SUBCHAPTER 3001.3 AGENCY ACQUISITION REGULATIONS

CGAP SUBCHAPTER 3001.301 Policy.

- (a) Certain FAR, HSAR and HSAM procurement authorities and responsibilities vested in the Commandant and other officials have been re-delegated as cited in these procedures. Unless otherwise stated, these authorities may not be re-delegated. All documents discussed in the HSAR, HSAM, and CGAP that require approval at a level above the Chief of the Contracting Office (COCO) shall be routed to Commandant (CG-913) for processing and forwarding to the appropriate approving official, unless otherwise specified.

CGAP SUBCHAPTER 3001.301-70 Amendment of CGAP.

- (a) CGAP changes may be the result of suggestions by internal Coast Guard personnel, other Government agencies, or the public. Proposed changes to this manual, along with the rationale for the change, shall be submitted to the Coast Guard ATTN: Chief, Coast Guard Office of Procurement Policy and Oversight (CG-913).

(b) Updates to the CGAP will be summarized in a CGAP Notice published on the Intranet under Acquisition Regulations & Policy Info at <https://cgportal2.uscg.mil/units/cg9/1/CG913/CG9132/AcquisitionRegulationsPolicy/Pages/default.aspx>. An announcement of the CGAP Notice issuance will be made to the COCOs. This announcement is used as the mechanism to alert users that the CGAP has changed. When the CGAP Notice is issued, the electronic CGAP is also updated to incorporate the changes.

(c) The CGAP is maintained by Office of Procurement Policy and Oversight (CG-913) in electronic form. Maintenance of the CGAP will be made through the CGAP change process.

(1) CGAP Chapters. This manual will contain internal Coast Guard acquisition procedures within chapters which supplement or implement FAR, HSAM and HSAR material. Chapters are coordinated through the CGAP change process prior to issuance.

(2) CGAP Notices.

(i) CGAP Chapters will be amended by issuance of a CGAP Notice; and

(ii) CGAP Notices are:

(A) used to disseminate information that is relevant to the CGAP ; and

(B) normally integrated into the CGAP. CGAP Notices may occasionally contain new material that shall be issued quickly without going through the CGAP change process before their release. However, subsequent to their issuance, these CGAP Notices will be reviewed using the CGAP change process and change pages to the CGAP Chapters will be issued as appropriate.

(3) CGAP Appendices. At the end of the CGAP, appendices may be used to provide supplementary material not suitable for insertion in the CGAP issuance itself. Appendices may contain attachments with or without exhibits or enclosures. Attachment(s) supplement the appendix. Both are made part of the appendix.

Subchapter 3001.301-71 Effective date of CGAP Notice.

Unless otherwise stated, the following applies—

(a) Statements in CGAP Notices that the content is "effective upon receipt," "upon a specified date," or that changes set forth in the document are "to be used upon receipt," mean that any new or revised procedures or forms shall be used when issuing solicitations, contracts, or modifications thereafter; and

(b) If solicitations are already in process or negotiations complete when the CGAP Notice is received, the new procedures or forms need not be used if it is determined by the Chief of the Contracting Office (COCO) that it would not be in the best interest of the Government.

3001.301-72 CGAP Notice numbering.

CGAP Notices will be numbered consecutively on a fiscal year basis beginning with number "01" prefixed by the fiscal year (e.g., 2014-01).

CGAP SUBCHAPTER 3001.4 DEVIATIONS FROM THE FAR, HSAR, HSAM**CGAP SUBCHAPTER 3001.403 Individual deviations.**

- (a) Commandant (CG-913) shall coordinate legal review with Commandant (CG-0949) for any deviation request.

CGAP SUBCHAPTER 3001.404 Class deviations.

- (a) Commandant (CG-913) shall coordinate legal review with Commandant (CG-0949) for all requests for Class Deviations and forward them to the HCA (Commandant (CG-91)) and the Chief Procurement Officer (CPO) of DHS, as applicable.

CGAP SUBCHAPTER 3001.490 Deviations and waivers procedures and processing.

Coast Guard's policies and procedures for the submission and processing of requests for either Individual or Class Deviations and Waivers from the FAR, Homeland Security Acquisition Regulation (HSAR), Homeland Security Acquisition Manual (HSAM), and Coast Guard Acquisition Procedures (CGAP), within the meaning of [Federal Acquisition Regulation](#) (FAR) Subparts 1.403 and 1.404, respectively, and the granting of Waivers of acquisition regulations requiring approval at a level above the Chief of the Contracting Office (COCO) is provided as follows:

- (a) Contracting Officers shall submit in writing through their respective COCOs requests for Deviations and Waivers from provisions of the [FAR](#), [HSAR](#), [HSAM](#), or CGAP via the Chief of the Office of Procurement Policy and Oversight (Commandant (CG-913)).
- (b) Written requests, with all appropriate supporting information must be addressed to the appropriate approving authority for the Deviation/Waiver requested, and must include the signature of the COCO supporting the request for approval. The COCO shall ensure that a designated Point of Contact for each Deviation/Waiver request is included in all related correspondence.
- (c) Each Deviation/Waiver request shall include, at minimum: the title and description of the deviation/waiver requested; appropriate regulatory and procedural citations supporting such relief; the rationale/justification for the granting of the relief requested; the proposed duration and method of oversight to be used should a deviation/waiver be granted; the expected benefits resulting from the

Deviation/Waiver; and the Deviation/Waiver's statutory/regulatory impact should it be granted.

- (d) Commandant (CG-913) shall review and coordinate the processing of each Deviation request expeditiously and shall provide requesting activities within three working days of its receipt information on milestones and expected response dates. Deviation requests for [FAR](#), [HSAR](#), [HSAM](#) Class Deviations must be reviewed and approved by the Chief Procurement Officer (CPO) of the Department of Homeland Security (DHS) and the Head of the Contracting Activity (HCA) for the Coast Guard (Commandant (CG-91)) as applicable. All other requests for Deviations from CGAP will be reviewed and approved in accordance with CGAP Subchapters 3001.403 and 3001.404.
- (e) As an exception, other contracting offices have the opportunity to benefit from an approved Deviation/Waiver by requesting that the approved Deviation/Waiver apply to them as well. In such cases, the requesting activity must provide its own justification/rationale for consideration on a previously approved Deviation/Waiver. The same review procedures described above also apply in these situations.
- (f) For additional information regarding this instruction, please contact the [CGAP Program Manager](#).

CGAP SUBCHAPTER 3001.6 CAREER DEVELOPMENT, CONTRACTING AUTHORITY AND RESPONSIBILITIES

CGAP SUBCHAPTER 3001.601-70 Designation of the Head of the Contracting Activity and Chiefs of Contracting Offices.

- (a) In the absence of the HCA, the Deputy Director of Contracting and Procurement (Commandant (CG-91d)) will perform the functions of the HCA, unless the [FAR](#), [HSAR](#), or [HSAM](#), indicate a level of authority equal or greater than Senior Executive Service (SES).
- (b) Unless otherwise directed by the HCA, duties necessary to support the COCO authorities enumerated within this Manual that are not limited by the [FAR](#), [HSAR](#), [HSAM](#), or CGAP from further re-delegation may be assigned to other personnel subject to the COCO's oversight and control.

CGAP SUBCHAPTER 3001.602 Contracting Officers.

CGAP SUBCHAPTER 3001.602-2 Responsibilities.

CGAP SUBCHAPTER 3001.602-390 Ratification of Unauthorized Commitments.

- (a) This authority is delegated to the Chief of the Contracting Office (COCO)

- (b) The preparation, submission, and review for requesting and approving ratifications of unauthorized commitments shall be in accordance with the HSAM 3001.602-3(c)(7)(i). Unauthorized Commitments shall be reported to the DHS ERA website on a real time basis.

CGAP SUBCHAPTER 3001.603 Selection, Appointment, and Termination of Warrants.

CGAP SUBCHAPTER 3001.603-1 General.

CGAP SUBCHAPTER 3001.603-101 Definitions.

Issuing Specialist: The role designated in the Warrant Management System (WMS) to the individual appointed to process/approve warrants.

Issuing Authority: The role designated in WMS for the offices identified below with authority to issue Contracting Officer warrants.

Issuing Officer: The role designated in WMS for the individuals designated below that the HCA has delegated, in writing, authority to issue/activate and revoke/terminate warrants.

Warrant: A written appointment issued on SF 1402 to a qualified Federal employee to serve as a Contracting Officer.

Warrant Management System (WMS): The official electronic processing, documentation and maintenance repository for all active/terminated warrants.

CGAP SUBCHAPTER 3001.603-102 Delegations of Authority.

The authority to appoint Contracting Officers is limited to the Head of Contracting Activity (HCA). The HCA for the Coast Guard is CG-91. The HCA has delegated this authority to a level no lower than the Deputy HCA, the Chief, Office of Procurement Policy and Oversight (CG-913), the Chief, Procurement Planning and Oversight Division (CG-9131), the Chief, Procurement Policy and Systems Division (CG-9132) and the Chiefs/Deputies of the Contracting Office (COCOs). These delegations shall be in writing.

The HCA has delegated Issuing Authority of Contracting Officer warrants of specific dollar authority within defined areas of responsibility to the following positions:

1. Deputy, Head of Contracting Activity (HCAd): All COCOs and all other warrants on an as needed basis – at any dollar limitation or threshold. COCO warrant requests shall be submitted to CG-913 for processing and submission to the HCAd for approval and activation.
2. Chief, Office of Procurement Policy and Oversight (CG-913): All 1102s and all other warrants throughout the Coast Guard except COCOs at any dollar limitation or threshold

3. Chief, Procurement Planning and Oversight Division (CG-9131): All 1102s and all other warrants throughout the Coast Guard except COCOs at any dollar limitation or threshold.
4. Chief, Procurement Policy and Systems Division (CG-9132): All 1102s and all other warrants throughout the Coast Guard except COCOs at any dollar limitation or threshold.

The Issuing Authorities identified below may issue warrants for all non GS-1102s and military personnel, for amounts that do not exceed the Simplified Acquisition Threshold (SAT) or as specified below. In addition, the below Issuing Authorities may issue warrants for Fuel, Subsistence and Port Services up to the thresholds annotated below.

1. Chief of the Contracting Office, Shore Infrastructure Logistics Center (SILC) – Base Operations: All non GS-1102 series employees and military personnel warrants with authority not to exceed the Simplified Acquisition Threshold (SAT) for supplies, services and construction at all offices/entities that receive procurement support from SILC Base Operations. For Fuel, Subsistence and Port Services for all afloat assets, warrant authority shall not exceed \$500,000 within the continental United States (CONUS) and \$750,000 outside the continental United States (OCONUS).
2. Deputy Chief of the Contracting Office, Shore Infrastructure Logistics Center (SILC) – Base Operations: All non GS-1102 series employees and military personnel warrants with authority not to exceed the Simplified Acquisition Threshold (SAT) for supplies, services and construction at all offices/entities that receive procurement support from SILC Base Operations. For Fuel, Subsistence and Port Services for all afloat assets, warrant authority shall not exceed \$500,000 within the continental United States (CONUS) and \$750,000 outside the continental United States (OCONUS).
3. Chief of the Contracting Office, Surface Forces Logistics Center (SFLC). All non GS-1102 series employees and military personnel warrants with authority not to exceed the Simplified Acquisition Threshold (SAT) for supplies and services and construction at all offices/entities that receive procurement support from the SFLC. In addition, the following applies:
 - a. For Fuel, Subsistence and Port Services for all afloat assets, warrant authority shall not exceed \$500,000 within the continental United States (CONUS) and \$750,000 outside the continental United States (OCONUS).
 - b. For OCONUS Open Market purchases for Fuel, Subsistence and Port Services for the WAGB class icebreakers: POLAR STAR, POLAR SEA, and HEALY, the following applies: open market fuel warrant authority shall not exceed \$3,000,000. Open market Subsistence and Port Services warrant authority shall not exceed \$750,000.

Deputy Chief of the Contracting Office, Surface Forces Logistics Center (SFLC). All non GS-1102 series employees and military personnel warrants with authority not to exceed the

Simplified Acquisition Threshold (SAT) for supplies and services and construction at all offices/entities that receive procurement support from the SFLC. In addition, the following applies:

For Fuel, Subsistence and Port Services for all afloat-assets, warrant authority shall not exceed \$500,000 within the continental United States (CONUS) and \$750,000 outside the continental United States (OCONUS).

For OCONUS Open Market purchases for Fuel, Subsistence and Port Services for the WAGB class icebreakers: POLAR STAR, POLAR SEA, and HEALY, the following applies: open market fuel warrant authority shall not exceed \$3,000,000. Open market Subsistence and Port Services warrant authority shall not exceed \$750,000.

The Issuing Authorities identified above are also authorized to modify, suspend or terminate contracting officer appointments in accordance with this policy.

In the absence of the Issuing Authorities addressed in Section III. B. numbers five through eight (5 through 8) above, warrants will be reviewed/approved/activated by the Issuing Authorities in Section III. B. numbers one through four (1 through 4) above.

CGAP SUBCHAPTER 3001.603-103 Selection.

In selecting contracting officers, the Issuing Authority shall consider the following:

Unlimited warrants shall be granted to GS-1102-13s or above only. Issuing Authorities shall comply with the following procedures in implementing the USCG's warrant program.

Warrants will not be issued to individuals who are not supervised by an appropriate individual within the contracting chain of command. The following exception applies: warranted military personnel on cutters, or at operational units, who do not report up through the contracting chain of command, shall receive their contracting functional authority and oversight from the COCO or designee for that Area of Responsibility (AOR).

Issuing Authorities shall consider other specific or specialty training requirements necessary such as for Construction, Architect and Engineering, IT and Services contracting.

Other considerations:

- Physical location of individual and where warrant will be utilized
- Independence/isolation from larger contracting activity
- Oversight by experienced individual
- Number of warranted personnel at the contracting office within the unit/office/command generating the request
- Is the proposed warrant necessary to satisfy unique/non-existent skill set at the contracting office

Explanation if the proposed warrant is due to expanded workload; or replacement of another warrant at the contracting activity Impact if warrant request is denied

CGAP SUBCHAPTER 3001.603-104 Appointments.

Contracting officers shall be appointed utilizing WMS. Pursuant to the DHS Contacting Officer Warrant Program Acquisition Workforce Policy 06-04-011, contracting officer warrants do not expire. When warrants are processed in WMS, a script will correct warrant termination date. Issuing authorities may determine shorter lengths of appointment based on individual needs, particularly for non-1102s. For example, a 3-year warrant effective date is appropriate for military personnel or other timeframes to be consistent with tour dates.

CGAP SUBCHAPTER 3001.603-105 Termination of Warrants.

The warrant holder shall notify the Issuing Specialist when the warrant has lapsed for any reason such as not maintaining skills currency.

Issuing Authorities shall terminate contracting officer appointments at their discretion, based upon supervisor's and/or the COCO's recommendations, for reasons such as: failure to maintain skills currency; mission changes; employee reassignment or departure; unsatisfactory performance or loss of confidence; issuance of a new warrant (to reissue warrants given WMS limitations, to increase authority levels, add spend categories, etc.) or violation of ethics/standards of conduct. Note that WMS allows for only one (1) warrant per person.

Issuing Specialists shall notify the Senior Field Contracting Officer (SFKO) or other appropriate individual at operational units, and copy the respective Chief of Contracting Office (COCO), when a contracting officer's warrant authority has been terminated. Those individuals who have authority and responsibility for managing systems' Roles and Responsibilities shall ensure that the proper user account documentation is submitted to USCG Finance Center (FINCEN) to remove the contracting officer's ability to execute awards in the CG Finance & Procurement Desktop (FPD) system and Contract Information Management System (CIMS). User accounts in other purchasing systems external to FPD, e.g., Naval & Electronics Supply Support System (NESSS) and Asset Logistics Management Information System (ALMIS), should also be updated accordingly.

CGAP SUBCHAPTER 3001.603-106 Maintenance of Warrants.

Coast Guard Contracting Officers are required to keep abreast of acquisition issues and practices, and are required to meet skills currency requirements specified in Tables 1-1 and 1-2 of the DHS COWP. Supervisors of warranted contracting professionals shall ensure that: contracting personnel maintain competencies and awareness of current practices and procedures; are capable of formulating sound business decisions; and are afforded the opportunity to complete all required training and continuous learning requirements. Continuous Learning (CL)/Skills

Currency are achieved through the completion of continuous learning activities, which include: training, seminars, conferences, special projects, education, teaching, or other developmental activities deemed appropriate by the supervisor. It is the responsibility of the supervisor to ensure appropriate continuous learning opportunities are made available and tracked. Refer to DHS FAC-C Acquisition Workforce Policy 064-04-002, Attachment 8, Guidance on Meeting Continuous Learning Point Requirements for further information.

In considering continuous learning requirements for 1102s, the FAC-C certification date shall be utilized to manage/account for continuous learning requirements.

- a. Displaying Warrants: The Standard Form (SF) 1402, Certificate of Appointment, shall be clearly and publicly displayed at the contracting officer's workplace.
- b. Documentation Maintenance: Issuing Authorities shall maintain selection and appointment files for all contracting officers appointed within their area of responsibility. A separate appointment file shall be kept for each individual appointed as a contracting officer. The file shall contain a copy of the warrant and all documents supporting the individual's nomination, FAC-C certification documents (if applicable) and any justification for a waiver (if applicable). For example training, specialty training, education, and experience.

CGAP SUBCHAPTER 3001.603-107 Internal Control and Oversight.

Internal control and oversight is the responsibility of all parties. Supervisors within the contracting chain of command are required to monitor warranted contracting officers to ensure skills currency requirements are maintained/tracked and advise COCOs of any changes in needs for warrant authority. In addition, supervisors shall report all lapsed/terminated warrants to the respective Issuing Specialist.

COCOs and/or Issuing Specialists are required to review warrant files on an annual basis, at minimum, to ensure that a continuing need exists for each warrant; that skills currency requirements are met and that lapsed/terminated warrants are reported to CG-9132.

COCOs shall conduct annual oversight reviews of Coast Guard warrant files to ensure compliance with this policy.

CG-913 randomly will conduct audit on files to ensure compliance.

CGAP SUBCHAPTER 3001.603-107 Certification Waivers and Exceptions.

Waivers to Certification Requirements: In accordance with the Office of Federal Procurement Policy (OFPP) Letter 05-01, only the DHS SPE may waive the requirement that individuals issued Contracting Officer warrants must be certified at the appropriate level as specified in Table 1-1 of the DHS COWP. Such waiver requests shall be submitted to the HCA, via CG-913, for review/approval, for subsequent submission to DHS. The DHS Chief Procurement Officer (CPO) must approve any warrant request, prior to issuance.

Waivers to Experience and Training Requirements: In rare situations where operations would be negatively impacted, the HCA is authorized to issue warrants to individuals who have not met the additional training or experience requirements beyond that required to obtain certification for 1102s or training/experience required for non-1102s. Issuing Authorities may grant waivers and issue warrants NTE \$25,000 for individuals who do not meet specified experience or training requirements set forth in this policy. Issuing authorities are required to notify CG-913 when any approved waivers are granted.

Waiver Documentation: Waivers must be documented in the individual's warrant file.

Exceptions: The following actions within the Coast Guard do not require a Contracting Officer's signature.

Blanket Purchase Agreements (BPA). Calls against BPAs are restricted to individuals identified as authorized callers in the BPA.

Coast Guard On-Scene Coordinators (OSC), by virtue of their position, can perform the duties of an ordering officer when responding to an oil or hazardous substance spill incident under emergency situations. OSC authority is limited to \$50,000 per incident;

The District Response Advisory Team (DRAT) Contracting Officer shall serve on the OSCs contracting staff, when requested by the OSC, during an oil or hazardous substance spill incident; The DRAT Contracting Officer is limited to expending Oil Spill Liability Trust Funds (OSLTF) or Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) funds in an amount not to exceed \$25,000 for each procurement action in response to an oil or hazardous substance spill incident.

Federal Standard Requisitioning and Issue Procedures (FEDSTRIPS).

SF-44 Purchase Order-Invoice-Voucher is strictly limited to \$25,000 or less for fuel and oil for aircraft and vessels and strictly limited to the micro purchase threshold or less for all other procurements. Persons using an SF-44 must be appointed, in writing, by a warranted Contracting Officer.

Imprest funds for other than small purchases.

Travel related documents.

Interagency Acquisitions Financial Transactions

CGAP CHAPTER 3002 DEFINITIONS OF WORDS AND TERMS

CGAP SUBCHAPTER 3002.1 DEFINITIONS

CGAP SUBCHAPTER 3002.101 Definitions.

“Chief Acquisition Officer (CAO)” The CAO for the Coast Guard is the Assistant Commandant for Acquisition (Commandant (CG-9)).

“Chief of the Contracting Office (COCO)” means a GS-1102 series Supervisory Contracting Officer, appointed in writing by the Head of the Contracting Activity pursuant to [Homeland Security Acquisition Manual \(HSAM\) Subchapter 3001.601-70 \(b\)](#), who has responsibility for Coast Guard contracting offices at designated adjacent or geographically separated shore or afloat units engaged in the procurement of supplies and services. In many cases, the COCO is not in the chain of command of the personnel assigned to those offices; nevertheless, the COCO is accountable for the contracting activity conducted within the COCO’s area of responsibility.

"Divisions" Are those contracting offices that receive management and oversight from the Headquarters Command (CG 912) COCO.

"Senior Field Contracting Officer (SFCO)" The senior procurement official designated by the COCO to manage the day-to-day contracting operations of a Procurement Unit and subunits under their AOR.

CGAP CHAPTER 3003 IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

CGAP SUBCHAPTER 3003.4 CONTINGENT FEES

CGAP SUBCHAPTER 3003.405 Misrepresentations or violations of the covenant against contingent fees.

- (a) The Chief of the Contracting Office (COCO) shall prepare a written finding of the facts of the case and submit the file to Commandant (CG-0949) for review. The file shall contain the written opinion of the legal counsel for the contracting office, if any. An information copy shall be provided to Commandant (CG-913).

CGAP SUBCHAPTER 3003.5 OTHER IMPROPER BUSINESS PRACTICES

CGAP SUBCHAPTER 3003.502-2 Subcontractor kickbacks.

- (g) Coast Guard personnel shall advise the cognizant COCO in writing, of any instances that come to their attention involving possible violations of the Anti-Kickback Act (41 U.S.C. §§8701-8707)). The COCO shall prepare a written finding of the facts of the case and submit the file to Commandant (CG-0949) for review. The file shall contain the written opinion of the legal counsel for the contracting office. An information copy shall be provided to Commandant (CG-913). Commandant (CG-0949) will coordinate with Coast Guard Investigative Service and the Department of Justice; CGIS normally will further coordinate with the Inspector General (J-1).

CGAP SUBCHAPTER 3003.590 Suspected fraudulent or other criminal conduct.

Mandatory Reporting of Incidents to the Coast Guard Investigative Service and Requesting Investigative Assistance are addressed in the current series of [COMDTINST 5520.5](#), Coast Guard Investigative Services Roles and Responsibilities. This Instruction addresses investigative assistance and details actions to be taken in cases of suspected fraud or criminal conduct in the performance of Coast Guard contracts.

CGAP SUBCHAPTER 3003.8 LIMITATION ON THE PAYMENT OF FUNDS TO INFLUENCE FEDERAL TRANSACTIONS

CGAP SUBCHAPTER 3003.806 Processing suspected violations.

Suspected violations of the requirements of 31 §U.S.C. 1352 shall be reported in accordance with the same procedures contained in CGAP Subchapters 3003.405 and 3003.502-2

CGAP SUBCHAPTER 3003.9 WHISLETBLOWER PROTECTION FOR CONTRACTOR EMPLOYEES

CGAP SUBCHAPTER 3003.901 Applicability

February 2017

CGAP Chapter 3003

USCG shall incorporate DHS Class Deviation 14-01 from FAR 3.908, Pilot Program for enhancement of contractor employee whistleblower protections.

Contracting Officers shall incorporate in full text FAR Clause 52.203-17, Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights (Sept 2013) (DHS –USCG Deviation 14-01) into all solicitations and contracts expected to exceed the SAT. Contracting Officers shall also insert FAR 52.252-6, Authorized Deviations in all contracts expected to exceed the SAT.

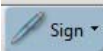
CGAP CHAPTER 3004 ADMINISTRATIVE MATTERS**CGAP SUBCHAPTER 3004.000 Scope of Part.****CGAP SUBCHAPTER 3004.000-90 Submission of Documents to DHS.**

Unless otherwise authorized, any document required by HSAM, HSAR, or CGAP to be submitted to DHS shall be forwarded by the HCA. All such documents shall be submitted to CG-913 for review and staffing for HCA approval.

CGAP SUBCHAPTER 3004.1 – CONTRACT EXECUTION**CGAP SUBCHAPTER 3004.101 Contracting Officer’s signature.****CGAP SUBCHAPTER 3004.101-90 Electronic or Handwritten Signatures of Contracting Documents.**

Contracting Officers may utilize either electronic (digital) or physical (handwritten) signature of contracts, orders, agreements, modifications and supporting documentation. This includes accepting digital signature from vendors. The method of signature does not substitute for the requirement to obligate funds in USCG automated contracting systems.

The following procedures shall be used by Contracting Officers for generating electronic signatures on contracting documents:

- 1) Digitally sign using individual CAC ID card on CG automation applications embedded within the CG Standard Workstation Image. This ensures a secure and authenticated signature.
- 2) Digital signatures shall include the name of Contracting Officer and date of approval. In the drop down field called “Reason”, select the value “I am approving this document.” See Commandant Instruction 5200.5, Signing Adobe PDFs, for guidance on generating authenticated digital signature in award forms.
- 3) If the digital signature icon  does not appear when viewing the award form, or is grayed out, an alternate procedure is to save or print the form to PDF, save to desktop, open, sign using digital signature feature, and save copy of digitally signed form to the desktop. Depending upon the version of Adobe Acrobat, there may be slight variation in the menu display.
- 4) Retain paper copy of the digitally signed contracting document in the contract file.

Refer to additional guidance in Commandant Instructions 5200.5, Electronic Signatures and Management of Electronically Signed Records, and COMDTINST M7100.3 (Series), Financial

Resource Management Manual (FRMM), Obligation Document Requirements, at https://cgportal2.uscg.mil/sites/externaldata/Directives/CIM_7100_3E.pdf, authorizing the use of electronic signature of records and obligation documents

CGAP SUBCHAPTER 3004.5 ELECTRONIC COMMERCE IN CONTRACTING

CGAP SUBCHAPTER 3004.502 Policy.

- (a) All Coast Guard contracting activities involved in procurement shall engage in electronic commerce to the maximum extent practicable using CG-approved automated systems. This policy extends to any acquisition system currently in use at the Coast Guard, to include the Integrated Acquisition Environment (IAE), a Presidential E-Gov initiative managed by General Services Administration (GSA) consisting of multiple, integrated systems that facilitate, unify, and streamline phases of the federal acquisition process.
- (b) Current acquisition systems include but not limited to:

Coast Guard Systems:

Contract Information Management System (CIMS)
Finance and Procurement Desktop (FPD)
Naval and Electronic Supply Support Systems (NESSS)
Aviation Logistics Management Information Systems (ALMIS)
Coast Guard Oracle Financials (CGOF)
Workflow Imaging Network System (WINS)

IAE Systems: Federal Business Opportunities (FedBizOpps)

System for Award Management (SAM) (consolidates CCR, ORCA and EPLS)
Electronic Subcontracting Reporting System (eSRS)
Federal Procurement Data System-Next Generation (FPDS-NG)
Contractor Performance Assessment Reporting System (CPARS)

CGAP SUBCHAPTER 3004.6 CONTRACT REPORTING

CGAP SUBCHAPTER 3004.603 Policy.

CGAP SUBCHAPTER 3004.603-90 Records requirements.

All records will be managed in accordance with directions in the Information and Life Cycle Management Manual, COMDTINST M5212.12 (series) at https://cgportal2.uscg.mil/sites/externaldata/Directives/CIM_5212_12A.pdf containing policies and schedules for administering Coast Guard records, forms, and reports programs as they relate to the lifecycle management of paper and electronic documents and data.

CGAP SUBCHAPTER 3004.605 Procedures.

- (a) Procurement Instrument Identifier (PIID). This Subchapter supplements the guidance under [HSAM Subchapter 3004.605](#) regarding elements of DHS PIIDs and Supplementary Procurement Instrument Identifiers (SPIIDs).

- (i) The USCG Finance Center Standard Operating Procedures at <http://www.fincen.uscg.mil/sop.htm> establishes document numbering standards (Chapter 5) for contracting documents created in the Finance & Procurement Desktop (FPD) system. Contracting activities shall utilize this document numbering when different than HSAM Subchapter 3004.605.
- (8) Supplementary Procurement Instrument Identifiers (SPIIDs).
- (i) In the Finance and Procurement Desktop (FPD) system, the document numbering methodology for BPA Calls against Coast Guard generated BPAs created in the unique BPA Module in FPD, shall have an instrument code of "A" and include four additional digits reflecting the sequence in which calls are made against the individual BPA. BPA Calls created outside of the BPA Module in FPD shall follow the guidance in HSAM Subchapter 3004.605(a)(8)(ii).
- (9) Other identifiers relating to PIIDs and SPIIDs shall be used as follows.
- (ii) Modifications to Contracts, Agreements and Orders
 - (A) Should a pre-DHS contract beginning with "DTCG" still be active and requires a contract modification, no change is needed to the existing document number. However, the identifier "A" or "P" must be included in the numbering of modifications. For example, contract DTCG88-03-C-000001 was awarded in July 2003, and modified for the first time as DTCG88-03-C-000001 Mod00001, prior to implementation of HSAM and CGAP Subchapter 3004.605(a)(9). The second modification, which occurred after implementation of HSAM 3004.605(a)(9)(ii), will be numbered DTCG88-03-C-000001 ModA00002.
 - (B) If multiple modifications to task orders previously awarded using a number beginning with "HSCG" are expected, do NOT change the instrument code or identified procuring agency (i.e., alphanumeric characters one through four within the PIID). Simply incorporate modification numbers containing a "P" or "A", depending on whether the principal procuring office retains authority for contract administration ("P"), or administration is delegated to a separate contract administration office ("C").
 - (C) In the case of modifications to Coast Guard orders against GSA Schedules or other agency contractual instruments, the rule in subparagraph (B), above, will apply in determining whether the modification number contains a "P" or "A". If the office that created the order issues a modification to it, the modification number will begin with "P". If another office administers the order, the modification number will begin with "A". Refer to HSAM 3004.605 (9)(i) and (ii)

CGAP SUBCHAPTER 3004.91 USE OF PROCUREMENT INSTRUMENT IDENTIFICATION (PII) NUMBERS FOR COAST GUARD INVENTORY CONTROL POINT MATERIAL PROCUREMENTS

CGAP SUBCHAPTER 3004.9100 Scope of CGAP subchapter.

This CGAP Subchapter prescribes procedures to be used by contracting offices when procuring material for a Coast Guard Inventory Control Point with the consignee of the material being a Department of Defense Inventory Control Point.

CGAP SUBCHAPTER 3004.9101 Definitions.

A Uniform Procurement Instrument Identification Number (PII Number) consists of 13 alphanumeric characters assigned by the Department of Defense (DoD) to its solicitations, contracts, and related procurement instruments pursuant to DoD FAR Supplement (DFARS) Subpart 204.70. at <http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html>.

When ordering material for a Coast Guard Inventory Control Point where the consignee of the material is a DoD Inventory Control Point, it is necessary that the DoD facility be able to properly identify and process the Coast Guard material. In such instances, contracting offices shall include a DoD PII Number, as prescribed in this CGAP Subchapter to accomplish effective material handling.

CGAP SUBCHAPTER 3004.9102 Policy.

CGAP SUBCHAPTER 3004.9103 Procedure.

- (a) Coast Guard contracts and purchase orders relating to material orders through a DoD Inventory Control Point shall contain a DoD PII number in addition to, and immediately above, the document's Coast Guard contract or purchase order number (i.e., the Coast Guard Procurement Instrument Identification number (PIID) described in [HSAM 3004.602-71](#) and CGAP Subchapter 3004.602-71). The DoD PII number shall be immediately preceded by the phrase: "PII Number"; and shall be created by converting the Coast Guard's PIID to a corresponding thirteen-character PII number using the numbering conventions specified in [DFARS 204.7002](#).
- (c) In addition, the contract or purchase order shall stipulate that all shipping containers and contractor documentation must contain the DoD "PII number"; and a copy of it shall be forwarded to the applicable DoD and Coast Guard Inventory Control points to ensure proper coordination

CGAP SUBCHAPTER 3004.670 Acquisition related reporting requirements.

CGAP SUBCHAPTER 3004.8 GOVERNMENT CONTRACT FILES**CGAP SUBCHAPTER 3004.802 Contract files.**

- (a) The [Contract File Content Checklist-Preaward Contract File](#) shall be used for organizing the contract file. The checklist is not all-inclusive, therefore the FAR and other regulatory material must be checked to ensure that all actions required by Statute, Executive Order and/or Regulation are accomplished and documented in the contract file. Contracting activities may modify the checklist to accommodate specific types of contracts.
- (b) Contract file documents created and entered into the file after the fact must be dated with the actual date and annotated with rationale explaining why they were not completed in a timely manner.

CGAP SUBCHAPTER 3004.804 Closeout of contract files.**CGAP SUBCHAPTER 3004.804-1 Closeout by the office administering the contract.**

- (a) [FAR 4.804](#) outlines detailed procedures for closing out contract files. The Quick Closeout Procedures authorized under [FAR 42.708](#) shall be used, where appropriate, in the settlement of direct and indirect costs.
- (b) The HCA will provide contract closeout priorities for COCOs. From those priorities, COCOs will identify which procurement actions can be closed for the upcoming month and provide status updates to CG-913 on closeout activity for their respective offices at the end of the month.

CGAP SUBCHAPTER 3004.804-5 Procedures for closing out contract files

- (a) Under certain circumstances, it may be prudent for the Contracting Officer to close a contract unilaterally. The Contracting Officer should pursue a unilateral determination of final contract price for contract closeout for Firm Fixed Price (FFP) and Labor Hour (LH) contracts when the contractor is: non-responsive after a reasonable number of attempts to make contact, has not provided a valid explanation for not submitting a final invoice and the contract has had no financial activity (invoice receipt/payment) for more than 365 days. Other valid reasons for unilateral closeout include: (1) Contractor no longer in business; (2) Contractor in bankruptcy; (3) Contractor fails to submit an invoice within a reasonable time frame (30 days) after the government makes contact; (4) Or the invoice is provided and does not include appropriate rationale, and (5) Contractor is unreachable after several (three or more) attempts. In these instances, the Contracting Officer may execute a unilateral modification to facilitate closeout regardless of the time since last financial activity and exercise business judgment in accordance with [FAR 1.602-2](#) to ensure that the Government's interests are protected and administrative actions are reasonable.
- (b) The Contracting Officer should expedite unilateral modifications to de-obligate funds for FFP and LH contracts based on the outlined procedures. Unilateral Contract Closeout procedures may not be used for Cost Reimbursable, Time and Materials (T&M) or Interagency Acquisitions.

Prior to close out of FFP and LH contracts the following should occur:

- (1) Verify that all shipments/performance have been accepted by the government.
- (2) Document all contacts, telephone conversations, and meetings as evidence of Government-initiated attempts to engage with the contractor in achieving contract closeout.
- (3) For remaining excess balances on contracts greater than \$500K, confirm in writing with legal counsel that the contract is a candidate for unilateral closeout.
- (4) Send the contractor a “Letter of Request for Final Invoice for Contract Closeout” (See ARM) by certified mail, return receipt requested. The letter should identify the government has received all goods or services, verify that all payments were submitted by the contractor, request status of final payment and establish 30-day response date declaring the government’s intent to remove excess funds from the contract if no response is received.

(c) The following is guidance on handling contractor responses for FFP and LH contracts:

- (1) If contractor agrees that payment is complete and there is no final invoice:
 - (a) Proceed with contract closeout using bilateral procedures.
- (2) If contractor asserts that payment is not complete and submits a final invoice:
 - (a) Upon receipt of final proper invoice, process for payment.
 - (b) Proceed with contract closeout using bilateral procedures.
- (3) If contractor responds by the suspense in the letter date and states that payment is not complete, but does not submit a final invoice:
 - (a) Make another reasonable attempt by sending the contractor a, “Letter of Request for Unilateral Contract Closeout, Firm Fixed Price” (See ARM), to obtain the final invoice.
 - (b) If no response is received within 14 calendar days, proceed with the unilateral contract closeout modification and send the contractor a “Letter of Signed Modification for Unilateral Contract Closeout” (See ARM). Contracting Officers shall consult with legal counsel prior to finalizing the modification to de-obligate funds, regardless of contract value.
- (4) If a contractor fails to respond by the suspense date in the letter:
 - (a) Make another reasonable attempt by sending the contractor a, “Letter of Request for Unilateral Contract Closeout, Firm Fixed Price” (See ARM), to obtain the final invoice.
 - (b) If no response is received within 14 calendar days, proceed with the unilateral contract closeout modification and send the contractor a “Letter of Signed Modification for Unilateral Contract Closeout” (See ARM). Contracting Officers shall consult with legal counsel prior to finalizing the modification to de-obligate funds, regardless of contract value.

(d) In order to facilitate closeout procedures with T&M contracts, the Contracting Officer may use quick closeout procedures as established in FAR 42.708, as appropriate. If the closeout action does not meet the criteria established in FAR 42.708, the Contracting Officer shall follow the procedures in accordance with FAR 42.705.

(e) Unilateral Closeout procedures are identical to standard bilateral closeout, except that no contractor signature is required.

(f) If the period of performance was completed within 36 months or less at the time of closeout, the Contractor Performance Assessment Reporting System (CPARS) evaluation (both narrative and rating) will reflect the contractor's level of cooperation with regard to contract closeout.

CGAP SUBCHAPTER 3004.11 SYSTEM FOR AWARD MANAGEMENT

CGAP SUBCHAPTER 3004.1102 Policy.

(RESERVED)

CGAP SUBCHAPTER 3004.13 PERSONAL IDENTITY VERIFICATION

CGAP SUBCHAPTER 3004.1301 Policy.

Homeland Security Presidential Directive (HSPD)-12 mandates a Federal standard for secure and reliable forms of identification for Federal employees and contractor employees. The Common Access Card (CAC) ID Card is a personal identification card for the Department of Defense/Uniformed Services that complies with HSPD-12. The Coast Guard has adopted the CAC as its HSPD-12 compliant personal identification card for contractor and subcontractor employees who are required to access a Coast Guard, Department of Defense (DOD), or other federally-controlled computer information system and/or facility, or need public key infrastructure (PKI) authentication to perform their duties. The Trusted Associate Sponsorship System (TASS) is an automated application process for obtaining a CAC for such employees. TASS is the only DOD approved system to provide contractor information through an authoritative data feed to the Defense Eligibility Enrollment System (DEERS) which generates the CAC. Therefore, TASS must be used to obtain the required CAC

CGAP SUBCHAPTER 3004.1301-90 Contract Clause.

Contracting Officers shall insert in all solicitations the Homeland Security Presidential Directive-12 (HSPD-12) clause entitled, "Policy for a Common Identification Standard for Federal Employees and Contractors," to enhance security and reduce identity fraud related to contractor physical access to Federally-controlled facilities and/or logical access to Federally-controlled information systems, consistent with [OMB Guidance No. M-11-11](#) dated February 3, 2011. The following CG-specific clause is to be included in all existing and future solicitations and contracts when a contractor or subcontractor employee is required to access a Coast Guard,

Department of Defense, or other federally-controlled computer information system, or needs public key infrastructure (PKI) authentication to perform his/her contractual duties.

Trusted Associate Sponsorship System (TASS)

- (a) “Contractor employee” means an employee of a firm, or an individual, under contract or subcontract to the Coast Guard to provide services and who requires physical and/or logical access to information systems and/or facilities.
- (b) Homeland Security Presidential Directive (HSPD)-12 mandates a Federal standard for secure and reliable forms of identification for Federal employees and contractor employees. The Common Access Card (CAC) is a personal identification card for the Department of Defense/Uniformed Services and complies with HSPD-12. The Coast Guard has instituted the CAC as its HSPD-12 compliant personal identification card for contractor and subcontractor employees who are required to access a Coast Guard, Department of Defense (DOD), or other federally-controlled computer information system and/or facility, or need public key infrastructure (PKI) authentication to perform their contractual duties. The Trusted Associate Sponsorship System (TASS) is the automated application process for obtaining a CAC.
- (c) Contractor and subcontractor employees working pursuant to this contract who are required to access a Coast Guard, DOD, or other federally-controlled computer information system and/or facility, or need PKI authentication to perform their contractual duties shall use TASS to obtain a CAC.
- (d) The Contracting Officer Representative (COR) shall serve as the TASS Trusted Agent and is responsible for creating contractor accounts in the TASS approving, returning, or rejecting CAC applications (as applicable); re-verifying assigned contractors every six months; revoking contractor and employee eligibility for a CAC; and confiscating a CAC when the contract expires or when a contractor or subcontractor employee stops working under the contract.
- (e) Current standards require a favorable fingerprint check and verification of an initiated or completed investigation for all incoming Coast Guard contractor personnel before CAC issuance. The COR shall ensure that contractor personnel satisfy the security requirements for CAC issuance, and that completed fingerprint cards and electronic questionnaires for investigation processing are submitted to the U.S. Coast Guard Security Center (SECCEN)
- (f) The COR or Contracting Officer shall provide such forms to, or request such information from, contractor employees that may be necessary for obtaining a CAC via the TASS. Completed forms and information shall be submitted as directed by the COR or Contracting Officer. Contractors are responsible for the accuracy and completeness of the information submitted and for any liability resulting from the Government’s reliance on inaccurate or incomplete information.

- (g) Contractor or subcontractor employees who are declined via the TASS are ineligible to perform work under this contract. When an employee with a CAC is no longer performing work under this contract, the employee must return them to the COR or Contracting Officer on the same day the employee stops working.
- (h) The contractor shall insert this clause in all subcontracts when a subcontractor's employee is required to access a Coast Guard, DOD, or other federally-controlled computer information system and/or facility, or need PKI authentication to perform contractual duties.

(End of Clause)

CGAP SUBCHAPTER 3004.70 REVIEW AND APPROVAL OF PROPOSED CONTRACT ACTIONS

CGAP SUBCHAPTER 3004.7002 Component Internal review and approval procedures.

- (a) The Head of Contracting Activity Governance Memorandum (HCA-GM) 3004.70 establishes the USCG procedures for conducting internal reviews to ensure the requirements under HSAM 3004.70 are met.
- (b) **The internal review and approval thresholds are outlined in Appendix A to the CGAP.**

CGAP SUBCHAPTER 3004.7003 Legal review.

- (a) Basic Rule for Legal Review

Legal counsel shall conduct reviews and approval of contract actions listed in HSAM 3004.7000(a)(1) through (5). The joint decision on threshold reviews is found in Management Letter (ML) 17-02.

CGAP SUBCHAPTER 3004.7005 Periodic compliance reviews.

[COMDTINST 4200.30C](#), Contracting Organization Review Program (CORP), addresses Coast Guard policies and procedures for compliance reviews of its contracting offices. Additional information on Internal Control Plan/Self Assessment activities is also available through the CORP Program Manager.

CGAP CHAPTER 3005 PUBLICIZING CONTRACT ACTIONS

CGAP SUBCHAPTER 3005.002 Policy.

CGAP SUBCHAPTER 3005.002-90 Politically sensitive contract awards.

Any pending contract award that is politically sensitive should be brought to the attention of Commandant (CG-91d) before submitting any formal contract award notification.

CGAP SUBCHAPTER 3005.2 SYNOPSES OF PROPOSED CONTRACTS ACTIONS

CGAP SUBCHAPTER 3005.202 Exceptions

- (b) The Contracting Officer shall submit the written determination per the exceptions noted under [Federal Acquisition Regulation \(FAR\) subparagraph 5.202\(a\)](#) and [Homeland Security Acquisition Manual \(HSAM\) Subchapter 3005.202\(b\)](#) to the Coast Guard Small Business Specialist Program Officer and Commandant (CG-913). This written determination shall state the rationale for the requested exception to the synopsis requirement. Following HCA review and approval, the CG Small Business Specialist Commandant (CG-913) shall forward the written determination to the Department of Homeland Security (DHS) Chief Procurement Officer (CPO), who will approve it after consultation with the Office of Federal Procurement Policy (OFPP) and the Small Business Administration (SBA). When the CPO has approved the written determination, the Contracting Officer may proceed with the procurement action after documenting the contract file accordingly.

CGAP SUBCHAPTER 3005.3 SYNOPSES OF CONTRACT AWARDS

CGAP SUBCHAPTER 3005.303 Announcement of contract awards.

- (a) Public Announcement. The Contracting Officer shall complete [DHS Form 2140-01](#) to announce contract awards in accordance with [HSAM Subchapter 3005.303-70](#), [Congressional notification of contract actions](#). The Contracting Officer shall submit [DHS Form 2140-01](#), Contract Award Notification, directly to the DHS Office of Legislative Affairs (OLA), with a copy to Commandant (CG-91d), via electronic mail to contracts@hq.dhs.gov. The Contracting Officer also shall supply an electronic copy of the [DHS Form 2140-01](#) concurrently to the Coast Guard Office of Congressional Affairs (OCA) (Commandant (CG-0921)). The Contracting Officer who transmitted [DHS Form 2140-01](#) will receive confirmation that notification has been made and may proceed with awarding of the contract or issuing of the order and posting to [FedBizOpps](#) and, when applicable, public announcement.

- (b) Contract actions (including IA/MIPRs) obligating FY 2010 and later appropriated funds under Coast Guard contracts valued in excess of \$1 million, or using FY 2012 and later multi-year funds in excess of \$10 million, or in any amount if a contract action causes cumulative

obligations in a single multi-year account to exceed 50 percent of the total amount appropriated, shall not be awarded, issued or distributed, nor any information released to any source outside of DHS (except as described in FAR 15.503(a)), until the requirements of this subsection have been accomplished. For all FY12 or later multi-year appropriations based contract action expenditures, the Contracting Officer shall ensure that a copy of a Congressional award notification ([DHS Form 2140-01](#)) transmittal to the CG Office of Congressional Affairs (OCA) is also provided to the budget officer or appropriations manager via email concurrent with the transmittal to DHS OLA at contracts@hq.dhs.gov. CG OCA has agreed to copy whomever the contracting officer designates in their award notification transmittal to ensure that interested parties are notified that the award notification has occurred to Congress, and to retain a copy of that notice in the appropriations manager file.

CGAP SUBCHAPTER 3005.4 RELEASE OF INFORMATION

CGAP SUBCHAPTER 3005.401 General.

After consultation with legal counsel, the Contracting Officer shall document in the contract file the rationale for withholding information other than that permitted to be withheld under ([FAR](#)) [48 CFR 5.401\(b\)](#). Refer to [COMDTINST M5260.3 \(series\)](#), [Coast Guard Freedom of Information \(FOIA\) and Privacy Manual](#), when preparing a response that would result in disclosure of business confidential information.

CGAP CHAPTER 3006 COMPETITION REQUIREMENTS**CGAP SUBCHAPTER 3006.3 OTHER THAN FULL AND OPEN COMPETITION****CGAP SUBCHAPTER 3006.302 Circumstances permitting other than full and open competition.****CGAP SUBCHAPTER 3006.302-190 Only one responsible source and no other supplies or services will satisfy agency requirements.**

(b)(4) To successfully carry out assigned missions, the Coast Guard has established a Standardization Program to maintain a high state of readiness throughout its cutters, aircraft, and other assets. Standardization usually, but not always, supports this need by providing for lower life-cycle costs associated with maintenance, repair, and operation of resources. Increased populations of standardized items promote economies of scale and increased supportability over an item's service life. The previous Commandant Instruction 4200.38 (series), Coast Guard Standardization Program, has been cancelled, and the Program incorporated entirely within this Manual, as indicated below.

(i) Acquisition Considerations.

- (A) Equipment to become standard shall be chosen from items already supported in Government inventory and systems under production, on a scale representative of the population to be standardized, whenever such items will fulfill Coast Guard requirements.
- (B) Where equipment or systems already in Government inventory will not satisfy new requirements, procurement of equipment and systems to satisfy these requirements shall be open to competition to the maximum extent practicable.
- (C) The equipment and/or system to be standardized shall have been previously determined, through official documentation such as requirements documents from the Office of the Assistant Commandant for Capabilities (Commandant (CG-37)), to be the best solution for the Coast Guard and shall be justified accordingly.
- (D) The initial procurement of such items shall be supported by a Justification and Approval for Other Than Full and Open Competition (J&A) required by [Federal Acquisition Regulation \(FAR\) Section 6.302-1](#) when the selection of an item or system to be standardized is not the result of full and open competition. In this situation, the Standardization Program cannot be used as the basis for the source selection. To use the Standardization Program as the basis for the source selection the item or system must be the result of full and open competition resulting in quantities that are representative of the population to be standardized.

(E) Follow-on procurements of items or systems determined to be Coast Guard standard items shall be supported by a J&A required by [FAR 6.302-1](#). For major acquisitions, the solicitation shall include an optional line item for the re-procurement data of all equipment unique to Coast Guard. This data enables the Coast Guard to competitively buy spare parts after a major system becomes operational. Re-procurement data packages are to include production and testing methods and detailed specifications. Due to the relatively high cost of obtaining the data, the decision to exercise an option for re-procurement data shall be based on a fully supportable business case analysis. The analysis shall include, but not be limited to, the life expectancy of the equipment and anticipated future replacement quantity demands. Documentation supporting a decision not to buy re-procurement data shall be submitted to the Coast Guard Competition Advocate, with ample time for review prior to expiration of the option period for its acquisition.

(ii) Standardization Process.

- (A) The responsible program office shall submit a written request to the applicable Command Procuring Activity Competition Advocate (CPACA) for all items of equipment for which standardization is sought. This request shall provide general information regarding the scope, number of units, total estimated dollar value, and service life of the proposed equipment or system. The CPACA will then decide if standardization applies, and if so, will provide the program office with any subsequent guidance that may be needed
- (B) If, as a result of (A), above, standardization is deemed appropriate, then the determination required by [FAR 6.302-1 \(b\)\(4\)](#) shall be prepared by the program office. The findings upon which the determination is based shall be included in the form of a Determination and Findings (D&F) and shall address the cost savings factors listed in paragraph (iii), below. The responsible program office shall provide all requirements documents, pertinent technical and cost data, including cost savings, displayed in supportable dollar figures. A separate determination shall be written for each specific piece of equipment. The D&F must include the signature of the Flag Officer/Senior Executive Service member with immediate oversight of the program for which standardization is sought. Once approved, the determination shall be used to support all procurements for the specified equipment while the effective period of the determination is still valid. Subsequent J&As based on the previously approved D&F shall be signed by the program office technical staff member serving as the standardization program's sponsor.

(iii) Areas of Consideration for Potential Cost Savings Resulting from Standardization.

- (A) Design Costs
- (B) Provisioning Costs
- (C) Training Costs
- (D) Inventory Costs
- (E) Repair Facility Costs
- (F) Administration and Management Support Costs

(iv) A sample format for a Coast Guard Standardization Program Determination and Findings is provided on the ARM.

- (c) Acquisitions containing one or more brand name descriptions incidental to a requirement are not sole source acquisitions, provided that the total value of such incidental items is not greater than 50% of the total value of the primary product or service being purchased. However, the use of such incidental brand name requirements shall be justified and approved in accordance with [FAR 6.303 and 6.304](#), as supplemented by CGAP Subchapters 3006.303 and 3006.304. In those cases where a J&A is required to cover incidental items, the estimated value of the incidental items determines the approval level of the J&A.

CGAP SUBCHAPTER 3006.302-290 Unusual and compelling urgency.

(c)(1)(i) Procurement actions requiring approval by the Coast Guard Competition Advocate, (Commandant (CG-9d)), or the Department of Homeland Security (DHS) Chief Procurement Officer (CPO) under the authority of "unusual and compelling urgency," shall not be processed PRIOR to initiation of the following: as appropriate per CGAP 3006.304(a)

- (A) Immediate verbal notification with follow up e-mail on the urgency to the Coast Guard Procuring Activity Competition Advocate (CG PACA).
- (B) Submission to the CG PACA of an ADVANCE justification and supporting rationale (including reference to the normal procurement lead time vs. an expedited lead time; why circumstances are NOT attributable to a lack of planning; and a description/quantification of what harm the Government will experience if normal procurement lead times are met).
- (C) Receipt of preliminary authorization to proceed from the CG PACA.
- (D) Within 10 calendar days after issuance of a contract that has been awarded pursuant to unusual and compelling reasons, a formal justification and approval as required by [FAR Part 6](#) shall be submitted to the CG official designated at CGAP 6.304(a). All actions requiring CG PACA review must be submitted through CG-913. The formal justification shall be written in the past tense, describing what took place, rather than what was proposed, and shall include the date that preliminary authorization was granted. In addition,

if contract award and approval of the formal justification cannot be accomplished within 30 calendar days after preliminary authorization to proceed, the Contracting Officer shall notify the CPACA or Commandant (CG-913) as applicable.

(c)(1)(ii) For purposes of natural disaster preparation, recovery, and restoration, advance planning is paramount in promoting and maximizing competition. Contracting Officers are encouraged to establish in advance competitive agreements and contracts with vendors for known disaster recovery supplies and services. However, if valid circumstances do not permit full and open competition, the Contracting Officer shall justify the action using the “Justification For Other Than Full And Open Competition Purchase Of Supplies, Services, or Construction To Support Emergency Preparation, Recovery And Restoration Efforts”, provided on the ARM. In order to use this justification the specific region/area affected must be identified, and either of the following conditions must be met:

- (A) Declaration of a major disaster or emergency area by the President or by the Department of Homeland Security or, if no disaster or significant incident declaration was made,
- (B) Resulting loss of life, human suffering, loss of income, and property loss and damage.

Additionally, to use this justification, the contract period of performance shall be limited to the minimum period necessary and shall not exceed 150 days unless exceptional circumstances apply and a justification is approved by the Coast Guard Procuring Activity Competition Advocate (Commandant (CG-9d)).

CGAP SUBCHAPTER 3006.302-7 Public interest.

(c)(1)(ii) Requests for a Secretarial determination under the authority of Homeland Security Acquisition Regulation (HSAR) 48 CFR 306.302-7 shall be submitted to the Head of the Contracting Activity (HCA) via the Office of Procurement Policy and Oversight (Commandant (CG-913)).

CGAP SUBCHAPTER 3006.303 Justifications.

CGAP SUBCHAPTER 3006.303-1 Requirements.

- (d) Coast Guard class justifications shall be written in coordination with the appropriate contracting office and the Office of Procurement Policy and Oversight (Commandant (CG-913)), and will normally apply to the conditions cited in CGAP Subchapter 3006.302-190(b)
- (4). Contracting offices that identify a need for class justifications shall contact Commandant (CG-913).

CGAP SUBCHAPTER 3006.303-2 Content.

- (a) The DHS J&A Guide, located at:

<http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/paw/Documents/APL/Guides/Finalized%20JA%20Guide%20version%202%202.pdf>

provides instruction and guidance on preparation of Justification and Approvals for Other Than Full and Open Competition.

(b)(6)(i) Unless an exception under [FAR 5.202](#) applies or the proposed acquisition include brand name specifications, a Justification and Approval for Other Than Full and Open Competition (J&A) requiring approval per CGAP Subchapter 3006.304(a), shall be:

- (A) Signed and dated by the Contracting Officer at least 15 days after the synopsis publication date;
- (B) Submitted after complete resolution of all inquiries resulting from synopsis notices and/or other legitimate inquiries; and,
- (C) Accompanied by the notice aforementioned synopsis notice.

(a)(6)(ii) For brand name acquisitions, as described in [FAR 11.104\(b\)](#), since the J&A is required to be included with a Request for Quotation/Request for Proposals (RFQ/RFP) in Federal Business Opportunities (FBO) or GSA E-Buy, per [FAR 5.102\(a\) \(6\)](#), the synopsis requirements under Subchapter (a) (6) (i), above, are not applicable prior to submission of the J&A. However in completing the justification, when describing market research conducted and efforts made to solicit as many sources as practicable to promote full and open competition, the Contracting Officer may use any available means (e.g., sources sought notice, exhaustive internet search, participation in industry trade shows, surveys) to perform such actions.

CGAP SUBCHAPTER 3006.304 Approval of the justification.

(a) J&As shall be approved at the authority levels designated under FAR 6.304, unless otherwise directed by the HSAM. The Contracting Officer shall review and approve all justifications not exceeding the threshold set forth in FAR 6.304(a)(1). The CG designates the CPACA as the approval authority under the threshold set forth in FAR 6.304(a)(2). The CG designates the CG PACA as the approval authority under the threshold set forth in FAR 6.304(a)(3). The DHS Chief Procurement Officer (CPO) is the approval authority under the threshold set forth in FAR 6.304(a)(4). Legal counsel shall review and sign all justifications for requirements with an estimated value greater than the Simplified Acquisition Threshold (SAT). For justifications over \$10 million the approved Acquisition Plan (AP) associated with the procurement shall be included when submitting the J&A.

(e) For justifications equal to or greater than the threshold set forth in FAR 6.304(a)(3), the approved Acquisition Plan (AP) associated with the procurement shall be included when submitting the J&A, unless otherwise directed by the HSAM.

CGAP SUBCHAPTER 3006.305 Availability of the justification.

CGAP SUBCHAPTER 3006.305-90 Justification copies and reviews

(b) All J&As requiring approval by the CG PACA or the DHS CPO shall first be submitted to CG-913, with a copy of the synopsis or the waiver of synopsis and copy of Acquisition Plan for requirements over the threshold set forth in FAR Subpart 6.304(a)(3), unless otherwise directed by the HSAM.

CGAP SUBCHAPTER 3006.5 COMPETITION ADVOCATES

CGAP SUBCHAPTER 3006.501 Requirement.

The CG PACA is the Deputy Assistant Commandant for Acquisition, (CG-9d), or as otherwise designated by the Head of the Contracting Activity (HCA). The CG PACA is supported by Command Procuring Activity Competition Advocates (CPACAs). CPACA delegations are made by the HCA and may be appointed from the following organizations to support the mission:

Aircraft Logistics Center (ALC);
Command, Control, Communications, Computer and Information Technology (C4IT);
Shore Infrastructure Logistics Center (SILC);
Surface Forces Logistics Center (SFLC); and
Coast Guard Headquarters (CG-91)

CGAP SUBCHAPTER 3006.502 Duties and responsibilities.

CGAP SUBCHAPTER 3006.502-90 Duties and responsibilities of the Coast Guard Competition Advocate (CG PACA)

In addition to the duties of the Competition Advocate listed under [FAR 6.502](#), the CG PACA shall review and approve or disapprove written decisions not to exercise options for re-procurement data (see CGAP Subchapter 3017.291).

CGAP SUBCHAPTER 3006.502-91 Duties and responsibilities of the Command Procuring Activity Competition Advocate (CPACA).

Each CPACA shall be responsible for those duties listed under [FAR 6.502](#), and in the CPACA's individual appointment letter issued by the Head of the Contracting Activity (HCA). The CPACA shall forward copies of all approved justifications (.docx and.pdf versions) to CG-913 within 5 working days of signature.

CGAP SUBCHAPTER 3006.502-92 Duties and responsibilities of the Chief of the Contracting Office (COCO) under the competition advocate program.

(a) COCOs shall review and identify programs and make recommendations to the CG PACA regarding improvements to full and open competition for their offices. Each

COCO is responsible for the prompt implementation of agency directives and compliance with reporting requirements.

- (b) No later than October 15, to support the Coast Guard's annual Competition Advocate Report, the COCO shall provide information to CG-913 on programs, procedures, and innovations that units within their area of responsibility had implemented to enhance and promote competition.
- (c) COCOs shall ensure that all mandatory and non-mandatory competition-related information in the Federal Procurement Data System (FPDS-NG) is completely and accurately captured.
- (d) All contracting offices shall direct correspondence and inquiries concerning the CG PACA Program to CG-913. Correspondence or inquiries to the CG PACA shall be addressed to CG-913.

CGAP CHAPTER 3007 ACQUISITION PLANNING**CGAP SUBCHAPTER 3007.103 Agency-head responsibilities.**

- (e)(1) Evidence of AAP entries shall be maintained by each procurement organization (centrally or within each contract file).
- (e)(2) The affirmative statement may be included in the body of the PR or on a separate memo provided by the requisitioner, and must be located with the PR package in the contract file. The Small Business Specialist must be included in this coordination as set forth in FAR 7.104(d).
- (e)(5) APs shall reference the AAP number on the cover sheet of the AP, regardless of which AP template is used.
- (j)(1)(iii) For sole source procurements (Limited Sources Justification, Fair Opportunity Exceptions, or Justifications for Other Than Full and Open Competition), the CG PACA shall review APs with an estimated value greater than threshold set forth in FAR 6.304(a)(3), unless otherwise directed by the HSAM, prior to AP approval. These APs shall be routed by the COCO to CG-913 for review and staffing to the CG PACA.
- (j)(2) Approval:

APs shall be reviewed and approved at the thresholds outlined in Appendix A to the CGAP. All APs must be coordinated through CG-913.

- (j)(2)(ii) APs for actions requiring CPO approval shall be forwarded to the HCA via Deputy HCA for review and approval prior to submission to the Office of the Chief Procurement Officer for DHS (DHS OCPO) for approval.
- (j)(3) A copy of the approved AP shall be maintained within each contract file.

CGAP SUBCHAPTER 3007.105 Contents of Written Acquisition Plans.

- (c) The DHS Acquisition Planning Guide is located under Guides at:
[http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/paw/Pages/AcquisitionPolicyLegislation\(APL\).aspx](http://dhsconnect.dhs.gov/org/comp/mgmt/cpo/paw/Pages/AcquisitionPolicyLegislation(APL).aspx)

CGAP SUBCHAPTER 3007.172 Advance Acquisition Plans.

- (a) The Primary Coast Guard Advance Acquisition Plan (AAP) Coordinator is located within Commandant (CG-913) and is responsible for implementing the specifics of AAP data collection and coordination as required by DHS.

(b) The due date for annual entries of Advance Acquisition Plans (AAPs) to Commandant (CG-913) for the upcoming fiscal year is 31 August. AAPs shall also be entered after this date for all new requirements that meet the criteria for completion of an AAP.

CGAP SUBCHAPTER 3007.2 PLANNING FOR THE PURCHASE OF SUPPLIES IN ECONOMIC QUANTITIES

CGAP SUBCHAPTER 3007.271 DHS-wide agency contracts.

CGAP SUBCHAPTER 3007.271-1 General requirements.

Obtaining written approval by the Chief Procurement Officer (CPO) of DHS shall be coordinated through Commandant (CG-913).

CGAP SUBCHAPTER 3007.271-4 Post-Award Notification.

In addition to the required Congressional notification under HSAM Subchapter 3005.303 and CGAP Subchapter 3005.303 (a) the Contracting Officer shall coordinate post-award notification through Commandant (CG-913). Post-award notifications should be made no later than 7 days after contract award in order to allow timely dissemination to DHS.

CGAP SUBCHAPTER 3007.5 INHERENTLY GOVERNMENTAL FUNCTIONS

CGAP SUBPART 3007.503 Policy

(b) The balanced workforce assessment in the BWAT shall be provided in the procurement request transmitted to the contracting office and shall serve as the PM/requirements official statement that none of the functions to be performed are inherently governmental. If applicable, the PM/requirements official must submit a memorandum stating that an exception to the BWAT applies.

CGAP CHAPTER 3008 REQUIRED SOURCES OF SUPPLIES AND SERVICES**CGAP SUBCHAPTER (a) Strategically sourced commodities.**

- (a) Most DHS Strategic Sourcing Contract Vehicles are mandatory for use. Contracting Officers shall comply with DHS Directive 060-01, Development and Use of Strategic Sourcing Contract Vehicles and DHS Instruction 060-01-001, Instruction for Development and Use of Strategic Sourcing Contract Vehicles.

(1) Exceptions - DHS Strategic Sourcing Vehicle exceptions are listed and detailed in the DHS Instruction 060-01-001. If an exception applies, the Contracting Officer shall complete the exception form and obtain approval from their Division or Branch Chief. The Contracting Officer shall then submit the signed form to CG-913 at HQS-SMB-DHS-SSV, Exceptions and Waivers. CG-913 will provide review and clearance. CG-913 will submit a copy of the form to the DHS Strategic Sourcing Office. The Contracting Officer shall keep an approved copy in the contract file.

(2) Waivers - A Strategic Sourcing Vehicle waiver must be obtained prior to purchasing goods and services from a non-Strategic Sourcing Vehicle when one of the exceptions does not apply and the requirement is within the scope of the Strategic Sourcing Vehicle. The Contracting Officer shall then submit the signed form to CG-913 at HQS-SMB-DHS-SSV, Exceptions and Waivers. CG-913 will provide review and clearance. CG-913 will submit a copy of the form to the DHS Strategic Sourcing Office. The Contracting Officer shall keep an approved copy in the contract file.

- (b) The Federal Strategic Sourcing Initiative (FSSI) Print Management Blanket Purchase Agreements (BPAs) shall be used for all services and supplies that are available through them.

(1) Marine Inspection Office Far East Activities (FEACT); Marine Inspection Office Activities Europe, Rotterdam; and Patrol Forces Southwest Asia (PATFORSWA) are not required to use the FSSI.

CGAP SUBCHAPTER 3008.002-90 Priorities for use of Government supply sources.

- (a) Policies and procedures are set forth in [COMDTINST M4400.19 \(series\), Supply Policy and Procedures Manual \(SPPM\)](#), of the Office of Logistics (Commandant (CG-44)).

CGAP SUBCHAPTER 3008.1 EXCESS PERSONAL PROPERTY**CGAP SUBCHAPTER 3008.102 Policy.**

Policies and procedures concerning the use of excess personal property are set forth in [DHS Management Directive 0565, Personal Property Management Directive](#), and the [Property Management Manual, COMDTINST M4500.5 \(series\)](#).

CGAP SUBCHAPTER 3008.4 FEDERAL SUPPLY SCHEDULES

CGAP SUBCHAPTER 3008.405 Ordering procedures for federal supply schedules.

CGAP SUBCHAPTER 3008.405-6 Limited sources justification and approval.

- (h) The justification and approval for the use of brand names and limited sources for FSS, as described in [FAR Subsection 8.405-6](#), shall be submitted using the procedures outlined in the DHS J&A Guide.

CGAP SUBCHAPTER 3008.8 ACQUISITION OF PRINTING AND RELATED SUPPLIES

CGAP SUBCHAPTER 3008.802 Policy.

- (a) Policies and procedures for the purchase of printing-related services are set forth in [COMDTINST M4200.13 \(series\)](#), [Simplified Acquisition Procedures Handbook](#), and [COMDTINST M5600.6 \(series\)](#), [Printing and Binding Regulations](#) published by the Office of Information Management (Commandant (CG-612)).

CGAP SUBCHAPTER 3008-870 Acquisition of DHS employee business cards.

- (a) Coast Guard policy and procedures on the purchase of employee business cards are set forth in the [Financial Resource Management Manual \(FRMM\)](#), [COMDTINST M7100.3 \(series\)](#).

CGAP SUBCHAPTER 3008.11 LEASING OF MOTOR VEHICLES

CGAP SUBCHAPTER 3008.1100 Scope of subchapter.

Coast Guard policies and procedures for the purchase and leasing of motor vehicles are set forth in the [Motor Vehicle Manual](#), [COMDTINST M11240.9 \(series\)](#) and [Simplified Acquisition Procedures Handbook](#), [COMDTINST M4200.13 \(series\)](#). Pursuant to [COMDTINST M11240.9](#), all procurement requests for passenger vehicles submitted to Contracting Officers shall contain an authorization approval from Commandant (CG-43).

CGAP SUBCHAPTER 3008.1102 Presolicitation requirements.

CGAP SUBCHAPTER 3008.1102-90 Prior approval of vehicle purchases and leases.

- (a) Annual Coast Guard Appropriations Acts limit the number of passenger vehicles that can be purchased each fiscal year. For purposes of these laws a purchase includes the outright buying of vehicles, property transfers from another Government entity (e.g. General Services Administration excess property or the Defense Reutilization Management Office (DRMO)), and all commercial leases/rentals of 60 days or more.
- (b) The only type of acquisition not included in this legal restriction is a GSA Fleet Lease (a type of Interagency Fleet Lease).

Interagency Fleet Leases also include Category I, MIPRs that support Interagency Agreements that provide vehicle services or loans from another government agency (such as the Navy) without transfer of property to the Coast Guard inventory. The servicing agency in accepting an MIPR/IA will determine whether to use Category I (reimbursable funds citation) or Category II (direct funds citation) methods of funding. Category I is appropriate when the servicing agency will perform using internal resources. Category II is appropriate when the USCG utilizes the servicing agency's existing contract vehicle.

MIPRs/IAs must specify "Category" in the text.

- (f) Purchase by the Coast Guard of passenger vehicles in excess of the total number permitted by law in a given fiscal year is a violation of the Anti Deficiency Act. In order to prevent such purchases from creating Anti Deficiency Act violations, all planned acquisitions of passenger vehicles must receive the prior approval of Commandant (CG-43) before Coast Guard funds can be committed for this purpose. Passenger vehicle acquisitions are for replacement of owned or commercially leased vehicles currently in the Coast Guard inventory. Acquisition of one passenger vehicle without the retirement of one passenger vehicle will create an immediate Anti Deficiency Act violation.

CGAP CHAPTER 3009 CONTRACTOR QUALIFICATIONS

CGAP SUBCHAPTER 3009.104 Standards.

CGAP SUBCHAPTER 3009.104-6 Federal awardee performance and integrity information system.

CGAP SUBCHAPTER 3009.104-690 Certification regarding debarment, suspension, proposed debarment, and other responsibility matters.

COCOs shall notify the HCA via Commandant (CG-913) and CG-0949 when an offeror, in compliance with the provision at [FAR 52.209-5, Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters](#), indicates an indictment, charge, conviction, or civil judgment. COCOs shall submit a copy of the offeror's certification for the provision at [FAR 52.209-5](#) and the Contracting Officer's written determination of the offeror's responsibility, to CG-0949 for concurrence and submission to the DHS Suspension and Debarment Official.

CGAP SUBCHAPTER 3009.2 QUALIFICATIONS REQUIREMENTS

CGAP SUBCHAPTER 3009.202 Policy.

Pursuant to [FAR Paragraphs 9.202\(a\), \(b\), \(e\)](#) and [HSAM Subchapter 3009.202](#) the Contracting Officer shall submit the required justification/waiver request to Commandant (CG-913) for coordination with the Coast Guard Competition Advocate and approval by the Head of the Contracting Activity (HCA) (Commandant (CG-91)).

CGAP SUBCHAPTER 3009.206 Acquisitions subject to qualification requirements.

CGAP SUBCHAPTER 3009.206-1 General.

- (b) Pursuant to [FAR Paragraph 9.206-1\(b\)](#) and [HSAM Subchapter 3009.206-1\(b\)](#) the Contracting Officer shall submit the required determination to Commandant (CG-913) for coordination with the Coast Guard Competition Advocate and the HCA.

CGAP SUBCHAPTER 3009.4 DEBARMENT, SUSPENSION AND INELIGIBILITY

CGAP SUBCHAPTER 3009.405 Effect of listing.

CGAP SUBCHAPTER 3009.405-1 Continuation of current contracts.

Any request for CPO action under FAR 9.405-1(a) or (b) must be fully documented and shall be submitted by the COCO through Commandant (CG-913) for HCA review and coordination.

CGAP SUBCHAPTER 3009.406 Debarment

CGAP SUBCHAPTER 3009.406-1 General

- (c) The COCO shall submit a written justification through Commandant (CG-913) for HCA review and coordination that provides the compelling reasons to justify CPO approval of continued business dealings with a contractor that is debarred or proposed for debarment.

CGAP SUBCHAPTER 3009.406-3 Procedures

- (a) Investigation and referral. [DHS Directive 146-01](#) and [DHS Instruction 146-01-001](#) govern this process. The COCO shall prepare the investigation and referral report in coordination with the cognizant Contracting Officer and CG-0949 and forward the documents to CG-0949 for action. See [DHS Directive 146-01, Suspension and Debarment Program](#).

CGAP SUBCHAPTER 3009.407 Suspension.

CGAP SUBCHAPTER 3009.407-1 General.

- (d) The COCO shall submit a written justification through Commandant (CG-913) for HCA review and coordination that provides the compelling reasons to justify CPO approval of continued business dealings with a contractor that is debarred or proposed for debarment.

CGAP SUBCHAPTER 3009.407-3 Procedures.

- (a) Investigation and referral. [DHS Directive 146-01](#) and [DHS Instruction 146-01-001](#) govern this process. The COCO shall prepare the investigation and referral report in coordination with the cognizant Senior Field Contracting Officer and CG-0949 and forward the documents to CG-0949 for action. See [DHS Directive 146-01, Suspension and Debarment Program](#).

CGAP SUBCHAPTER 3009.5 ORGANIZATIONAL AND CONSULTANT CONFLICTS OF INTEREST

CGAP SUBCHAPTER 3009.590 Prohibition on Coast Guard use of lead system integrators.

The following prohibition applies to new contracts or orders issued on or after October 15, 2010, unless one of the exceptions in 14 U.S.C. 564 (3)(b) applies, in which case these exceptions expire the earlier of September 30, 2011 or the date in which the Commandant certifies that the CG can perform the functions of a lead system integrator (LSI). See also CGAP SUBCHAPTER 3015.404-190 Excessive pass-through charges by lead system integrators, with

respect to ensuring that pass-through charges are not excessive under existing contracts or orders with LSIs.

- (a) [14 U.S.C. 564](#) (Sec. 402 of the Coast Guard Authorization Act for Fiscal Years 2010 and 2011, [P.L. 111-281](#)) prohibits the Coast Guard (Commandant (CG-00)) from using a private sector entity as a lead systems integrator for an acquisition contract awarded or delivery order or task order issued after October 15, 2010. Refer to Sec.402 of the Coast Guard Authorization Act for Fiscal Years 2010 and 2011 for further guidance.

CGAP CHAPTER 3010 MARKET RESEARCH

CGAP SUBCHAPTER 3010.001 Policy.

The [DHS Market Research Guide \(HSAM Appendix I\)](#) provides guidance governing Coast Guard market research efforts.

CGAP CHAPTER 3011 DESCRIBING AGENCY NEEDS**CGAP SUBCHAPTER 3011.002 Policy.****CGAP SUBCHAPTER 3011.5 LIQUIDATED DAMAGES****CGAP SUBCHAPTER 3011.502 Procedures.**

If a liquidated damages clause is to be used in a contract, the Contracting Officer shall document the contract file addressing the reasons for including a liquidated damages clause and the basis for determining the rate of liquidated damages. The Contracting Officer should obtain the advice of legal counsel.

CGAP SUBCHAPTER 3011.6 PRIORITIES AND ALLOCATIONS**CGAP SUBCHAPTER 3011.603 Procedures.**

(d), (e) and (f) The Contracting Officer shall contact Commandant (CG-913) immediately upon identifying a need to assign a DO rating to any document, and prior to any such assignment. The website for the Defense Priorities Allocations System (DPAS) is <http://www.bis.doc.gov/dpas/> or <http://guidebook.dema.mil/38/dpas.htm>.

Per HSAR 3011.6 and AA 10-07, the Coast Guard has authority to issue priority ratings in support of Certified National Defense related Programs. Component HCAs are delegated authority to use the following DPAS ratings: DO-N4 (Border and Transportation Security), DO-N5 (Counter-terrorism, Including Law Enforcement), and DO-N7 (Critical Infrastructure Protection and Restoration). Prior to using a DPAS rating, the Contracting Officer must submit a memorandum requesting authority from the HCA to use one of the above DPAS ratings in a solicitation. A copy of the solicitation incorporating FAR 52.211-14, noting that any contract or modification awarded as a result of this solicitation will be either a DO-N4, DO-N5 or DO-N7 rated order, must be attached to this memo. The memo and attached solicitation must be submitted to the HCA for approval through their respective COCO and CG-913 prior to release of the solicitation.

- (g) The designated point of contact to assist contracting offices with requests for Special Priorities Assistance (SPA) requests is the Office of Procurement Policy and Oversight (Commandant (CG-913)). Upon receipt of a [Form BIS-999, Request for Special Priorities Assistance](#) from an applicant, the Contracting Officer shall ensure that the information contained in the Form BIS-999 is complete and accurate and attempt to resolve the SPA request with the applicant. If the Contracting Officer cannot resolve the SPA request with the applicant, they shall forward the completed package including any supporting information to Commandant (CG-913) for further assistance.
- (i) The Contracting Officer shall provide a written report of any violations of the Defense Priorities and Allocations System (DPAS) to Commandant (CG-913) for review and forwarding to the Department of Commerce.

CGAP CHAPTER 3012 ACQUISITION OF COMMERCIAL ITEMS

(RESERVED)

CGAP CHAPTER 3013 SIMPLIFIED ACQUISITION PROCEDURES

CGAP SUBCHAPTER 3013.000 Scope of subchapter.

Procurements utilizing simplified acquisition procedures must follow the guidance outlined in HCA GM 13.0.

CGAP CHAPTER 3014 SEALED BIDDING

CGAP SUBCHAPTER 3014.4 OPENING OF BIDS AND AWARD OF CONTRACT

CGAP SUBCHAPTER 3014.401 Receipt and safeguarding of bids.

- (a) Bid envelopes received by mail shall be time-stamped and checked for identification prior to deposit in the bid box. Bid samples should receive the same degree of security as bids, and accounted for by the maintenance of local records. Bid samples shall not be given away, loaned, diverted, or used for any purpose other than that intended.

CGAP SUBCHAPTER 3014.407 Mistakes in bids.

CGAP SUBCHAPTER 3014.407-3 Other mistakes disclosed before award.

- (i) The Contracting Officer shall coordinate with the appropriate legal office before submitting doubtful cases to the Comptroller General for an advance decision.

CGAP SUBCHAPTER 3014.407-4 Mistakes after award.

- (b) The determination authorized under this subsection shall be in writing, signed by the Contracting Officer, and included in the contract file.
- (d) The determination made under this subsection shall be documented on a Determinations and Findings and coordinated with Legal Counsel.

CGAP SUBCHAPTER 3014.408 Award

CGAP SUBCHAPTER 3014.408-2 Responsible bidder--reasonableness of price.

- (a) The determination required by this subsection shall be in writing and included in the contract file.

CGAP SUBCHAPTER 3014.409 Information to bidders.

CGAP SUBCHAPTER 3014.409-2 Award of classified contracts.

Disposition actions for classified information furnished or created in connection with a solicitation shall be in accordance with the National Industrial Security Program (See [\(FAR\) 48 CFR 4.4](#) and [COMDTINST 5520.13](#)(Series)).

CGAP CHAPTER 3015 CONTRACTING BY NEGOTIATION**CGAP SUBCHAPTER 3015.2 SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION****CGAP SUBCHAPTER 3015.201-90 Exchange with industry before receipt of proposals.**

Any changes to a solicitation resulting from a pre-proposal conference must be specifically addressed in an amendment to the solicitation. While all prospective offerors should receive a copy of the minutes of the pre-proposal conference, the minutes shall not be used as a means to amend the solicitation.

CGAP SUBCHAPTER 3015.204 Contract format.**CGAP SUBCHAPTER 3015.204-1 Uniform contract format.****CGAP SUBCHAPTER 3015.204-2 Part I—the schedule.****CGAP SUBCHAPTER 3015.204-290 Identification of real and personal property assets.**

- (a) Real or personal property is defined as tangible assets that have an estimated useful life of two or more years; are not intended for sale in the ordinary course of business; and are intended to be used by or be available to the entity.
- (b) In accordance with Paragraphs 9.A. and 9.B.3.e.2 of the [Financial Resources Management Manual \(FRMM\), COMDTINST M7100.3\(series\)](#), the Contracting Officer shall ensure that all solicitations and contracts for the procurement of real or personal property assets identify separate contract line numbers (CLINs), with separate accounting information, whenever the contract will procure different types of real or personal property assets under the same procurement instrument, i.e., each type of real or personal property asset procured will have a unique funding source.
- (b) In order to ensure effective capitalization of developed and delivered assets, it is Coast Guard policy that all Statements of Work (SOWs) for the procurement of real or personal property assets must clearly identify each real or personal property asset to be procured.

CGAP SUBCHAPTER 3015.3 SOURCE SELECTION**CGAP SUBCHAPTER 3015.303 Responsibilities.**

- (a) On a case by case basis, the HCA may appoint another individual as the SSA for a particular major system acquisition.
- (b) The Source Selection Plan (SSP) should be prepared in accordance with the [DHS Practical Guide to Source Selection Guide](#)

- (c) The contracting officer must not release the solicitation prior to SSA approval of the SSP (reference HCA GM 3004.70). The SSP shall be maintained in the contract file with appropriate acquisition security safeguards and markings.

CGAP SUBCHAPTER 3015.304 Evaluation factors and significant subfactors.

Methods that rate or score cost or price and combine it with ratings or assessments for other evaluation factors are prohibited; that is, cost or price shall not be rated or scored.

- (1) Rating Method. Numerical rating methods are prohibited for rating or scoring proposals.

CGAP SUBCHAPTER 3015.305 Exchanges with offerors after receipt of proposals.

- (a) The Source Selection Authority shall concur with and endorse an award without discussions if appropriate.
- (b) The Source Selection Authority shall concur with and endorse the competitive range determination, or any decision to eliminate an offeror's proposal from the competitive range.

CGAP SUBCHAPTER 3015.403 Obtaining cost or pricing data.

CGAP SUBCHAPTER 3015.403-4 Requiring cost or pricing data (10U.S.C. 2306a and 41U.S.C. 254b).

When determining whether or not to require cost or pricing data, the estimated amount of options shall be included when calculating the total estimated amount of a proposed action.

CGAP SUBCHAPTER 3015.404 Proposal analysis.

CGAP SUBCHAPTER 3015.404-1 Proposal analysis techniques.

CGAP SUBCHAPTER 3015.404-190 Excessive pass-through charges by lead system integrators.

The following applies to existing Coast Guard contracts with LSI's, and was based upon the Coast Guard establishing guidance to ensure that pass-through charges from lead system integrators (LSI's) were not excessive, and this guidance was effective 360 days after the effective date of the CG Authorization Act of 2010, or October 10, 2011. See also CGAP SUBCHAPTER 3009.590 Prohibition on Coast Guard regarding entering into new contracts or orders and use of lead system integrators.

- (a) Pursuant to [14 U.S.C. 568](#) (Sec. 402 of the Coast Guard Authorization Act for Fiscal Years 2010 and 2011 ([P.L. 111-281](#))), Contracting Officers shall ensure that pass-through charges on contracts, subcontracts, delivery orders, and task orders where a private entity acts as a lead system integrator by or on behalf of the Coast Guard, on or after October 10, 2011, are not excessive in relation to the cost of work performed by the relevant contractor or subcontractor.
- (b) Per [14 U.S.C. 568\(b\)](#), an excessive pass-through charge, with respect to a contractor or subcontractor, that adds no or negligible value to a contract or subcontract, means a charge to the Government by the contractor or subcontractor for overhead or profit on work performed by a lower tier contractor or subcontractor, other than reasonable charges for the direct costs of managing lower tier contractors and subcontracts, and overhead and profit based on such direct costs.
- (c) Charges of no or negligible value are charges for which a contractor or subcontractor cannot demonstrate to the Contracting Officer that its efforts add value to the contract or subcontract in accomplishing work performed under the contract (including task orders or delivery orders).
- (d) As part of preventing the payment by the Government of excessive pass-through charges, the Contracting Officer, in accordance with [14 U.S.C. 568](#), [FAR 15.408\(n\)](#) (1) and [FAR 15.408 \(n\)\(2\)\(ii\)](#), shall insert [FAR 52.215-22, Limitations on Pass-Through Charges-Identification of Subcontractor Efforts](#), and [FAR 52.215-23, Limitation on Pass-Through Charges](#), in all solicitations and contracts, including task and delivery orders that are entered into, where a private entity acts as a Lead Systems Integrator, by or on behalf of the Coast Guard on or after October 10, 2011.

CGAP SUBCHAPTER 3015.404-2 Information to support proposal analysis.

CGAP SUBCHAPTER 3015.404-290 Requesting and handling audits or other field pricing reports.

- (a) Procedures for requesting and handling audits or other field pricing reports can be found at CGAP Subchapter 3042.101 and [HSAM 3015.404-2](#).

CGAP SUBCHAPTER 3015.404-4 Profit

- (b)(1)(ii) For awards (including modifications) valued over the Micro-purchase Threshold and less than the Simplified Acquisition Threshold, the structured approach at [HSAM 3015.404-4\(b\)](#) is not required for determining profit or fee prenegotiation objectives.

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CGAP SUBCHAPTER 3015.406 Documentation**CGAP SUBCHAPTER 3015.406-90 Documents for Use.**

In preparation for discussions or negotiations or for contract modification or award, the following documents shall be used as appropriate:

Prenegotiation Memorandum: A Memorandum used to establish the government's position in preparation for discussions or negotiations or to justify the award(s) if discussions or negotiations are not merited. Prenegotiation Memoranda are required for any new award whether or not a competitive range will be set and discussions or negotiations will be held. Prenegotiation Memoranda are also required for any modification that requires submission of cost or pricing data or in which negotiations be held or both. A Prenegotiation Memorandum provides the facts of the acquisition up to the determination of the competitive range while also documenting the logic used to establish the Government's initial negotiation position. The Prenegotiation Memorandum should include all points to be raised in discussions or negotiations and conclude with a request for authority to enter discussions or negotiations.

If award is being made without discussions or negotiations (i.e., on initial offers), the Prenegotiation Memorandum will set forth proposal analysis and justify the award decision for new awards and modifications. When not holding discussions or negotiations, Prenegotiation Memoranda vary in length and scope, depending on the complexity and value of the action, ranging from a brief presentation of the facts supporting a simple modification all the way through a fully detailed analysis of the proposals received in response to a formal RFP, detailed rationale for finding the costs or prices fair and reasonable; and information supporting and documenting the award (such as trade-off analysis and contractor responsibility).

Post-Negotiation Memorandum: A Memorandum used to record the results of discussions or negotiations leading to an award recommendation. Post-Negotiation Memoranda are follow-on documents to Prenegotiation Memoranda and are required whenever discussions or negotiations are held. The Post-Negotiation Memorandum will include discussion of events occurring since approval of the Prenegotiation Memorandum; analysis of information received during or after discussions; detailed rationale for finding the costs or prices fair and reasonable; and information supporting and documenting the award (such as trade-off analysis and contractor responsibility).

CGAP SUBCHAPTER 3015.406-170 Prenegotiation objectives.

- (a) COCOs shall utilize the CG-91 templates for meeting the requirements in [FAR15.406-1](#), and [HSAM 3015.406-170](#) for documenting prenegotiation objectives

(b) Unless otherwise delegated, the review and approval levels for Prenegotiation Memoranda within the Approving Authority's warrant limitations are outlined in

Appendix A of the CGAP, Coast Guard Procurement Policy and Oversight Review Threshold Matrix.

CGAP SUBCHAPTER 3015.406-370 Documenting the negotiation.

- (a) For acquisitions (including modifications) at any value, the elements required for documenting the negotiation per FAR 15.406-3 must be fully addressed and met.
- (b) Unless otherwise delegated, the review and approval levels for Post-Negotiation Memoranda within the Approving Authority's warrant limitations are the same as set forth in Subchapter 3015.406-170, above, for Prenegotiation Memoranda.

CGAP SUBCHAPTER 3015.6 UNSOLICITED PROPOSALS

CGAP SUBCHAPTER 3015.604 Agency points of contact.

- (a) The COCO shall establish preliminary Points of Contact (POC) that are responsible for disseminating the information identified at [FAR 15.604\(a\)](#).

CGAP SUBCHAPTER 3015.606 Agency procedures.

- (a) The COCO shall maintain a procedure for receiving, handling, evaluating, and disposing of unsolicited proposals. This procedure shall track each unsolicited proposal received and processed.
- (b) The COCO is designated as the point of contact within the contracting office that is responsible for ensuring proper receipt, handling, evaluation and timely disposition of unsolicited proposals.
- (c) Information received from a submitter that states it is an unsolicited proposal, or otherwise appears to be an unsolicited proposal as defined in [FAR 15.603](#), shall not be copied or retained by anyone other than the designated point of contact within the COCO.
 - (1) If the material is received in hardcopy, all materials shall be forwarded, which shall include the original packaging showing the date the information was sent by the submitter, the addressee, and the date it was received by the addressee.
 - (2) If the material is received in electronic format via email, the recipient shall forward the electronic copy to the designated POC.

- (1) Whether submitted in hardcopy or electronically, the unsolicited proposal recipient(s) shall treat the material as proprietary in accordance with [FAR 15.608](#) and not disclose restrictively marked information contained therein (See [FAR 3.104](#) and [15.609](#)).
- (d) Marketing or advertising materials, product catalogs, or commercial item offers submitted either on the initiative of a vendor or at the request of an employee conducting market research are not unsolicited proposals.

CGAP CHAPTER 3016 TYPES OF CONTRACTS

CGAP SUBCHAPTER 3016.5 INDEFINITE DELIVERY CONTRACTS

CGAP SUBCHAPTER 3016.505 Ordering.

(b)(2)(ii)(C) Approval.

(2) CPACA must approve a proposed justification for exception to fair opportunity at the thresholds outlined for CPACA review in CGAP 3006.304(a).

(3) CG PACA must approve a proposed justification for exception to fair opportunity at the thresholds outlined for CG PACA review in CGAP 3006.304(a).

(b)(8) Task-Order and Delivery-Order Ombudsman. The HCA is the Coast Guard's Task-Order and Delivery-Order Ombudsman.

CGAP SUBCHAPTER 3016.6 TIME-AND-MATERIALS, LABOR-HOUR, AND LETTER CONTRACTS

CGAP SUBCHAPTER 3016.603 Letter contracts.

CGAP SUBCHAPTER 3016.603-2 Application.

CGAP SUBCHAPTER 3016.603-290 Application to the Coast Guard.

(c) (3) (iii) See CGAP Subchapters 3043.70 through 3043.7004 for other Coast Guard specific requirements under [14 U.S.C. 567](#) applicable to Letter Contracts as UCAs.

CGAP SUBCHAPTER 3016.603-3 Limitations

CGAP SUBCHAPTER 3016.603-390 Limitations applicable to the Coast Guard.

Pursuant to [14 U.S.C. 567](#) (Sec. 402 of the Coast Guard Authorization Act of 2010 and 2011 ([P.L. 111-281](#))), the use of Letter Contracts will be authorized in accordance with CGAP Subchapters 3043.70 through 3043.7004.

CGAP CHAPTER 3017 SPECIAL CONTRACTING METHODS

CGAP SUBCHAPTER 3017.1 MULTI-YEAR CONTRACTING

CGAP SUBCHAPTER 3017.105 Policy.

CGAP SUBCHAPTER 3017.105-1 Uses.

- (b) All proposed multi-year initiatives shall be coordinated between Commandant (CG-8), Commandant (CG-9), and Commandant (CG-0949).

CGAP SUBCHAPTER 3017.2 OPTIONS

CGAP SUBCHAPTER 3017.204 Contracts.

- (e) (3) While contracts exceeding the five year limitation may be necessary under certain circumstances, The Coast Guard must ensure that such contracts receive appropriate scrutiny, are fully justifiable, and their use is consistent with its ongoing responsibility to thoroughly plan and compete its requirements.
 - (A) Unless otherwise directed by the Head of the Contracting Activity (HCA) (Commandant (CG-91)), prior authorization by the HCA is required before issuing a contract that will have the effect of extending the total period of contract performance beyond five years.
 - (B) To obtain HCA authorization to exceed the five year limitation the Chief of the Contracting Office (COCO) shall submit a written request providing, at minimum, the following information:
 - (1) Solicitation/contract and Coast Guard elements covered by the request.
 - (2) Support for the need and reasonableness of a contract duration in excess of five years, considering such factors as:
 - Results of market research
 - Stability of the requirement(s)
 - Benefits to the Government
 - Use of a performance based contracting approach (as applicable)
 - Customary commercial practice
 - Mechanisms to adjust for economic fluctuations
 - Methods for determining price reasonableness
 - (C) For contracts over five years authorized by Subchapters 3017.204(e)(3), (A) and (B), above, the Contracting Officer shall submit a written Determination required by FAR 17.207(c) for HCA approval, in the format **included in the ARM**. The Determination must be submitted to the HCA through CG-

913, prior to the exercise of any option extending the duration of the contract beyond five years.

- (D) Contracts shall not be extended under the FAR Clause 52.217-8 Option to Extend Services, if such extension has the affect of going beyond the period of performance authorized by the HCA.

CGAP SUBCHAPTER 3017.291 Options for re-procurement data.

Solicitations for the initial buy or subsequent buys for equipment or systems requiring spare parts, shall, at a minimum, contain optional provisions for acquiring re-procurement data to perform follow-on competitive acquisitions. If at any time during the acquisition cycle, a decision is made not to exercise an option for re-procurement data, a copy of that decision and supporting data shall be forwarded to the Coast Guard Competition Advocate, through the Office of Procurement Policy and Oversight (Commandant (CG-913)). The data should be submitted in time to allow for review and approval or disapproval before the date in which the option must be exercised. This requirement does not apply to acquisitions below the simplified acquisition threshold, purchases under Federal Supply Schedules, and purchases of equipment for which spare parts are available competitively in the open market.

CGAP SUBCHAPTER 3017.5 INTERAGENCY ACQUISITIONS

3017.500 Scope of Subchapter.

This Subchapter establishes Coast Guard policy and procedures to ensure the appropriate and consistent use of interagency acquisition, as prescribed by [FAR Subpart 17.5](#), [HSAM 3017.5](#) and Department of Homeland Security [Interagency Acquisition Guide dated July 2013](#).

CGAP SUBCHAPTER 3017.501-70 Definitions.

As used in this subpart--

- (a) "Contracting Officer" means a individual with the USCG authorized by virtue of position or by appointment to perform the functions assigned by the Federal Acquisition Regulation and the Homeland Security Acquisition Regulation.
- (b) "Interagency Agreement" (IA) means the written agreement between two or more agencies containing the terms and conditions that govern the services that a servicing agency will provide a requesting agency in connection with an IAA under FAR 17.5.
- (c) "Interservice Support Agreement" (ISSA), are used when a Department of Defense (DoD) agency provides support and/or accepts funds from other agencies within the DoD. According to the DoD Financial Management Regulations (FMR), the only two forms required for ISSA transactions are DoD Form 1144 and a Military Interdepartmental Purchase Request.

- (d) "Military Interdepartmental Purchase Request" (MIPR) is (currently a DD Form 448) normally utilized by the Coast Guard and supplements Part B of the Interagency Agreement. Part B or an equivalent form that includes all the elements required in Part B must also be completed.
- (e) Interagency Financial Transaction - Reimbursable work performed by federal employees (other than acquisition assistance), employee details, shared services that do not result in a contract action or interagency activities where contracting is incidental to the purpose of the transaction. Interagency financial transactions are not covered by the FAR. See the DHS Financial Management (FM) policy Section 3.7 located at: DHS Financial Management Policy) for instruction on processing these transactions. CG-8 is the responsible party for Interagency Financial Transactions. The Contracting Officer has no involvement in the intra-governmental transaction process after CG-831 has made the determination the IA will result in an Interagency Financial Transaction. These actions are not signed by Contracting Officers.

CGAP SUBCHAPTER 3017.502 Procedures.

CGAP SUBCHAPTER 3017.502-90 Continuing resolutions and annual apportionments.

- (a) During a Continuing Resolution or annual apportionment period, the Availability of Funds clause ([FAR 52.232-18](#)) cannot be applied to Category I and II MIPRs for new initiatives. However, Category I and Category II MIPRs may be funded prior to apportionment, for continuation of ongoing mission critical functions, up to the amount of funds available if the MIPR (Category I and Category II) meets the following criteria:
 - (1) The Contracting Officer obtains written assurance from a responsible fiscal authority that adequate funds are available--an approved Purchase Request is sufficient; and
 - (2) The MIPR agreement shall state that FAR Clause 52.232-18, Availability of Funds, must be included by the Servicing Agency in any resultant contract in accordance with FAR 32.703-2.
- (b) Once funds apportionment is completed, the Contracting Officer shall issue a MIPR modification to fund the remaining periods of performance.

CGAP SUBCHAPTER 3017.504-90 Ordering procedures.

- (a) ISSA, MIPR, and Interagency Agreement are legal instruments used to support interagency acquisitions under the Economy Act and other statutory authority. When these legal instruments will result in a contractual action they must be signed by a Contracting Officer. The Contracting Officer must also sign any other legal instruments that encompass a contingent liability, such as damage to bailed property.

The Contracting Officer has no involvement in the processing of legal instruments which will result in a Financial Transaction (see definition of Interagency Financial Transaction under 3017.501-70 Definitions.

Whether or not the Coast Guard is the requesting or servicing agency; and

(2) Whenever an exchange of funds or property is expected during the effective period, even when such an exchange does not occur at the time the instrument is initially executed.

(b) Military Interdepartmental Purchase Requests (MIPRs) - MIPR Closeout:

(1) All excess funds shall be removed by an amendment to the MIPR. The Servicing Agency shall be contacted to verify any unexpended balance and the Coast Guard accounting system shall be queried to confirm the amount prior to removal of the funds. The Contracting Officer shall exercise diligence in pursuit of Agency acceptance of the DD 448-2, and if unsuccessful, shall document the efforts made.

CGAP SUBCHAPTER 3017.570 Signature authority.

The Contracting Officer shall have the signature authority, which meets or exceeds the estimate/dollar amount of an Interagency Agreement (IA) resulting in a contracting action.

CGAP SUBCHAPTER 3017.71 REQUIREMENTS FOR ACQUISITIONS INVOLVING STRATEGICALLY SOURCED COMMODITIES

CGAP SUBCHAPTER 3017.7102 Using Department-wide contract vehicles

- (a) A copy of the waiver and supporting justification/rationale required under DHS Directive 060-01, Development and Use of Strategic Sourcing Contract Vehicles, must be submitted to CG-913 for review and clearance, prior to submission to the DHS CPO.
- (b) A copy of the exception documentation that is maintained in the contract or purchase file must be submitted to CG-913.
- (d) A copy of the exception documentation for actions in excess of the SAT, must be submitted to CG-913 for review and clearance, prior to submission to the DHS OCPO's Strategic Sourcing Program Office.

CGAP SUBCHAPTER 3017.90 ACQUISITION OF PRODUCTS/SERVICES WITH SPECIAL COAST GUARD CONSIDERATIONS

CGAP SUBCHAPTER 3017.9001 Price related factors in the award of vessel repair or equipment installation contracts.

- (a) Foreseeable costs, in connection with the different shipyard locations and where the performance is conducted away from the vessel's home pier, may be evaluated in all solicitations for vessel repair or equipment installation, at the Contracting Officer's discretion. When the Contracting Officer determines the use of foreseeable cost provisions are in the best interest of the Government, the Contracting Officer must document the

rationale for use in the contract file. The documentation shall include which foreseeable costs will be evaluated and the rationale for inclusion of the commonly occurring foreseeable costs listed in (a) (1-5) of this section. The Contracting Officer may include other foreseeable costs not listed under (a) (1-5), if the rationale for inclusion is adequately documented.

When evaluating the foreseeable cost factors, Contracting Officers must reference each different geographical area (city and state) in which solicited contractors are located. The file should include how the contracting officer determined the rate for movement of the vessel (reference NOAA publication, "Distance Between U.S. Ports" or other authority (in order of priority), including Army Corp of Engineers or U.S. Navy transit publications, if the shipyard location is not contained in the NOAA publication).

For vessels 65' in length or greater with a dedicated crew, use the current CG-823 Variable Cost Rates posted at the following Commandant (CG-832) link:

<https://cg.portal.uscg.mil/units/cg832/SitePages/Costing%20tools.aspx>

For those vessels that do not have a Variable Cost Rate listed under the Commandant CG-832 link, the Contracting Officer shall develop a rate for movement of the vessel, which includes at a minimum the cost of fuel. Personnel crew cost is excluded.

At the Contracting Officer's discretion, all or part of the following list of commonly occurring foreseeable costs may be evaluated, as applicable:

- (1) *Transit Cost.* Costs related to moving vessels - Transit costs shall be included in all solicitations where work will not be accomplished at the vessel's home pier.
 - (2) *Family Separation allowance.* U.S. Coast Guard Pay Manual, Chapter 3, Section H.
 - (3) *Travel and per diem.* Transportation during repairs away from homeport (Joint Travel Regulations, Chapter 7, Part X, paragraph 7615-D.2.a(1)).
 - (4) *Berthing and/or messing shipboard personnel.*
 - (5) *Minimal messing facilities as a contractual requirement.*
- (b) The following provisions may be included in all solicitations for vessel repair or equipment installation for evaluation purposes only. The Contracting Officer shall incorporate these provisions under the evaluation scheme in the solicitation, in accordance with subparagraph (a) of this Subchapter.

LOCATION OF OFFEROR'S SHIPYARD

In order for the Contracting Officer to evaluate certain foreseeable costs to the Coast Guard, the offeror is required to provide, in the space below, the exact name and location of the shipyard to be used to perform the services required under this solicitation. The offeror is cautioned that its failure to provide the name and location of its shipyard in the space provided below may result in either, its bid being declared nonresponsive under the provisions of an Invitation for Bids or its proposal being declared nonresponsive under the terms of a Request for Proposal.

Name and Location of the Offeror's Shipyard:

(End of provision)

FORESEEABLE COST FACTORS PERTAINING TO DIFFERENT SHIPYARD LOCATIONS

In addition to other evaluation factors for award that may be listed in this solicitation, the Contracting Officer will evaluate certain foreseeable costs to the Coast Guard. Those costs will vary based on the location of the offerors shipyard and are added to the offeror's overall bid price or price proposal for the purposes of evaluation only. These elements of foreseeable costs consist of the following:

(1) Transit Cost:

- (i) Vessel operational cost will be calculated based on one round trip from the vessel's homeport of _____ to the contractor's facility. Distance will be based on the NOAA publication, "Distance Between U.S. Ports" or other authority (in order of priority), including Army Corp of Engineers or U.S. Navy transit publications, if the shipyard location is not contained in the NOAA publication.
- (ii) Transit cost to navigate the vessel between its homeport and the contractor's offered place of performance is \$____per nautical mile. The number of nautical miles to transit between the offerors shipyard and the vessel's homeport will be multiplied by the operational cost.

(2) Family Separation Allowance & Homeport Travel: Crew members with dependents residing within the area of the homeport are entitled to Family Separation Allowance and Homeport Travel Allowance whenever a vessel is overhauled outside of the area of the homeport. The area of the homeport is defined as the area within 50 road miles of the homeport. If the contractor's facility is outside of a 50-road mile radius of the vessel's homeport—

- (i) Family Separation Allowance for _____ personnel in accordance with Family Separation Allowance listed under DFAS.mil; Pay & Allowance; Family Separation Allowance for _____ crew members entitled to Family Separation Allowance. This entitlement is calculated from the date that the vessel leaves the home port to transit to the offerors shipyard and the planned date of return to home port after completion of repairs or equipment installation.

- (ii) Homeport Travel. Crew's transportation during overhaul away from home port. As required by 37 USC 406 b and Chapter 7, Part F1 of the Joint Federal Travel Regulations (JFTR), on the thirty-first (31) day of a vessel being away from home port, and every sixty (60) days thereafter, all personnel with dependents residing in the area of the home port will be provided round trip coach type airfare to the vessels home port. There will be _____ home port visit(s) during the performance of this contract. The vessel has _____ crew members eligible for Homeport Travel. Airfares will be based on the GSA City Pairs contracted Government YCA Fare (or successor GSA fare source) in effect at the time of receipt of bids/proposals. If there is no GSA contracted rate between the location of the contractor's shipyard and the homeport the rate will be computed based on commercially available airfares.

(3) *Travel and Per Diem Costs:* If the contractor's facility is outside of a 50-road mile radius of the vessel's homeport—

- (i) There will be a transportation cost for one (1) Contracting Officer's Representative (COR) for _____ round trip(s) between the contractor's offered place of performance and the COR's official duty station at the cost of coach-type airfare.
- (ii) There will be a per diem expense for _____ calendar days to support one (1) COR while in the city of the place of contract performance, to be determined in accordance with the Joint Federal Travel Regulations (JFTR). The cost of car rental for the estimated performance period will also be included.
- (iii) There will be a transportation cost for one (1) Contracting Officer for _____ round trip(s) between the Contracting Officer's official duty station and the contractor's offered place of performance at the cost of coach-type airfare, plus per diem expenses and a rental car.

(End of provision)

CGAP SUBCHAPTER 3017.9002 Contingent items for ship repair.

The inclusion of contingent line items in solicitations for ship repair is prohibited.

CGAP SUBCHAPTER 3017.9003 Liquidated damages for ship repair.

Prior to including a liquidated damages clause for damages in excess of \$500 per day in any solicitation or contract for ship repair, the Contracting Officer shall obtain legal counsel approval of the amount and specific method of determining such amount.

CGAP SUBCHAPTER 3017.9004 Prohibition on foreign ship yard repair for ships home ported in the United States or Guam.

In accordance with Sec. 218 of the Coast Guard Authorization Act of 2010 ([P.L. 111-281](#)), any overhaul, repair, or maintenance of a Coast Guard vessel, the homeport of which is in the United States or Guam, shall be accomplished within the United States or Guam, other than in the case of voyage repairs. Voyage repairs of Coast Guard ships by foreign shipyards is permissible in accordance with 14 U.S.C. § 96. Any voyage repair of a CG vessel is considered an unplanned repair.

CGAP SUBCHAPTER 3017.9005 Contractor verification that shipments have been identified as Foreign Military Sales (FMS) in the Automated Export System

Contracting Officers shall include the following provision in all contracts or task orders related to Foreign Military Sales (FMS) where shipping is part of the contract/task order scope.

FOREIGN MILITARY SALES SHIPMENT VERIFICATION BY THE CONTRACTOR IN THE AUTOMATED EXPORT SYSTEM

The USCG will provide the Contractor with copies of the associated DSP-94 and redacted copies (no cost or pricing information) of the Letter of Offer & Acceptance (LOA) in order to facilitate export requirements. The Contractor shall provide all documentation required to support the transfer of material from the Contractor's facility to the recipient country. This requirement includes, but is not limited to, customs clearance paperwork, export licenses, etc. The Contractor will not be responsible for the actual customs clearance process, nor any fees associated with the process. The Contractor will be provided with in-country points of contact (POC) and shipping address. The LOA also provides disclosure and release authority to meet ITAR and export requirements. However, the contractor shall be responsible for filing with the proper U.S. Government authorities, the documentation requirements of ITAR Section 126.6.

(End of provision)

CGAP SUBCHAPTER 3017.91 COASTS GUARD PROCEDURES FOR SPECIAL CONTRACTING REQUIREMENTS

CGAP SUBCHAPTER 3017.9100 Contracting for quarters.

Guidelines and rates for contract quarters are contained within the [Defense Travel Management Office \(DTMO\)](#) site for temporary duty both within and outside the continental United States. These rates are subject to change often so every effort should be made to obtain the most recent information possible.

CGAP SUBCHAPTER 3017.9101 Contracting for subsistence services.

When Government dining facilities are unavailable (temporarily suspended), Contracting Officers are authorized to contract for subsistence services to include both facilities and meal

catering. Guidelines on authorization for subsistence support of Coast Guard Dining Facilities and Private Messes Afloat are in Coast Guard Food Service Manual, [COMDTINST M4061.5 \(series\)](#).

CGAP SUBCHAPTER 3017.9102 Contracting for meals and refreshments.

Approval of the COCO shall be obtained when expected amounts for contracted meals exceed 150% of the fixed daily allowance provided in the Federal Travel Regulations (FTR) and Joint Federal Travel Regulation (JFTR).

CGAP SUBCHAPTER 3017.92 CONTRACTING FOR CONTAINMENT AND CLEAN UP OF OIL AND HAZARDOUS SUBSTANCE SPILLS

CGAP SUBCHAPTER 3017.9200 Scope of subchapter.

The Coast Guard responsibilities for the removal of oil and hazardous substances in waterways and adjoining shorelines are specified in the National Contingency Plan, 40 CFR 300, the Federal Water Pollution Control Act of 1971, as amended, the Comprehensive Environmental Response Cleanup and Liability Act of 1980, as amended, and the Oil Pollution Act of 1990.

CGAP SUBCHAPTER 3017.9201 General.

In order to expedite the processing of contracts for containment and clean-up of oil and hazardous substance spills, the preferred Coast Guard method of contracting is through the placement of orders against Basic Ordering Agreements (BOAs) as defined in [FAR 16.703](#), using a time and materials pricing arrangement. However, other methods of contracting can be used when appropriate.

CGAP SUBCHAPTER 3017.9202

(RESERVED)

CGAP SUBCHAPTER 3017.9203 Competition.

- (a) Contracting for containment and clean-up of oil and hazardous substances poses unique challenges when attempting to obtain full and open competition. However, competition shall be obtained to the maximum extent possible as governed by the response time needed in any given emergency. These conditions are documented by Commandant (CG-913) in a Class Justification for Other Than Full and Open Competition which Coast Guard Contracting Officers can use for all contracts and orders for oil and hazardous substance clean-up services.
- (b) Market Surveys. Cognizant Contracting Officers shall conduct market surveys for additional sources every three years, using synopses and other appropriate techniques. Any sources expressing an interest in a BOA in the interim shall be provided a solicitation.

- (c) Service Contract Act wage determinations. Cognizant Contracting Officers shall request wage determinations on an annual basis, or as required, from the Department of Labor (DOL). If possible, the DOL should be requested to make the wage determinations applicable to all contracts for oil and hazardous substance containment and cleanup services in the same geographic areas.
- (d) Competition Documentation for each Incident. Orders against BOAs shall not be awarded on a rotational basis among qualified contractors without pricing considerations. Orders shall be awarded to the contractor who offers the lowest price for those response times determined adequate considering the circumstances involved. On Scene Coordinators shall provide the cognizant Contracting Officer the following information via Authorization To Proceed (ATP) within 1 business day, and Pollution Report (POLREP) messages, when issued:
 - (1) The action(s) taken to obtain competition or the reasons(s) why competition was not feasible.
 - (2) The name(s) and point(s) of contact for the contractor(s) contacted.
 - (3) The rationale for awarding an order to the successful offeror.
 - (4) A written determination that the Service Contract Act applies if the incident is for services and exceeds \$2,500. If the incident requires construction that exceeds \$2,000, the OSC shall contact the cognizant Contracting Officer to determine whether the Davis Bacon Act has been incorporated into the BOA. If the Davis Bacon Act has been incorporated into the BOA, provide a written determination that the Davis Bacon Act applies. If the Davis Bacon act has not been incorporated into the BOA, and the incident requires construction that exceeds \$2,000, the cognizant Contracting Officer must contract for the required construction.

CGAP SUBCHAPTER 3017.9204 Authorization to proceed.

- (a) During the initial stages of an incident, On-Scene Coordinators (OSCs) may verbally authorize a contractor to commence performance of oil or hazardous substance clean-up services against existing BOAs up to \$50,000.00 per incident. Within 24 hours of the verbal authorization, OSCs shall issue a written Authorization to Proceed (ATP) which shall include, at a minimum: (1) the Federal Project Number; (2) the BOA number; (3) maximum dollar value of the commitment; (4) cognizant point of contact; (5) accounting office address; (6) contractor's name, address, point of contact, and signature; and (7) name and signature of the OSC." In the event the OSC determines an initial Authorization to Proceed requires an increase that will exceed \$50,000.00, the cognizant Contracting Officer shall be contacted and can authorize issuance of an ATP at a higher value based on the incident circumstances.

- (b) The Coast Guard OSC shall notify the cognizant contracting office by message and/or forward a copy of the ATP by commercial carrier overnight express or electronically within 24 hours after issuance of the ATP. The ATP shall include the rationale for selecting the identified contractor.
- (c) The Coast Guard OSC shall prepare all competition documentation required by CGAP Subchapter 3017.9203 and provide it, along with a copy of the ATP, to the cognizant contracting office within 1 business day after issuance of the ATP.

CGAP SUBCHAPTER 3017.9205 Issuing orders against BOAs.

The cognizant Contracting Officer shall review the ATP issued by the OSC and if all information is acceptable issue the confirming BOA order. The cognizant Contracting Officer shall distribute the order to the Coast Guard Finance Center within 7 working days of an incident for the purpose of documenting and recording the obligation of funds in the Financial Procurement Desktop (FPD) system. . All invoices will be paid by the Coast Guard Finance Center.

CGAP SUBCHAPTER 3017.9206 BOA order number.

The BOA order number (delivery order or task order) consists of the BOA contract number plus the individual order number. The individual order number shall be consistent with the procedure set forth at CGAP Subchapter 3004.605. If additional identification is needed, i.e., FPN, MSO port code, number of orders per incident, the identification shall be placed on the order in such a location as to separate it from the order number.

CGAP SUBCHAPTER 3017.9207 BOA order, file documentation, and file maintenance.

Issuance of the BOA order, file documentation, and file maintenance is the responsibility of the cognizant contracting office, except see CGAP Subchapter 3017.9204(d) above. The following minimum file documentation must be maintained for each order issued against a BOA: (1) a copy of the Ceiling and Number Assignment Processing System (CANAPS) generated message that assigns a Federal Project Number (FPN) and fund ceiling (this normally includes evidence of funds availability); (2) a record of the sources contacted or, if only one source was contacted, the reasons why competition was not feasible and why the particular contractor was selected (this record should include dates, names of individuals, companies, and factors influencing choice); (3) a copy of the ATP issued by the OSC and all competition documentation required by CGAP Subchapter 3017.9203; (4) a copy of the order issued on an [OF-347, Order for Supplies and Services](#); (5) modifications, if any, to the order issued on an [SF-30, Amendment of Solicitation/Modification of Contract](#); and (6) copies of invoices certified by the OSC together with supporting documentation.

CGAP SUBCHAPTER 3017.9208 Non-BOA purchases of supplies/services.

When supplies or services are required that are not covered under an existing BOA, the requirement shall be referred to the cognizant Contracting Officer.

- (a) Contracting Authority (Other than OSC). If the cognizant Contracting Officer agrees, a field contracting activity may elect to issue purchase orders for non-BOA supplies or services in support of the oil or hazardous materials incident, if the requirement is within and is not likely to exceed at some future date, the field activities' contracting authority.

- (b) OSC Contracting Authority. If the cognizant Contracting Officer cannot be contacted in a timely manner, Coast Guard OSCs are authorized to issue purchase orders for non-BOA supplies or services on an emergency basis only, not to exceed \$50,000 per incident. The OSC must contact the cognizant Contracting Officer by message and/or forward a copy of the purchase order and competition documentation required by CGAP Subchapter 3017.9203 by commercial carrier overnight express, or electronically within 24 hours after exercising this authority. If a message is used to notify the cognizant Contracting Officer, all information contained in the purchase order and the competition documentation must be summarized in the message. The OSC, acting within their delegated Contracting Officer capacity above, is required to advise the contractor, when any purchase order for services exceeding \$2,500 is issued, that the Service Contract Act of 1965, as amended, is applicable.

CGAP SUBCHAPTER 3017.9209 Disposal of salvageable products.

OSCs shall keep an accurate record of the quantity of recovered product suitable for reclamation or sale. The General Services Administration has declined to take custody of any recovered oil since they do not have appropriate storage facilities. The Contracting Officer may initiate action for sale of the recovered oil, with the proceeds being applied as a credit to the clean-up costs.

CGAP CHAPTER 3018 (RESERVED)

CGAP CHAPTER 3019 SMALL BUSINESS PROGRAMS

CGAP SUBCHAPTER 3019.2 POLICIES

CGAP SUBCHAPTER 3019.201 General policy.

As delegated by [HSAM 3019.201\(d\)](#), the HCA shall appoint a Coast Guard Small Business Specialist (CG SBS) who will serve as the Component Small Business Specialist required by the HSAM.. Each COCO shall nominate at least one cognizant SBS. Additional COCO SBSs and assistant SBSs maybe appointed by the HCA as requested by the COCO. The SBSs shall be responsible for the tasks outlined in [HSAM 3019.201\(e\)](#).

CGAP SUBCHAPTER 3019.202 Specific policies.

CGAP SUBCHAPTER 3019.202-270 Procurement forecast.

(2) All APFS entries shall be approved by the cognizant SBS.

CGAP SUBCHAPTER 3019.202-271 DHS Small Business Review Form.

(b) Requirement. The Purchase Request and Market Research Report shall be included as an attachment to the [Small Business Review Form, DHS Form 700-22](#).

CGAP SUBCHAPTER 3019.5 SET-ASIDES FOR SMALL BUSINESS

CGAP SUBCHAPTER 3019.501 General

(b) Actions requiring Small Business Administration Procurement Center Representative (SBA PCR) review and concurrence shall be submitted electronically to the Coast Guard Small Business Specialist for review and forwarding to the PCR..

CGAP SUBCHAPTER 3019.6 CERTIFICATES OF COMPETENCY AND DETERMINATIONS OF RESPONSIBILITY

CGAP SUBCHAPTER 3019.602 Procedures.

CGAP SUBCHAPTER 3019.602-1 Referral.

(a) (2) In addition to the requirements of HSAM 3019.602-1, the Contracting Officer shall send a copy of the determination concurrently to Commandant (CG-913).

CGAP SUBCHAPTER 3019.602-3 Resolving differences between the agency and the Small Business Administration.

- (a)(3) A formal appeal requesting reconsideration of a Certificate of Competency shall be submitted to Commandant (CG-913) for review prior to its submission by the COCO to the Small Business Administration.

CGAP SUBCHAPTER 3019.7 THE SMALL BUSINESS SUBCONTRACTING PROGRAM

CGAP SUBCHAPTER 3019.705 Responsibilities of the contracting officer under the subcontracting assistance program.

CGAP SUBCHAPTER 3019.705-2 Determining the need for a subcontracting plan.

The Contracting Officer shall send a copy of the approved determination that there are no subcontracting opportunities to the Coast Guard SBS for forwarding to the Director, Office of Small and Disadvantaged Business Utilization (OSDBU), DHS.

CGAP SUBCHAPTER 3019.705-470 Reviewing the subcontracting plan.

The DHS Form 700-23 shall be forwarded to the CG SBS for submission to the SBA PCR. The final copy of the subcontracting plan with SBS, PCR, and Contracting Officer signatures shall be placed in the contract file and an electronic copy provided to the Coast Guard Small Business Specialist.

CGAP SUBCHAPTER 3019.8 CONTRACTING WITH THE SMALL BUSINESS ADMINISTRATION (THE 8(a) PROGRAM)

CGAP SUBCHAPTER 3019.803 Selecting acquisitions for the 8(a) program.

Only general information regarding upcoming requirements may be released to 8(a) firms. Technical offices, contracting personnel, and SBS shall not review or accept work statements prepared by 8(a) firms, nor shall they give detailed information about their planned actions/requirements. This restriction includes the release of draft work statements to any 8(a) firm prior to receiving an acceptance letter from the SBA. Exception: Sole source 8(a) requirements valued at or below the Simplified Acquisition Threshold and processed under the DHS/SBA Partnership Agreement (See Appendix X to the HSAM).

CGAP SUBCHAPTER 3019.804 Evaluation, offering, and acceptance.

CGAP SUBCHAPTER 3019.804-470 Repetitive acquisitions.

For any requirement which was previously procured through the 8(a) program, but which is now being proposed for re-procurement outside of the program, a written determination must be submitted to the Coast Guard Small Business Specialist.

The determination should address all pertinent facts related to the acquisition, including the incumbent 8(a) firm's name, impact on the 8(a) firm's business, and whether SBA has been advised of the Contracting Officer's determination. The CG SBS shall review all determinations within five working days of their receipt and upon approval, forward to DHS OSDBU. DHS OSDBU approval must be obtained before proceeding with any public notice or solicitation effort. DHS OSDBU approval is not required for actions governed by statute, such as AbilityOne awards (41 CFR Chapter 51) or the Randolph-Sheppard Act (20 USC 107-107e). However, contracting offices with any such action shall provide the Coast Guard Small Business Specialist notification 30 days prior to contract award.

CGAP CHAPTER 3020/3021(REERVED)

CGAP CHAPTER 3022 APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS

CGAP SUBCHAPTER 3022.1 BASIC LABOR POLICIES

CGAP SUBCHAPTER 3022.101 Labor relations.

CGAP SUBCHAPTER 3022.101-70 Admittance of union representatives to DHS installations.

(b) Contracting offices shall submit the written report to Commandant (CG-913) who is the designated labor advisor for Coast Guard acquisition matters.

CGAP SUBCHAPTER 3022.101-170 DHS procurement labor advisor.

(b) The labor advisor for the Coast Guard is Commandant (CG-913).

CGAP SUBCHAPTER 3022.4 LABOR STANDARDS FOR CONTRACTS INVOLVING CONSTRUCTION

CGAP SUBCHAPTER 3022.406 Administration and enforcement.

CGAP SUBCHAPTER 3022.406-13 Semiannual enforcement reports.

Reference Appendix O of the HSAM for instructions and format. Contracting offices shall submit one original copy of the semiannual report to Commandant (CG-913) seven days prior to the 25 April and 25 October due dates.

CGAP SUBCHAPTER 3022.6 WALSH-HEALY PUBLIC CONTRACTS ACT

CGAP SUBCHAPTER 3022.608 Procedures.

(b) Breach of Stipulation. Contracting Officers shall send a copy of the information required under FAR Subpart 22.608(b) and HSAM 3022.608(b) to Commandant (CG-913).

CGAP SUBCHAPTER 3022.8 EQUAL EMPLOYMENT OPPORTUNITY

CGAP SUBCHAPTER 3022.807 Exemptions.

(c) Submit justifications for exemptions relating to Equal Employment Opportunity to Commandant (CG-913) in the format provided in [HSAM Appendix N](#). Commandant (CG-913) will forward these justifications to the DHS CPO via the HCA.

CGAP SUBCHAPTER 3022.13 SPECIAL DISABLED VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS

CGAP SUBCHAPTER 3022.1305 Waivers.

Submit waiver requests, as prescribed in [HSAM 3022.1305\(c\)](#), to Commandant (CG-913) for approval or forwarding to the DHS CPO via the HCA, as necessary.

CGAP SUBCHAPTER 3022.14 EMPLOYMENT OF WORKERS WITH DISABILITIES

CGAP SUBCHAPTER 3022.1403 Waivers.

(c) Submit waiver requests, as prescribed in [HSAM 3022.1403\(c\)](#), to Commandant (CG-913) for approval or forwarding to the DHS CPO via the HCA, as necessary.

CGAP CHAPTER 3023 ENVIRONMENT, ENERGY AND WATER EFFICIENCY, RENEWABLE ENERGY TECHNOLOGIES, OCCUPATIONAL SAFETY, AND DRUG FREE WORKPLACE

CGAP SUBCHAPTER 3023.2 ENERGY AND WATER EFFICIENCY AND RENEWABLE ENERGY

CGAP SUBCHAPTER 3023.201 Authorities.

CGAP SUBCHAPTER 3023.201-90 Prohibition on purchase of incandescent lamps.

In accordance with Section 522 of the Energy Independence and Security Act of 2007 ([Public Law 110-140](#)), effective January 1, 2009, a general service incandescent lamp shall not be purchased for installation in a Coast Guard facility (does not include a vessel or aircraft) by or on behalf of the Coast Guard, except when its purchase or installation is: (1) necessary due to purpose or design, including medical, security, and industrial applications; (2) reasonable due to the architectural or historical value of a light fixture installed before January 1, 2009; or (3) the Commandant determines that operational requirements necessitate the use of a general service incandescent lamp.

CGAP SUBCHAPTER 3023.4 USE OF RECOVERED MATERIALS AND BIOBASED PRODUCTS

CGAP SUBCHAPTER 3023.402 Authorities.

- (c) The office of Environmental Management (Commandant (CG-47)), within the Engineering and Logistics Directorate (CG-4), manages the Coast Guard's Pollution Prevention and Recycling Program.

CGAP SUBCHAPTER 3023.490 Contracting for containment and clean-up of oil and hazardous substances spills.

- (b) Contracting Officers shall include the following clause in all solicitations and contractual documents for the containment and cleanup of oil spills. Additional paragraphs may be added to the clause to include specific instructions, if appropriate.

SALVAGEABLE PRODUCTS

Salvageable products, and the proceeds derived from them, shall at the discretion of the Government become Government property. If the Government asserts its prerogative, it may have the contractor transport such recovered substances to a Government-specified storage site or directly to a commercial salvage company. If the Government elects to have the contractor deliver the recovered substances to a commercial salvage company, the contractor shall obtain receipts for payment and these payments shall be applied as a credit to the contract.

If the balance of allowable contracts costs is less than the credit for recovered substances, the contractor shall reimburse the Government for the difference.

(End of Clause)

CGAP SUBCHAPTER 3023.7 CONTRACTING FOR ENVIRONMENTALLY PREFERABLE PRODUCTS AND SERVICES

Before granting an exception, allowing purchase of other than EPEAT-registered products, the Contracting Officer shall coordinate the justification with the Coast Guard Office of Information Systems and Infrastructure, Commandant (CG-631).

CGAP SUBCHAPTER 3023.8 OZONE-DEPLETING SUBSTANCES

CGAP SUBCHAPTER 3023.803 Policy.

(b)(2) Effective December 31, 2010, Coast Guard assets, ashore, or afloat, shall not procure or otherwise obtain from the Defense Logistics Agency or on the open market any Class I Ozone Depleting Substances, except for mission critical uses.

**CGAP CHAPTER 3024 PROTECTION OF PRIVACY AND FREEDOM OF
INFORMATION**

(RESERVED)

CGAP CHAPTER 3025 FOREIGN ACQUISITION

CGAP SUBCHAPTER 3025.11 SOLICITATION PROVISIONS AND CONTRACT CLAUSES

CGAP SUBCHAPTER 3025.10 ADDITIONAL FOREIGN ACQUISITION REGULATIONS

CGAP SUBCHAPTER 3025.1003 Contractors Outside the United States.

- (a) Theater Clearance in contracts requiring performance in a foreign country - Contractor personnel traveling on OFFICIAL BUSINESS into and within the [U.S. Southern Command Area of Responsibility](#) must obtain Theater Clearance approval from the Commander, U.S. Southern Command, prior to travel. Reference <http://www.southcom.mil/Pages/Theater-Clearances.aspx> and ALCOAST 495/10

CGAP SUBCHAPTER 3025.1101 Acquisition of supplies.

- (g) Before inserting the clause at [FAR 52.225-8](#), Duty-Free Entry, which requires a list of supplies in the contract schedule to be accorded duty-free entry, the Contracting Officer shall review the circumstances with legal counsel to ascertain whether the supplies may qualify for duty-free entry.

CGAP CHAPTER 3026 OTHER SOCIOECONOMIC PROGRAMS (RESERVED)

CGAP CHAPTER 3027 PATENTS, DATA, AND COPYRIGHTS**CGAP SUBCHAPTER 3027.3 PATENT RIGHTS UNDER GOVERNMENT CONTRACTS****CGAP SUBCHAPTER 3027.303 Contract clauses.**

With respect to the applicability of [FAR 27.303 \(b\)\(3\)](#), [FAR 27.303\(e\)\(1\)\(ii\)](#), [FAR 27.303\(e\)\(4\)\(ii\)](#), [FAR 27.303\(e\)\(5\)](#), and [FAR 27.303 \(e\)\(1\)\(ii\)](#), concurrence of legal counsel is mandatory.

CGAP SUBCHAPTER 3027.304 Procedures.**CGAP SUBCHAPTER 3027.304-1 General.**

(b)(2) The Chief of the Contracting Office (COCO) is delegated the authority for administrative reviews under [FAR 27.304-1\(b\) \(2\)](#) after coordination with legal counsel. Legal concurrence in such reviews is mandatory.

CGAP SUBCHAPTER 3027.305 Administration of patent rights clauses.**CGAP SUBCHAPTER 3027.305-4 Protection of invention disclosures.**

(RESERVED)

CGAP SUBCHAPTER 3027.4-90 Use of products on a trial basis.

Hardware and software vendors will often offer the Government use of their product(s) on a trial basis. Properly handled, these product demonstrations or "test drives" of a product are a good way to determine if a commercial or non-developmental item can satisfy Government requirements. Two problems often arise under these product demonstrations. First, vendors may think that they have entered into an implicit agreement with the Government to buy the product if it works. Secondly, Government employees may assume that a successful product demonstration is a justification to buy it from the vendor who offered it for a test. (The requirements of [FAR Part 6](#) relative to competition still apply). To avoid these problems, a written licensing agreement with the vendor to address the trial use of its products shall be established. For trials of larger, unlicensed type items, similar terms may be used in a "bailment" agreement. Drafting assistance from the requiring unit's local servicing legal office is strongly recommended.

CGAP CHAPTER 3028 BONDS AND INSURANCE

CGAP SUBCHAPTER 3028.1 BONDS AND OTHER FINANCIAL PROTECTIONS

CGAP SUBCHAPTER 3028.101-1 Policy on use.

- (c) A class waiver approval for construction contracts to be performed overseas is hereby provided; COCOs are delegated authority for waivers of bid guarantee requirements for construction contracts to be performed overseas. Each waiver authorization must be made in writing and shall include a determination that bid guarantee requirements are not in the best interest of the Government.

CGAP SUBCHAPTER 3028.101-90 Annual bid bonds.

Annual bid bonds shall be submitted for review to local legal counsel or through the Commandant (CG-0949) to determine legal sufficiency.

CGAP SUBCHAPTER 3028.101-91 Solicitation provision or contract clause.

Sealed Bids for construction shall contain a statement that a bid guarantee is not required for bids totaling \$150,000 or less.

CGAP SUBCHAPTER 3028.105 Other types of bonds.

Obtaining the advice of legal counsel is mandatory.

CGAP SUBCHAPTER 3028.106 Administration

CGAP SUBCHAPTER 3028.106-2 Substitution of surety bonds.

- (a) Review of new surety bonds by legal counsel is mandatory.

CGAP SUBCHAPTER 3028.2 SURETIES AND OTHER SECURITY FOR BONDS

CGAP SUBCHAPTER 3028.203-7 Exclusion of individual sureties.

- (d) The Contracting Officer shall coordinate all justifications under [FAR 28.203-7\(d\)](#) with Commandant (CG-0949) Suspension/Debarment coordinator. The justification shall be sent to the HCA via CG-913.

CGAP SUBCHAPTER 3028.204 Alternatives in lieu of corporate or individual sureties.

- (a) The Contracting Officer shall retain securities furnished in lieu of surety or sureties on bonds in a secured environment until it is appropriate to return them to the contractor.

CGAP SUBCHAPTER 3028.3 INSURANCE**CGAP SUBCHAPTER 3028.390 Evidence of insurance.**

- (a) The Contracting Officer shall require the contractor to furnish a certificate(s) of insurance prior to commencing work as evidence that the contractor has insurance coverage sufficient to meet the requirements of the contract. The certificate(s) shall be executed by an officer or employee of the insurer authorized to execute such certificate(s). Certificate(s) shall contain an expiration date and the endorsement required by [FAR 28.302](#), Notice of Cancellation or Change.
- (b) Insurance requirements shall be adequate, just, and reasonable, and will be predicted on potential loss or damage (not necessarily on value of the contract). The determination as to type of insurance, amount, and related insurance requirements, if different from the FAR, shall be made by the Contracting Officer with the advice of legal counsel.
- (c) Insurance policies and endorsements thereto (or copies) submitted as evidence of insurance (in lieu of a certificate of insurance) shall be reviewed by legal counsel for legal sufficiency.

CGAP SUBCHAPTER 3028.90 PERFORMANCE AND PAYMENT BONDS FOR CERTAIN COAST GUARD CONTRACTS**CGAP SUBCHAPTER 3028.90-1 Waiver.**

- (a) Pursuant to the authority vested in the Secretary of Homeland Security, the requirements of [40 U.S.C. 3131 through 3133](#) are waived to the extent authorized in [40 U.S.C. 3134](#) with respect to cost-plus-fixed fee and other cost-type contracts for the construction, alteration, or repair of any public building or public work of the Federal Government, and with respect to contracts for manufacturing, producing, furnishing, constructing, altering, repairing, processing or assembling vessels, aircraft, munitions, materiel, or supplies for the Coast Guard regardless of the terms of the contracts as to payment or title.
- (b) The requirements of the Miller Act ([40 U.S.C. 3131 through 3134](#)) for contract surety bonds on Federal construction projects are not generally necessary with respect to the classes of contracts described under CGAP Subchapter 3028.90-1(a) to protect the public, including the Government, material, men and laborers. Because the Government would directly or indirectly bear the burden of premiums for performance and payment bonds obtained in connection with such contracts, waiving the requirement that they be obtained can generate substantial savings for the Government. However, unusual circumstances may arise in which either payment or performance bonds, or both, will be advantageous in connection with certain such contracts.

CGAP SUBCHAPTER 3028.90-2 Exception.

Requests for the authority to include the requirement for either a performance or payment bond (or both) in the contracts described under CGAP Subchapter 3028.90-1(a) shall be submitted by the Contracting Officer to the HCA for approval via CG-913, before a solicitation is issued

CGAP CHAPTER 3029 TAXES (RESERVED)

CGAP CHAPTER 3029 TAXES

CGAP SUBCHAPTER 3029.1 GENERAL

CGAP SUBCHAPTER 3029.101 Resolving tax problems.

- (a) Due to the technical nature of the subject, all submissions requesting assistance for resolving tax problems, as discussed in [HSAM Subchapter 3029.101](#), shall be forwarded to Commandant (CG-0949) for legal assistance.

CGAP SUBCHAPTER 3029.2 FEDERAL EXCISE TAXES

CGAP SUBCHAPTER 3029.202 General exemptions.

No tax may be imposed on the sale or transfer of firearms, shells, or cartridges when such articles are purchased with Coast Guard appropriated funds ([14 U.S.C. 655](#)).

CGAP SUBCHAPTER 3029.3 STATE AND LOCAL TAXES

CGAP SUBCHAPTER 3029.304 Matters requiring special consideration.

Contract terms described in [FAR 29.304\(a\) and \(b\)](#) shall only be used with the prior concurrence of Commandant (CG-0949). Requests for approval shall include the justification for use of any special tax contract clause.

CGAP CHAPTER 3030 COST ACCOUNTING STANDARDS ADMINISTRATION

(RESERVED)

CGAP CHAPTER 3031 CONTRACT COST PRINCIPLES AND PROCEDURES
(RESERVED)

CGAP CHAPTER 3032 CONTRACT FINANCING**CGAP SUBCHAPTER 3032.2 COMMERCIAL ITEM PURCHASE FINANCING****CGAP SUBCHAPTER 3032.201 Statutory authority.**

The authority of the agency head under [FAR 48 CFR 32.201](#) to determine appropriate or customary terms and conditions regarding payment of commercial items is retained at the DHS level.

CGAP SUBCHAPTER 3032.203 - Determining Contract Financing Terms.

On a case by case basis, requests for approval by the Head of the Contracting Activity (HCA) (Commandant (CG-91)) for installment payment financing arrangements and rates for commercial purchases shall be submitted through the Office of Procurement Policy and Oversight (Commandant (CG-913)) for coordination with the Division of Financial Policy and Internal Resources, Office of Financial Policy and Systems (Commandant (CG-843)) and the Office of Procurement Law (Commandant (CG-0949)).

CGAP SUBCHAPTER 3032.4 ADVANCE PAYMENT FOR NON-COMMERCIAL ITEM**CGAP SUBCHAPTER 3032.402 General.**

The D&F shall be forwarded via the Chief of the Contracting Office (COCO) through Commandant (CG-913) to the HCA (Commandant (CG-91)) for final determination. When forwarding the D&F, the COCO shall include a written recommendation to the HCA for approval or disapproval.

CGAP SUBCHAPTER 3032.409 Contracting Officer action.

Recommendations relating to the approval of advance payments for non-commercial items shall be submitted through the COCO to Commandant (CG-913), who will coordinate review by Commandant (CG-0949) prior to HCA approval. The contract file must document compliance with [HSAM Subchapter 3032.402\(e\) \(2\)](#). Documentation supporting such recommendations must also be included in the contract file.

CGAP SUBCHAPTER 3032.6 CONTRACT DEBTS**CGAP SUBCHAPTER 3032.602 Responsibilities.**

The Contracting Officer shall consult with the Coast Guard Finance Center (FINCEN), Receivables and Collection Section (OGR), for guidance on administering the collection of contract debts and applicable interests.

CGAP SUBCHAPTER 3032.7 CONTRACT FUNDING**CGAP SUBCHAPTER 3032.702 Policy.****CGAP SUBCHAPTER 3032.702-70 Procurement requests.**

- (a)(1)(iii) When funds certification is made “subject to the availability of funds,” the Contracting Officer shall obtain a change to the procurement request, which provides funds certification when funds become available. The Contracting Officer shall also obtain a new procurement request, which provides funds certification whenever a change is made to the accounting or appropriation data.
- (4) Procurement requests for equipment or systems requiring spare parts, either in the initial solicitation or subsequent buys, shall not be processed without optional provisions for acquiring re-procurement data to perform follow-on competitive acquisitions. This requirement does not apply to simplified acquisitions, purchases under Federal Supply Schedules, and purchases for which spare parts are available competitively in the open market.

CGAP SUBCHAPTER 3032.702-90 Assignment of departmental accounting and financial information system numbers to contract instruments.

Once a Coast Guard Oracle Financial (CGOF) system number is assigned to a Document Type 24 (Contract) or Document Type 28 (Interservice Support Agreement (ISSA)/Military Interdepartmental Purchase Request (MIPR) or UNICOR/Federal Prison Industries Purchase), it should remain unchanged for the life of the contract instrument. A CGOF number for a Delivery Order or Task Order shall be different from the CGOF number assigned to the basic contract. For further clarification, see the Coast Guard Finance Center Standard Operating Procedures, [FINCENSTFINST M7000.1 \(series\)](#).

CGAP SUBCHAPTER 3032.702-91 Operating restrictions and authorities associated with continuing resolutions and new fiscal year apportionments.

- (a) When operating under a Continuing Resolution the Contracting Officer shall adhere to the following guidance.
- (1) [FAR 32.702](#) states that no officer or employee of the Government may create or authorize an obligation in excess of the funds available, or in advance of appropriations (Anti-Deficiency Act, 31 USC 1341), unless otherwise authorized by law.
- (2) Under a Continuing Resolution a Contracting Officer may fund the continuation of on-going mission critical functions, if funds are available, but not new initiatives. Some activities which fit the foregoing definition include: dining facilities, trash removal, and on-going maintenance of critical information technology systems. Before executing any contract or modification, the Contracting Officer shall:
- (i) Obtain written assurance from a responsible fiscal authority that adequate funds are available; or

- (ii) Expressly condition the contract upon the availability of funds in accordance with [FAR 32.703-2](#) and include clause [FAR 52.232-18, Availability of Funds](#), in the contract.

(3) In addition to obtaining the written or electronic assurance from a responsible fiscal authority that adequate funds are available, a written determination should also be obtained from a responsible individual (generally at the Division Chief level) at the program office stating that the services/supplies are needed for the continuation of on-going mission critical functions. A contract may be executed using the Availability of Funds Clause ([FAR 52.232-18](#)) only in appropriate circumstances. These circumstances include:

- (i) Necessary for normal operations; and
- (ii) For which the Congress previously and consistently appropriated funds. Some activities which fit the foregoing definition include: dining facilities, trash removal, and on-going maintenance of critical information technology systems.

(4) Pursuant to [FAR 32.703-2\(c\)](#), the Government shall not accept supplies or services under a contract conditioned upon the availability of funds until the Contracting Officer has given the contractor notice, to be confirmed in writing, that funds are available. For existing contracts or contracts effective October 1 of the Fiscal Year (FY), the Contracting Officer should notify the contractor immediately that funds are available only for the period of time covering the Continuing Resolution, and then issue a modification to the contract that is consistent with the Continuing Resolution.

(5) An Interagency Acquisition (IA) or Military Interdepartmental Purchase Request (MIPR) involves two agencies, and either or both may be impacted by the Continuing Resolution. The Availability of Funds clause is for use for specified contracts, not obligations between agencies. Therefore, where an IA or MIPR is not in an accepted status and relevant funding is impacted, refrain from issuing administrative amendments until funding is fully secured.

(b) Where the Coast Guard's appropriation has been passed and signed by the President but funding for obligations is limited until such time as the Office of Management and Budget has apportioned funding, the Contracting Officer shall adhere to the following guidance.

(1) Contracting Officers should fund the continuation of on-going mission critical functions if funds are available, but should refrain from funding new initiatives. New start restrictions apply to the execution of new investment items not funded for production in the previous fiscal year. Items for which funding was provided in the previous year, or for which funding was provided in prior years and is still available for obligation (e.g., procurement items funded one or two years prior to the current fiscal year) are not considered new starts.

(2) Prior to apportionment and before executing any contract or modification, the Contracting Officer shall:

- (i) Obtain written assurance from a responsible fiscal authority that adequate funds are available – an approved Purchase Request is sufficient; or
 - (ii) Include [FAR Clause 52.232-18, Availability of Funds](#), in the contract in accordance with [FAR 32.703-2](#).
- (3) Fully Funded Contracts. When sufficient funding is available prior to apportionment, a Contracting Officer may fully fund a requirement. In accordance with [FAR 32.703](#), when contracts are fully funded, funds shall be obligated to cover the price or target price of a fixed-price type contract or the estimated cost and any fee of a cost-reimbursement contract.
- (4) Contracts Subject to the Availability of Funds. A contract may be executed before funds are available providing the contract includes the clause at [FAR 52-232-18, Availability of Funds](#). The authority may be used only for operation and maintenance and continuing services necessary for normal operations for which Congress previously and consistently appropriated funds. Activities which fit the foregoing definition include: dining facilities, trash removal, and on-going maintenance of critical information technology systems.
- (5) Under the Availability of Funds clause a Contracting Officer may award the contract for its entire term. However performance may be funded only to the extent funds are available prior to apportionment or up to the amount of funds available. After apportionment, the Contracting Officer shall issue a modification to fund the remaining period of performance.
- (6) Once the Coast Guard's funding is apportioned, and after notification from the program office, the Contracting Officer shall issue a final modification to fund the remaining work during the established period of performance. Contracting Officers should attempt to seek full funding from their customers as soon as possible.
- (c) Category I and Category II Military Interdepartmental Procurement Requests (MIPRs). During a continuing resolution or annual apportionment period, the Availability of Funds Clause ([FAR 52-232-18](#)) cannot be applied to Category I and Category II MIPRs for new initiatives. However, Category I and Category II MIPRs may be funded prior to apportionment, for continuation of ongoing mission critical functions, up to the amount of funds available, if the MIPR (Category I and II) meets the criteria stated in paragraphs (a)(2) and (b)(2), above. Once funds apportionment is completed, the Contracting Officer shall issue a MIPR modification to fund the remaining periods of performance.
- (d) If the limits of the authorities or restrictions that may be applicable to a particular contract action are not clear, the Contracting Officer shall contact the local legal counsel prior to taking any action that would obligate the Government.

CGAP SUBCHAPTER 3032.703 Contract funding requirements.**CGAP SUBCHAPTER 3032.703-3 Contracts Crossing Fiscal Years**

(b) The authority of the COCO under HSAM Subchapter 3032.703-3 to approve the award of contracts, options, or orders under contracts for severable services beginning in one fiscal year and ending in the next, provided the period of the basic contract, option or order does not exceed one year may be re-delegated to one level above the Contracting Officer.

CGAP SUBCHAPTER 3032.703-90 Antecedent liabilities.

- (a) Severable service contracts moved off a fiscal year basis should normally be those where obligations can be reliably estimated and the stream of services provided is not subject to frequent modifications (e.g., security or janitorial service contracts). Dining facility contracts based on the number of meals served, or base support contracts with variable costs should normally be kept on a fiscal years basis. The Contracting Officer should give special consideration to Department of Labor increases in wage determinations or similar situations. The Contracting Officer should identify such situations to the funds manager, and recommend that funds be committed or left un-obligated at year-end if any subsequent contract modification to increase funds is expected to occur after the fiscal year has closed.
- (b) If a within scope modification is required after the fiscal year in which the contract is funded, the Contracting Officer must ensure that the fund's manager certifies the availability of funds for the original fiscal year, not the current fiscal year, as applicable. Additionally, the Contracting Officer should be aware that the Financial Resource Management Manual, [COMDTINST M7100.3 \(series\)](#), has a specific procedure for approval of antecedent liabilities in Chapter 5. Generally the unit will not be authorized to certify that expired funds are available, even if the unit has an available funds balance for the prior fiscal year. The unit will have to seek that certification from the Administrative Target Unit (ATU) Budget Officer or Headquarters funds manager.

CGAP SUBCHAPTER 3032.703-91 Issuance of solicitations in advance of funding.

- (a) When issuing any solicitation, Contracting Officers must exert sound acquisition planning. There are many legitimate circumstances where issuance of any solicitation (whether construction, ship repair or other item), in any quarter of the year, is required in advance of funding particularly when considerable lead time is involved. Contracting Officers must include appropriate FAR clauses in any solicitation where funding is not currently available.
- (b) When issuing a solicitation for construction and ship repair requirements in advance of funding Contracting Officers shall implement the following safeguards.
- (1) COCOs may approve the issuance of solicitations, subject to the availability of funds, provided that there is a memorandum from the responsible fund's manager stating that there is a reasonable expectation such funds will be made

available by the anticipated date of contract award.

- (2) In all cases the COCO's prior approval for the issuance of a solicitation in advance of funding must be in writing and must reside in the official contract file.
- (3) In addition to the COCO's approval, the Contracting Officer shall obtain prior to issuing such a solicitation a written certification from the Commanding Officer of the Coast Guard unit with budgetary control over the requirement as follows:

I certify that this project is a high priority for funding in Fiscal Year_; that it is budgeted for award in the_____quarter of Fiscal Year_____; that this project has priority over other requirements; and that there is no known reason to expect that this project will be cancelled for lack of funding.

Name/Title

Date

Additional guidance is available in the Major Systems Acquisition Manual (MSAM) on procedures regarding Solicitation and Source Selection Planning.

CGAP SUBCHAPTER 3032.7002-90 Invoice and voucher review and approval.

In order to facilitate the centralized invoicing process, invoice submission and remittance instructions as specified in Section G of DT 24 based formal contracts or individual task/delivery orders shall incorporate the invoice submission instructions.

Following the electronic submission of invoices to the U.S. Coast Guard Finance Center (FINCEN) by the contractor, the invoice will be routed automatically by Workflow Imaging Network System (WINS) workflow to the "COR HOLD" queue of the associated procurement site based on a specific Invoice Routing Code (IRC) that the contractor selected during invoice submission. The FINCEN will send batch e-mail notifications daily to the applicable procurement sites email distribution lists associated with the unique IRCs notifying them that invoices have been added to that WINS Remote location for review.

Contracting Officers shall ensure that the correct IRC associated with their contracting office is included in the invoice submission requirements of subject contracts. The most recent version of this reference document will be located and maintained at:

<http://cgweb.fincen.uscg.mil/centralinv/> under "WINS Remote Site Invoice Routing Code (IRC) Lookup Table".

Contracting Officers shall follow existing procedures for acceptance or rejection of invoices in

accordance with FAR 32.905. If the invoice has been submitted and is located within the WINS Remote COR HOLD or KO APPROVAL queues and if subsequently rejected, it should be deleted from these queues and resubmitted.

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If the invoice is not rejected in accordance with FAR 32.905 and it has been determined that the goods and services have been received, inspected, and accepted, the Contracting Officer (and/or designee) may approve the invoice for payment.

CGAP SUBCHAPTER 3032.9 PROMPT PAYMENT

CGAP SUBCHAPTER 3032.904-90 – Determining Payment Due Dates.

According to the centralized invoicing process, all contracting offices shall establish local invoice payment approval procedures which: (i) require all invoices to be date/time stamped immediately upon receipt; (ii) allow the FINCEN seven (7) calendar days to route the invoice by WINS; and (iii) allow three calendar days for the scheduling/payment process at CGOF and Treasury. Additional guidance on contract invoice payment may be obtained from the [Finance Center Standard Operating Procedures \(FINCEN SOPs\)](#).

CGAP SUBCHAPTER 3032.905 Payment documentation and process.

- (b) Content of invoices. The Contracting Officer shall ensure that each solicitation and contract for real or personal property assets state the requirement for contractors to identify each real or personal property asset on each invoice submitted for payment. When reviewing such invoices for payment, Contracting Officers shall return invoices to the contractor when this information is not identified; and CORs shall validate that the proper real or personal property asset is identified. CORs are also responsible for notifying the Business Manager and/or Accountable Property Officer of the payment amount and associated asset.

CGAP CHAPTER 3033 PROTESTS, DISPUTES, AND APPEALS**CGAP SUBCHAPTER 3033.1 PROTESTS****CGAP SUBCHAPTER 3033.103 Protests to the agency.**

- (a) The Notice for Filing Agency Protests contained in Appendix B shall be affixed as a cover page in all solicitations for contracts exceeding the SAT. When using streamlined procedures where the synopsis and the solicitation for a requirement are combined, the Notice for Filing Agency Protests shall be published as part of the synopsis submission.
- (d)(4) The Coast Guard Ombudsman for Agency Protests is the Head of the Contracting Activity (HCA) (Commandant (CG-91)).
- (f)(1) The written justification to award a contract prior to resolution of a protest required by Federal Acquisition Regulation ([FAR](#)) [48 CFR 33.103\(f\)\(3\)](#) shall be submitted to Commandant (CG-0949) for review and concurrence prior to forwarding to the HCA for approval.
- (f)(3) The written justification not to suspend performance of an awarded contract prior to resolution of a protest required by Federal Acquisition Regulation ([FAR](#)) [48 CFR 33.103\(f\)\(1\)](#) shall be submitted to Commandant (CG-0949) for review and concurrence prior to forwarding to the HCA for approval.
- (h) Coordination with local legal counsel is mandatory. All responses to a protest should address the protester's allegations, the agency's response to the allegations, conclusions, and the Ombudsman's decision to deny or sustain the protest.

CGAP SUBCHAPTER 3033.103-90 Coast Guard Ombudsman program for agency protests.

- (a) The Coast Guard Ombudsman Program for Agency Protests (OPAP). OPAP is intended to encourage interested parties to seek resolution of their concerns informally within the Coast Guard as an Alternative Dispute Resolution (ADR) forum, rather than filing a protest with the Government Accountability Office (GAO) or other external forum. It is designed to resolve contractor protests in a faster, less expensive manner than could be accomplished at an external forum. Concerns of interested parties can be resolved through independent, Government binding adjudication taking place outside the procuring activity's chain of command.
- (b) Informal Forum with the Ombudsman. Interested parties who believe that a Coast Guard procurement is unfair or otherwise defective should first direct their concerns to the applicable Contracting Officer. This can be accomplished through informal discussion between the interested party and the Contracting Officer. During the course of such discussions Contracting Officers shall ensure that the Chief of the Contracting Office (COCO) remains informed of all issues and developments as they occur.

If the Contracting Officer is unable to satisfy the concerns of the interested party, the interested party is encouraged to contact the Coast Guard Ombudsman for Agency Protest through the Ombudsman Hotline at (202) 372-3695. Under this informal process, the agency is not required to suspend contract award or performance. Use of an informal forum does not suspend any time requirements for filing an agency protest or protest with another forum. Interested parties should provide the following information to the Ombudsman in order to ensure a timely response: solicitation/contract number, contracting office, Contracting Officer, and solicitation closing date (if applicable).

- (c) Formal Agency Protest with the Ombudsman. Prior to submitting a formal agency protest, contractors must first use their best efforts to resolve their concerns with the Contracting Officer through open and frank discussions. If the concerns cannot be resolved by the Contracting Officer, the Ombudsman may conduct an independent review through the informal forum. If the contractor's concerns cannot be resolved informally, the contractor may file a Formal Agency Protest to either the Contracting Officer, or as an alternative, to the Ombudsman under the OPAP program. No contract award will be made pending resolution of the agency protest. Performance will be suspended during the protest period, if the protest is timely received in 10 days after contract award or within five days after a debriefing date offered to the protester following a timely debriefing request in accordance with the FAR 15.505 or 15.506. An award may be made or performance continued, however, if, justified by the HCA, in writing, for reasons of unusual and compelling urgency or determined by the HCA, in writing, to be in the best interest of the Government. The agency's goal is to resolve protests in less than 35 calendar days from the date of filing. To be timely protests must be filed within the period specified in [FAR 33.103\(e\)](#). Formal protests filed under the OPAP program may be submitted electronically to OPAP@uscg.mil and the Contracting Officer or by hand delivery to the Contracting Officer. The following information must be provided when filing a formal agency protest with the Ombudsman:

- (1) Protest Filing Requirements. The protest must clearly indicate that it is being filed pursuant to the Coast Guard Ombudsman Program for Agency Protests (OPAP) procedures and must contain all the information as set forth in [FAR 33.103\(d\)\(2\)](#). If the protester fails to submit the required information, resolution of the protest may be delayed or the protest may be dismissed.
- (2) Time for Filing a Protest. All agency protests shall be filed in accordance with time frames set forth at [FAR 33.103\(e\)](#).
- (3) Interested Parties. For the purpose of filing an agency protest, an interested party means an actual or prospective bidder or offeror whose direct economic interest would be affected by award of a contract or by failure to award a contract. Federal Government employees, unions or commands are not considered interested parties for the purpose of filing an agency protest, except in the case of A-76 type competitions in which Federal Government employees may be considered interested parties.
- (4) Election of Forum. After an interested party protests a Coast Guard procurement to the Contracting Officer or the Ombudsman, and while

the protest is pending, the protester agrees not to file a protest with the GAO or other external forum. If the protest is filed with an external forum, the agency protest will be dismissed.

- (5) Protest Decision Authority. The Coast Guard Ombudsman for Agency Protests is the Head of the Contracting Activity. The Office of Procurement Policy and Oversight (Commandant (CG-913)) will serve as point of contact and provide administrative support to the Ombudsman. In such cases where the HCA is the Source Selection Authority (SSA) for a procurement the Deputy Assistant Commandant for Acquisitions shall serve as the Ombudsman for Agency Protests.
- (d) Processing Formal Agency Protests under OPAP. The following procedures are set forth to ensure orderly processing of an OPAP protest:
- (1) The protester shall provide a copy of the protest to both the Contracting Officer and the Ombudsman.
 - (2) The Contracting Officer shall prepare an administrative report, in coordination with local legal counsel and concurred in by the COCO, and shall submit it to the Ombudsman for review. The report shall be logically presented, concise, and address all of the protester's concerns. Only pertinent solicitation materials relevant to the protest should be appended to the report.
 - (3) The Contracting Officer shall provide this administrative report to the Ombudsman 10 working days after receipt of the protest from the interested party.
 - (4) The Ombudsman shall perform a thorough evaluation and take appropriate action to resolve the protest issue.
 - (5) All protest issues shall be coordinated with the Office of Procurement Law (Commandant (CG-0949)).
 - (6) The Ombudsman will make every effort to render a written decision within 35 calendar days from the date of filing a protest with the Ombudsman.
 - (7) Extensions of time for filing the administrative report and/or for the issuance of the written decision may be granted under extenuating circumstances. When an extension is granted, the protester and all interested parties shall be notified within one working day of the decision to grant an extension.
 - (8) The Contracting Officer's administrative report generally will not be provided to the protester. However, in appropriate cases, to facilitate evidentiary record development, a copy of the report may be provided to the protester.

The administrative report may be redacted as necessary to protect competition sensitive information. In such cases, the protester will be allowed to comment on the report and the time frames set forth above may be extended.

(e) Effect of Protest on Award and Performance.

- (1) Protest before Award. When a protest is filed with the agency prior to award, a contract may not be awarded unless authorized by the HCA in accordance with [FAR 33.103\(f\)\(1\)](#).
- (2) Protests after Award. When a protest is filed with the agency within 10 calendar days after award, or within five calendar days after debriefing for any debriefing that is required by [FAR 15.506\(a\)\(1\)](#), the Contracting Officer shall suspend performance. The HCA may authorize contract performance, notwithstanding the protest, upon a written finding in accordance with [FAR 33.103\(f\)\(3\)](#).

(f) Remedies. The Coast Guard Ombudsman for Agency Protests may direct any one or a combination of the following remedies:

- (1) Terminate the contract;
- (2) Re-compete the requirement;
- (3) Issue an amended or new solicitation;
- (4) Refrain from exercising the options under the contract;
- (5) Award the contract consistent with statute and regulation;
- (6) Pay appropriate costs as stated in [FAR 33.102\(b\)\(2\)](#); and/or
- (7) Direct such other remedies as the Ombudsman determines necessary to correct a defect.

(g) Ombudsman Decision for Agency Protests. A protester or other interested party, if not satisfied with the agency protest decision, may file a subsequent protest at an external forum, to the extent otherwise authorized by law. The Ombudsman decision is binding upon the Coast Guard and its contracting activities unless the protester or other interested party files a subsequent protest on the same matter in another forum.

CGAP SUBCHAPTER 3033.104 Protests to GAO.

(a) General Procedures. The Chief of the Contracting Office (COCO) shall notify the Head of the Contracting Activity, Commandant (CG-913) and Commandant (CG-0949) whenever a protest to the Government Accountability Office (GAO) is filed.

The Contracting Officer's statement and all of the information required at [FAR 33.104\(a\)\(3\)\(ii\)](#) for the agency report is to be submitted to Commandant (CG-0949) in triplicate within 10 work days of the Contracting Officer's notification of the protest, or within 4 work days in the case of a determination to use the express option. Commandant (CG-0949) trial counsel may assist with this preparation, and will review and coordinate with the Contracting Officer as necessary, and prepare the agency's legal analysis. Commandant (CG-0949) has the responsibility to provide the information required by [FAR 33.104\(a\)\(7\)](#) to GAO.

- (2) The Contracting Officer shall give the written notice of protest to the contractor if award has been made, or if no award has been made, to all interested parties. The notice shall be made a part of the protest file.
- (a) The Contracting Officer is responsible for sending copies of the protest report to the protester and any interested parties, unless otherwise agreed upon between the Contracting Officer and Commandant (CG-0949). This should be accomplished simultaneously with the Commandant (CG-0949) submittal of the report to GAO. Copies shall be sent by the fastest means possible (USPS Express Mail, or overnight Express via an authorized DHS Commercial Carrier, i.e. FedEx/UPS). Electronic filings, to the extent permitted by GAO rules, should also be employed.. Commandant (CG-0949) shall forward a copy of the transmittal letter to the Contracting Officer for inclusion in the reports forwarded, if appropriate.
 - (b) Protests before award. The finding referenced in HSAM 3033.104(b) shall be signed by the Contracting Officer and forwarded to the HCA. The HCA will coordinate the response with Commandant (CG-0949).
 - (c) Protests after award. The notice from the Government Accountability Office (GAO) referenced in Federal Acquisition Regulation (FAR) [48 CFR 33.104\(c\)](#) shall be submitted to the Head of the Contracting Activity ((HCA). The HCA shall coordinate the Coast Guard's response with Commandant (CG-0949).
 - (g) Notice to GAO. The Contracting Officer shall submit the notice referenced in [FAR 33.104\(g\)](#), regarding noncompliance with GAO recommended action, to Commandant (CG-0949) for coordination before submitting a copy of the notice through Commandant (CG-913) to the HCA for signature.

CGAP SUBCHAPTER 3033.2 DISPUTES AND APPEALS

CGAP SUBCHAPTER 3033.203 Applicability.

The procedures of CGAP Subchapter 3033.2 apply to all matters set forth in CGAP Subchapter 3001.104 and to disputes and appeals involving leases for military housing.

CGAP SUBCHAPTER 3033.209 Suspected fraudulent claims.

COCOs shall refer such matters under [HSAM 3033.209](#) to the Office of the Inspector General (OIG) only after notification to the HCA.

CGAP SUBCHAPTER 3033.210 Contracting officer's authority.**CGAP SUBCHAPTER 3033.210-90 Settlement after appeal is filed.**

The Contracting Officer shall coordinate with the Attorney (Commandant (CG-0949)), prior to settlement, after an appeal is filed.

CGAP SUBCHAPTER 3033.211-90 Contracting Officer's Decision.

If complete settlement is not accomplished and a final decision is issued, a copy shall be provided within 3 business days to Commandant (CG-0949) to ensure litigation support for any appeal can be appropriately coordinated.

CGAP SUBCHAPTER 3033.212 Contracting officer's duties upon appeal.

It is Commandant (CG-0949) policy that the trial attorney assess the potential for settlement in all cases and attempt to resolve disputes through Alternative Dispute Resolution techniques whenever appropriate.

CGAP SUBCHAPTER 3033.212-90 When filed with the Board of Contract Appeals.

- (a) Notice of the Appeal. Appeals to the CBCA shall be processed in accordance with the CBCA Rules at: <http://www.cbca.gsa.gov/howto/rules/>. Contracting Officers shall follow the advice of Legal Counsel in preparing responses and documentation required for CBCA appeals.
 - (1) If the Contracting Officer receives notice of an appeal filed with the CBCA, the postmark date (if any) and time of receipt is to be annotated on the notice and the annotation signed. The Contracting officer shall promptly forward the original notice to CG-0949 and copy CG-913.
- (b) Appeal File Requirements.
 - (1) The Contracting Officer shall retain one copy of the Appeal File and forward the original and two copies to the assigned Trial Attorney in CG-0949 at least five days before the filing is due at the Board and. The file shall comply with Rule 4 of the Board rules.

(2) Only relevant documents shall be filed. The Trial Attorney shall be granted access to any excluded contract attachments or modifications in order to be able to verify lack of relevance.

(c) Trial Preparation.

(1) Comprehensive Report for Trial Attorney (Commandant (CG-0949)). Prior to, or at the time of, forwarding the appeal file, the Contracting Officer shall be responsible for furnishing to the Trial Attorney a comprehensive report including the following:

(2)

(i) The names, titles, addresses and telephone numbers of all potential witnesses for the Government having information concerning the facts in dispute and a summary of their testimony.

(ii) If known, the names and titles of potential witnesses for the contractor.

(iii) Any pertinent information, which would assist the Trial Attorney in understanding the case.

(iv) Settlement position parameters, with history summarizing the actions to settle to date.

(v) Notification of the suit, if applicable.

(2) Appearance. The Trial Attorney shall appear for the Respondent. The Contracting Officer is not authorized to communicate, orally or in writing, with the appellant or Civilian Board of Contract Appeals without prior approval from the Trial Attorney. Contact with appellant on routine contract administration is a separate concern and continues.

(3) Associated Costs. All costs associated with legal defense (e.g., travel, witness expense, and court reporting) are a cost of the project.

(4) Agreement After Appeal is Filed. The Chief Trial Attorney has the authority to effect settlement with an appellant, subject to the concurrence of the Contracting Officer, at any stage of an appeal prior to issuance of a decision by the Board.

(5) Post Settlement Procedure. When the Government and an appellant have reached mutually acceptable terms, a written modification to the contract shall be prepared setting forth the specific terms of the agreement, the contract clause(s) upon which the settlement was made, the consideration, and a requirement for a release by the contractor of all claims arising from the matter disposed of by the settlement agreement. The details of the settlement and the basis therefore will be recorded in a negotiation memorandum to the contract file. If the Contracting Officer was not present when the agreement was reached, the Trial Attorney shall provide the negotiation memorandum to the Contracting Officer for execution of a settlement agreement per the procedures in FAR 49.109.

- (6) Decisions of the Board. Decisions of the Civilian Board of Contract Appeals will be transmitted by the Trial Attorney to the Contracting Officer for action.

CGAP SUBCHAPTER 3033.212-91 Actions filed in the U. S. court of claims.

When a contractor elects to file an action to the U. S. Court of Claims, rather than to the Civilian Board of Contract Appeals, the U. S. Department of Justice will notify the Chief Counsel, U. S. Coast Guard. Upon receipt of this notification, Commandant (CG-0949) will contact the appropriate Contracting Officer, and request that a litigation report be prepared per instructions that will be provided on a case-by-case basis.

CGAP SUBCHAPTER 3033.290 Monitoring potential contract claims.

Potential claims expected to exceed the SAT (i.e., claim amount, not expected recovery liability) must be immediately reported in writing to the Office of Resource Management (Commandant (CG-83)) in order to ensure that adequate funds will be available to cover the claim upon settlement. The notification must include all fund citations on the contract and a statement, if possible, as to whether or not the claim would involve antecedent liability. Note: A contract claim is based on antecedent liability if the modification or adjustment is within the general scope of the original contract and is made pursuant to a provision, such as the Changes clause, in the original contract.

CGAP CHAPTER 3034 MAJOR SYSTEM ACQUISITION

CGAP SUBCHAPTER 3034.0 GENERAL

CGAP SUBCHAPTER 3034.003 Responsibilities.

- (a) The Major Systems Acquisition Manual (MSAM), [COMDTINST M5000.10 \(series\)](#), contains Coast Guard policies for acquiring major systems. Any conflict or inconsistency between the MSAM and the Coast Guard Acquisition Procedures (CGAP), shall be resolved by giving precedence to the CGAP. Refer any inconsistency to Commandant (CG-913).

**CGAP CHAPTER 3035 RESEARCH AND DEVELOPMENT CONTRACTING
(RESERVED)**

CGAP CHAPTER 3036 CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS

CGAP SUBCHAPTER 3036.1 GENERAL

CGAP SUBCHAPTER 3036.104 Policy.

CGAP SUBCHAPTER 3036.104-90 Authority for one-step turnkey design-build contracting for the United States Coast Guard.

The Coast Guard may use One-Step Turnkey Design-Build selection procedures to enter into Fixed-Price Design-Build contracts in accordance with [14 U.S.C. 677](#). All contracts awarded under this authority shall be Firm-Fixed Price and use Best Value Continuum selection methods.

CGAP SUBCHAPTER 3036.104-91 Construction requirements requiring payment protections.

All construction requirements greater than the amount set forth in FAR 28.102-1(b)(1), which establishes the minimum threshold requiring payment protections shall be executed by the servicing Civil Engineering Unit (CEU) unless the requirement will be fulfilled through an order under an authorized Base Support Services Contract (e.g. Base Operations Support Services, Housing Maintenance Contract, etc.).

All exceptions to this policy require a written waiver, signed jointly by the Chiefs of the Contracting Office (COCOs) for Construction and for Base Services and Support. Waiver requests shall be submitted to the Base Services and Support COCO and shall include a description of the requirement, dollar value, estimated period of performance, and a justification for the request. Waivers shall be submitted based on a specific project requirement. No blanket waivers are authorized. If a joint authorization cannot be executed, the matter shall be referred to the Deputy Head of the Contracting Activity for resolution.

CGAP SUBCHAPTER 3036.6 ARCHITECT-ENGINEER SERVICES

CGAP SUBCHAPTER 3036.601 Policy.

CGAP SUBCHAPTER 3036.601-90 Combining miscellaneous projects for architect-engineer services.

(a) Requirements for miscellaneous architect-engineer projects may be combined under a single contractual instrument. The contract shall be written as an Indefinite-Delivery Indefinite-Quantity contract per the provisions of [FAR 16.5](#) and [FAR 36.6](#), except that the following direction applies.

(1) Pricing considerations. Labor rates, overhead rates, and profit rates shall be negotiated on the basic contract for the base year and all options.

(2) Limitations on Use.

- (i) The contract shall state a guaranteed minimum per [FAR 16.504\(a\)\(2\)](#). The contract shall have a guaranteed minimum contract amount and a contract maximum amount, which shall be stated as a dollar amount. The guaranteed minimum shall be obligated at the time of contract award.
 - (ii) If the Government is not fairly certain that requirements will exceed the stated minimum, an Indefinite-Delivery-Indefinite-Quantity contract shall not be issued, and any individual A-E service project shall be awarded as one individual contract.
 - (iii) The Contracting Officer must obtain the requester's statement per HSAM 3016.501-2, prior to determining the estimated contract and option amounts. The contract amounts should not be arbitrarily fixed at the maximum authorized amounts, rather the contract amounts should be based on a case-by-case analysis considering the type of work, anticipated workload, effects on competition and, in coordination with the Small Business Specialist at the activity.
- (3) Other requirements.
- (i) The synopsis for the initial contract requirement shall enumerate any options and the guaranteed minimum amount and the contract maximum amount.
 - (ii) If options are to be utilized within the contract, the total contract period of performance may not exceed 5 years, inclusive of options. If the contract period of performance will exceed 5 years inclusive of all options, then the contracting officer shall follow the guidance in CGAP Subchapter 3017.204. Consideration of the adverse impacts on competition and the continuity of services should both be considered when determining the number of options to be used in a contract.
 - (iii) The scope of such contracts should be made as specific and non-duplicative as possible to reflect the requirements of specific installations or geographic location, rather than a broad category of architect-engineer services.

CGAP SUBCHAPTER 3036.602-2 Selection of firms for architect-engineer contracts.

The authority to establish an ad hoc architect-engineer evaluation board for each acquisition of A/E Services is delegated to the COCO at the Shore Infrastructure Logistics Center-Construction (SILC-Construction) who may re-delegate this authority to a Senior Field Contracting Officer.

CGAP SUBCHAPTER 3036.602-4 Selection authority.

- (a) The selection authority of the COCO under [HSAM Subchapter 3036.602-4](#) to approve or disapprove the written recommendations of each evaluation board may be re-delegated to a Senior Field Contracting Officer.

- (b) No contract may be awarded after one year from the response date in the FedBizOpps Synopsis unless justified by the Contracting Officer and approved by the COCO. In making a decision to award after the one year period, the COCO shall (1) consider the selected companies' qualifications and (2) survey the specific A&E market to determine if it is substantially unchanged since the creation of the final selection list.

CGAP SUBCHAPTER 3036.602-5 Short selection process for contracts not to exceed the simplified acquisition threshold.

Only Contracting Officers with architect-engineer services warrant authority are authorized to procure architect-engineer services using the short selection process.

CGAP SUBCHAPTER 3036.603 Collecting data on and appraising firms' qualifications.

Senior Field Contracting Officers within the Shore Infrastructure Logistics Center –Construction (SILC-Construction) shall establish procedures to meet the requirements of [FAR 36.603\(a\)](#). These Senior Field Contracting Officers shall ensure that data received from firms wishing to be considered for Government awards is maintained in a data file.

CGAP SUBCHAPTER 3036.609 Contract clauses.

CGAP SUBCHAPTER 3036.609-90 Option for quality assurance and inspection services.

- (a) Contracting Officers shall release all withheld payments for completed design work after the completion and acceptance of architect-engineer services on the basic contract and prior to the possible exercise of any option for quality assurance and inspection services. This is consistent with paragraph (c), [FAR 52.232-10](#), Payments under Fixed-Price Architect-Engineer Contracts.
- (b) When there is a possibility that in-house Government resources will be insufficient to cover the quality assurance and inspection requirements of a construction contract, and specifications for that contract are to be written by an architect-engineer firm on a fixed-price contract, the Contracting Officer shall consider inclusion of the clause at CGAP Subchapter 3036.691 in the design architect engineer contract. When an option is included, technical specifications for quality assurance and inspection service shall be included as an “Appendix A” to the statement of work, entitled “Quality Assurance and Inspection Services.” Contracting Officers shall negotiate prices before award of the basic contract, with the negotiated price set out as a separate optional contract line item.

CGAP SUBCHAPTER 3036.691 Clause.

QUALITY ASSURANCE AND INSPECTION SERVICES

At any time prior to 10 months after satisfactory completion and acceptance of architect-engineer services in this contract, the Government may exercise its option for architect-engineer performance of quality assurance and inspection services set out as “Appendix A” to the statement of work. The architect-engineer shall proceed with such work and services within thirty (30) days after the option is exercised.

(End of Clause)

CGAP CHAPTER 3037 SERVICE CONTRACTING

CGAP SUBCHAPTER 3037.1 SERVICE CONTRACTS - GENERAL

CGAP SUBCHAPTER 3037.103 Contracting officer responsibility.

- (c) When the Contracting Officer determines that performance-based service contracting procedures are not appropriate for a particular procurement, the Contracting Officer shall document the contract file to support the rationale for such a determination. The acquisition plan required for solicitations at [\(FAR\) 48 CFR 7.105\(b\)\(4\)](#) or the additional documentation required for services under Federal Supply Schedules, per [\(FAR\) 48 CFR 8.405-7\(b\)\(4\)\(ii\)](#), may serve as the documentation method to fulfill the requirement of this paragraph.

CGAP SUBCHAPTER 3037.104 Personal services contracts.

CGAP SUBCHAPTER 3037.104-90 Personal services contracts (USCG).

- (c) The authority to procure personal health care services authorized under [10 U.S.C. 1091 \(a\) to \(c\)](#) is delegated to those COCOs that have responsibility for Health, Safety and Work Life (HSWL).

**CGAP CHAPTER 3038 FEDERAL SUPPLY SCHEDULE CONTRACTING
(RESERVED)**

CGAP CHAPTER 3039 ACQUISITION OF INFORMATION TECHNOLOGY (IT)**CGAP SUBCHAPTER 3039.001 Applicability****CGAP SUBCHAPTER 3039.001-70 Certification of frequency spectrum support for new communication-electronic systems.**

- (a) Section 33.4 of [Office of Management and Budget \(OMB\) Circular A-11, Preparation, Submission, and Execution of the Budget](#), specifies that when an Executive Department or Establishment plans to procure a radio spectrum-dependent communications-electronic system it must obtain a certification from the Department of Commerce's [National Telecommunications and Information Administration \(NTIA\)](#) that the radio frequency needed is available. For major systems where budget requests are required, this certification must be obtained prior to submission of budget estimates "for the development or procurement of major radio spectrum dependent communications-electronic systems (including all systems employing space satellite techniques)." Procedures for obtaining NTIA certification are set forth in Chapter 10 of the [NTIA Manual of Regulations and Procedures for Federal Radio Frequency Management](#).
- (b) NTIA certification requirements relate to both commercial and non-commercial radio spectrum dependent communications-electronic systems. System program managers are responsible for obtaining such certifications prior to the budgeting or procurement of any item to which they apply; and Contracting Officers are responsible for ensuring that copies of them are retained in contract files. In cases where NTIA certification may be necessary, program managers must contact as soon as possible the Office of Communications Systems (Commandant (CG-62)) which shall coordinate certification efforts on behalf of the Coast Guard.
- (c) Systems and subsystems subject to NTIA certification also may require an Exhibit 300 or an Exhibit 300 Light, depending on dollar value. To determine whether an Exhibit 300 or Exhibit 300 Light is necessary, refer to Department of Homeland Security (DHS) [Management Directive \(MD\) 1400, Investment Review Process](#). Supplementary information also is available in [MD 4200.1, IT Capital Planning and Investment Control \(CPIC\) and Portfolio Management](#).

CGAP SUBCHAPTER 3039.001-90 Policy.

- (a) The Coast Guard's point of contact for IT policy matters is the Assistant Commandant for Command, Control, Communications, Computers and Information Technology (Commandant (CG-6)). Commandant (CG-6) is the Chief Information Officer (CIO) for the Coast Guard.

- (b) When procuring IT, Contracting Officers shall rely on information promulgated via the [Federal Acquisition Regulation \(FAR\)](#); the [Clinger-Cohen Act, as amended](#); [COMDTINST 5230.66 \(series\), Command, Control, Communications, Computers and Information Technology \(C4&IT\) System Development Life Cycle \(SDLC\) Policy](#); and [COMDTINST 5230.77 \(series\), Coast Guard and Department of Homeland Security Chief Information Officer \(CIO\) Review and Approval of Command, Control, Communications, Computers and Information Technology \(C4&IT\) Acquisitions](#).
- (1) [COMDTINST 5230.66 \(series\)](#) identifies the authority, roles, responsibilities, and sequence of events for ensuring compliance with enterprise C4&IT policy for the planning, acquisition, production, deployment, support, operation and disposition of major and non-major C4&IT systems. Questions regarding COMDTINST 5230.66 (series) should be directed to the Office of Enterprise System Development Policy (Commandant (CG-69)). Any conflict or inconsistency between COMDTINST 5230.66 (series) and the Coast Guard Acquisition Procedures shall be resolved by giving precedence to COMDTINST 5230.66 (series).
 - (2) [COMDTINST 5230.77 \(series\)](#) implements [DHS Management Directive 0007.1, Information Technology Integration and Management](#), which requires CIO review and approval of all Coast Guard C4IT acquisitions.
 - (i) The Coast Guard CIO must review and approve all IT procurements of \$100,000 or more, inclusive of options. In addition, all IT procurements of \$2.5 million and above, inclusive of options, must also receive the approval of the DHS CIO.
 - (ii) IT acquisitions requiring CIO approval include but are not limited to equipment, software, services, hardware, communications, infrastructure, and programs, acquired under contracts, task orders, delivery orders, Interagency Agreements (IA), reimbursable agreements, modifications, options, Military Interdepartmental Procurement Requests (MIPRs), commodity purchases, and any other contractual activity that includes an obligation for IT assets of \$100,000 or more. IT acquisitions under a DHS-wide contract vehicle (e.g., EAGLE and FirstSource) are NOT exempt from this requirement.

CGAP SUBCHAPTER 3039.2 ELECTRONIC INFORMATION AND TECHNOLOGY**CGAP SUBCHAPTER 3039.203 Applicability.**

(a) Coast Guard Implementation of the Rehabilitation Act, Section 508, [COMDTINST 5230.60 \(series\)](#), contains the U. S. Coast Guard's policy for procurement of Electronic Information and Technology (EIT), and shall be consulted during budget submission, and acquisition planning by requiring and procurement officials. This instruction includes the certification and determinations required for supplies and services that must meet the applicable accessibility standards at [36 CFR Part 1194](#).

(c)(1) Contracting Officers should draft solicitations in such a way as to permit acceptance of a product or service that partially meets the applicable technical provisions if no product is available that meets all applicable technical provisions. Solicitations should also indicate that products that provide equivalent facilitation will be considered along with those that meet the applicable specific technical provisions (in Subchapter B) of the Access Board's standards. To aid in addressing compliance for EIT, consult the General Services Administration (GSA) Section 508 website discussion on [Section 508 Universe Training](#) and Frequently Asked Questions (FAQs) at <http://www.section508.gov/>.

CGAP CHAPTER 3040 (RESERVED)

CGAP CHAPTER 3041 ACQUISITION OF UTILITY SERVICES

CGAP SUBCHAPTER 3041.1 GENERAL

CGAP SUBCHAPTER 3041.103 Statutory and delegated authority.

- (c) COCO's shall submit all requests for Individual and Class Certifications to the HCA via CG-913. The HCA shall submit the requests to the DHS Chief Procurement Officer (CPO) and, through Commandant (CG-913), shall coordinate receipt of the certifications and delegations by the contracting offices requesting them.

CGAP CHAPTER 3042 CONTRACT ADMINISTRATION**CGAP SUBCHAPTER 3042.1 CONTRACT AUDIT SERVICES****CGAP SUBCHAPTER 3042.102 Contract audit services.**

- (a) A copy of the MOU between the Defense Contract Audit Agency (DCAA) and U. S. Department of Homeland Security Office of the Chief Procurement Officer (OCPO), is incorporated at [HSAM Notice 08/06](#) and [HSAM Appendix U, Contract Audit Services Memorandum of Understanding](#). When requesting contract audit services the following procedures apply:
- (1) When a Contracting Officer determines that an audit is required, the requisitioning office shall obtain funding using a standard purchase request. Audit services will be individually requested and approved by the Contracting Officer on a [Military Interdepartmental Purchase Request \(MIPR\) \(DD Form 448\)](#) (See also <http://cgweb2.comdt.uscg.mil/cgforms/>). and [Acceptance of MIPR \(DD Form 448-1\)](#). The MIPR shall serve as the funding document supporting the request for audit services. This funding document shall be completed with the appropriate accounting citation, and related audit documents.
 - (2) The MIPR, MIPR Acceptance, and audit documents shall be forwarded to the applicable DCAA office.
 - (3) For each audit report that is received, the Contracting Officer shall provide the cognizant DCAA office a copy of the price negotiation memorandum promptly after contract award. If the contractor for which the audit was provided is not the awardee, the Contracting Officer shall notify DCAA in writing. The price negotiation memorandum and/or the notification serve as the basis for DCAA disposition of the audit findings.
 - (4) Copies of Audit Reports. Following COCO review, Contracting Officers shall provide a copy of the audit report to OCPO for the following reviews:
 - (ii) Audits of Compliance with Cost Accounting Standards-Audits of Cost Impact of Cost Accounting Standards (changes in cost accounting practice and/or non-compliances)
 - (iii) Defective Pricing Audits (Reviews for Compliance with the Truth in Negotiation Act)

CGAP SUBCHAPTER 3042.3 CONTRACT ADMINISTRATION OFFICE FUNCTIONS**CGAP SUBCHAPTER 3042.302 Contract administration functions.**

- (i) As specified in CGAP Clause 3042.302-90, Valuation Requirements for the Acquisition of Spare Parts Purchased for Inventory Control Points from

HQ Contracts, the Contracting Officer's Representative (COR) shall furnish a copy of spare parts information provided by the contractor to the Commandant (CG-842) Desk Officer at the following address:

COMMANDANT (CG-842)
U S COAST GUARD
ATTN: CG-842 DESK OFFICER
DIVISION OF INTERNAL CONTROLS AND ASSET MANAGEMENT 2703
MARTIN LUTHER KING JR AVE SE, STOP 7816
WASHINGTON DC 20593-7816

The Commandant (CG-842) Desk Officer shall be responsible for disseminating this information to the Inventory Control Point (ICP) Commanding Officer, FINCEN, and Acquisition Program Manager (APM).

- (iv) If unsupported spare parts are noted, the ICP shall notify and work through the Commandant (CG-842) Desk Officer, Contracting Officer, Contract Specialist, and APM to resolve discrepancies.
- (v) If unsupported spare parts cannot be resolved within fifteen business days of initial notification, the Commandant (CG-842) Desk Officer and APM shall proceed with an alternate valuation method that could result in additional costs to the acquisition project. Valuation of spare parts does not become the responsibility of the ICP until acceptance, and ICPs shall not accept spare parts without acceptable valuation documentation.
- (vi) All unsupported spare parts shall be resolved within thirty (30) business days of their receipt at the ICP.
- (vi) ICPs shall ensure that spare parts receipt transactions are entered into logistics systems in a method that ties the receipt to the contract number and the Capital Project Number (CIP Project Number). The APM shall be responsible for providing the ICP the project number.

CGAP SUBCHAPTER 3042.302-90 Contract clause.

Contracting Officers shall insert the following in all solicitations and contracts where a contractor or subcontractor will furnish spare parts, consumable spares, repairable spares, or repairable systems (e.g. engines, gearboxes) to Coast Guard Inventory Control Points (ICPs).

**VALUATION REQUIREMENTS FOR THE ACQUISITION OF SPARE PARTS
PURCHASED FOR INVENTORY CONTROL POINTS FROM HEADQUARTERS
CONTRACTS**

- (a) The contractor shall provide to the Contracting Officer and the Contracting Officer's Representative (COR) a listing of spare parts that will be shipped to Coast Guard Inventory Control Points (ICPs), and other intermediate destinations as specified in the contract. At a minimum, the listing must contain the following information for each spare part:
- (1) Contract number
 - (2) Contract Line Item Number (CLIN)
 - (3) Noun name
 - (4) Manufacturer part number
 - (5) National Stock Number (NSN), if available.
 - (6) Class of Asset the spare part supports (e.g. Fast Response Cutter (FRC))
 - (7) Quantity
 - (8) Unit Price
 - (9) Extended Price
 - (10) Estimated shipping date
- (b) The spare parts listing total shall tie to the contract CLIN line item total.
- (c) The spare parts listing shall be provided by the contractor to the Contracting Officer and COR thirty (30) days prior to the first part being shipped. The name of the Contract Specialist and Contracting Officer shall be noted, and the acquisition Project Office will be responsible and coordinate between the contractor and ICP to discuss any details or needs related to the shipment of the parts.
- (d) The contractor shall insert this clause in all subcontracts where a subcontractor will be furnishing spare parts to Coast Guard ICPs, and in order to perform contractual duties

(End of Clause)

CGAP SUBCHAPTER 3042.15 CONTRACTOR PERFORMANCE INFORMATION

CGAP SUBCHAPTER 3042.1502 Policy.

Each COCO shall establish internal procedures for processing contractor performance evaluations to implement the requirements of the [FAR](#), [HSAM](#), and Coast Guard guidance.

CGAP SUBCHAPTER 3042.1503 Procedures.

- (b) All members of the Coast Guard involved in the acquisition process are strongly advised against participating in informal contractor sponsored past performance or customer satisfaction surveys. Contractor generated past performance surveys or evaluations may provide valued feedback, but these unofficial sources of feedback may also be used for a variety of purposes potentially conflicting with the interests of the Government including marketing or negotiations, and potentially increasing the likelihood of legal action or dispute with a contractor.

CGAP CHAPTER 3043 CONTRACT MODIFICATIONS**CGAP SUBCHAPTER 3043.70 Undefined contractual actions.**

This Subchapter addresses Coast Guard specific legal requirements for Undefined Contractual Actions under [14 U.S.C. 567](#) (Sec. 402 of the Coast Guard Authorization Act of 2010 and 2011 ([P.L. 111-281](#))).

CGAP SUBCHAPTER 3043.7000 Definitions.

- (a) An Undefined Contractual Action means a new procurement action entered into by the Coast Guard for which the contractual terms, specifications, or price are not agreed upon before performance is begun under the action. For purposes of Coast Guard contracting under Subchapter 3043.70, the term Undefined Contractual Action (UCA) does not include contractual actions with respect to:
- (1) Foreign Military Sales;
 - (2) Purchases in an amount not in excess of the amount of the Simplified Acquisition Threshold; or
 - (3) Special Access Programs.
- (b) The term Qualifying Proposal means a proposal that contains sufficient information to enable complete and meaningful audits of the information contained in the proposal as determined by the Contracting Officer.

CGAP SUBCHAPTER 3043.7001 Policy.

- (a) [14 U.S.C. 567\(a\)](#) (Sec. 402 of the Coast Guard Authorization Act of 2010 and 2011 ([P.L. 111-281](#))) prohibits the Coast Guard from entering into a UCA above the Simplified Acquisition Threshold (SAT) unless it is approved by the Head of the Contracting Activity (HCA) of the Coast Guard.
- (b) Per [14 U.S.C. 567 \(b\)](#), any request to the HCA for approval of a UCA above the SAT shall include a description of the anticipated effect on requirements of the Coast Guard if a delay is incurred for the purposes of determining contractual terms, specifications, and price before performance is begun under the contractual action.
- (c) For UCAs at or below the SAT, all Chiefs of Contracting Offices (COCOs) and Contracting Officers shall comply with the requirements of [HSAM Subchapters 3043.70 and 3016.603](#).

CGAP SUBCHAPTER 3043.7002 Limitations.**CGAP SUBCHAPTER 3043.7002-1 Authorization.**

- (a) A Contracting Officer shall obtain from the HCA prior written approval for use of any UCA above the SAT. All requests for HCA approval shall be forwarded through the Chief of the Contracting Office (COCO) to Commandant (CG-913) for coordination and processing.
- (b) Modifications of Scope. In accordance with [14 U.S.C. 567 \(e\)](#), the scope of a UCA under which performance has begun may not be modified unless the HCA, acting under delegated authority from the Commandant (Commandant (CG-00)), approves such modification as being:
 - (1) A good business practice; and
 - (2) In the best interests of the United States.

All requests for Commandant approval of a UCA shall be coordinated through the COCO to Commandant (CG-913), prior to HCA approval.

CGAP SUBCHAPTER 3043.7002-2 Price ceiling.**CGAP SUBCHAPTER 3043.7002-90 Deadline for agreement on terms, specifications and price.**

[14 U.S.C. 567\(c\) \(1\)](#) prohibits a Coast Guard Contracting Officer from entering into a UCA unless the contractual action provides for agreement upon contractual terms, specifications, and price by the earlier of:

- (a) The end of the 180-day period beginning on the date on which the contractor submits a Qualifying Proposal to definitize the contractual terms, specifications, and price; or
- (b) The date on which the amount of funds obligated under the contractual action is equal to more than 50 percent of the negotiated overall ceiling price for the contractual action.

CGAP SUBCHAPTER 3043.7002-91 Limitation on obligations.

- (a) In General. Except as provided in paragraph (b), below, [14 U.S.C. 567\(c\)\(2\)](#) prohibits the Contracting Officer from obligating an amount that exceeds 50 percent of the negotiated overall ceiling price until the contractual terms, specifications, and price are definitized.
- (b) Exception. Notwithstanding paragraph (a), above, if a contractor submits a Qualifying Proposal to definitize a UCA before an amount that exceeds 50 percent of the negotiated overall ceiling price is obligated, the Contracting Officer may not obligate an amount that

exceeds 75 percent of the negotiated overall ceiling price until the contractual terms, specifications, and price are definitized for such contractual action.

CGAP SUBCHAPTER 3043.7002-92 Waiver.

Pursuant to [14 U.S.C. 567\(c\) \(3\)](#), the HCA, acting under delegated authority from the Commandant (Commandant (CG-00)), may waive the application of Subchapters 3043.7002-90 and 3043.7002-91 with respect to a contract if the HCA determines that the waiver is necessary to support:

- (a) A contingency operation (as that term is defined in [section 101\(a\) \(13\) of United States Code Title 10](#));
- (b) Operations to prevent or respond to a transportation security incident (as defined in [section 70101\(6\) of United States Code Title 46](#));
- (c) An operation in response to an emergency that poses an unacceptable threat to human health or safety or to the marine environment; or
- (d) An operation in response to a natural disaster or major disaster or emergency designated by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act ([42 U.S.C. 5121 et seq.](#)).

All waiver requests shall be forwarded to Commandant (CG-913) for coordination and processing.

CGAP SUBCHAPTER 3043.7002-93 Limitation on application.

In accordance with [14 U.S.C. 567 \(c\) \(4\)](#), Subchapters 3043.7002-90, 3043.7002-91, and 3043.7002-92 do not apply to a UCA for the purchase of initial spares.

CGAP SUBCHAPTER 3043.7002-94 Inclusion of non-urgent requirements—spare parts and support equipment.

In accordance with [14 U.S.C. 567 \(d\)](#), requirements for spare parts and support equipment that are not needed on an urgent basis may not be included as part of a UCA by the Coast Guard for spare parts and support equipment that are needed on an urgent basis unless the HCA, acting under delegated authority from the Commandant (Commandant (CG-00)),

approves such inclusion as being:

- (a) A good business practice; and

- (b) In the best interests of the United States.

CGAP SUBCHAPTER 3043.7002-95 Allowable profit.

Pursuant to [14 U.S.C. 567\(f\)](#), the Commandant (Commandant (CG-00)) must ensure that the profit allowed on a UCA for which the final price is negotiated after a substantial portion of the performance required is completed reflects:

- (a) The possible reduced cost risk of the contractor with respect to costs incurred during performance of the contract before the final price is negotiated; and
- (b) The reduced cost risk of the contractor with respect to costs incurred during performance of the remaining portion of the contract.

CGAP SUBCHAPTER 3043.7003 Administration of UCAs.

The Contracting Officer shall negotiate the UCA and issue a definitized contractual document by the deadline set forth in Subchapter 3043.7002-90.

CGAP SUBCHAPTER 3043.7004 UCA monitoring system and report.

- (a) The COCO shall ensure that progress is made to definitize each UCA within the definitization period set forth in Subchapter 3043.7002-90. Also see CGAP Subchapter 3016.603-290(c)(3)(ii) for HCA approval to extend the definitization schedule under Letter Contracts.
- (b) The COCO shall establish on behalf of the HCA a monitoring system for UCAs that meets the requirements of HSAM Subchapter 3043.7004 and CGAP Subchapters 3043.70 through 3043.7004(a), above; and shall report on their status quarterly to Commandant (CG-913).

CGAP CHAPTER 3044 SUBCONTRACTING POLICIES AND PROCEDURES

(RESERVED)

CGAP CHAPTER 3045 GOVERNMENT PROPERTY**CGAP SUBCHAPTER 3045.1 GENERAL****CGAP SUBCHAPTER 3045.101 Definitions.**

- (3) "Government-furnished property" is not considered to be in the possession of the contractor until the contractor has signed a Government transfer document (e.g., [DD Form 1149, Requisition and Invoice/Shipping Document](#)) accepting responsibility for the property.

CGAP SUBCHAPTER 3045.102 Policy.

- (b) The Contracting Officer shall establish written internal controls for each contract as applicable, setting forth procedures for managing Government furnished property that comply with the Property Management Manual, [COMDTINST M4500.5 \(series\)](#).

CGAP SUBCHAPTER 3045.105 Contractor's property management system compliance.

- (a) Contracting Officers shall ensure that the contractor's property control system complies with the Coast Guard Personal Property Management Manual (COMDTINST M4500.5(Series)) and provides the following basic information for every item of Government property in the contractor's possession, regardless of value: 1. The name, description, and National Stock Number (if furnished by the Government, or available in the property control system); 2. Quantity received (or fabricated), issued, and on hand; 3. Unit price (and unit of measure); 4. Contract number or equivalent code designation; 5. Location; 6. Disposition; and 7. Posting reference and date of transaction.

CGAP SUBCHAPTER 3045.105-90 Designation of property administrator.

The Contracting Officer may designate a property administrator to administer the Government furnished property for a particular contract. The designation shall be in writing and shall identify the roles and responsibilities of the administrator. A copy of the designation shall be maintained in the contract file. The property administrator's duties may include, but are not limited to, review and approval of the contractor's property control system; conducting physical inventories; initiating reports of survey; and complying with property reporting requirements.

CGAP SUBCHAPTER 3045.3 AUTHORIZING THE USE AND RENTAL OF GOVERNMENT PROPERTY**CGAP SUBCHAPTER 3045.3-90 Acquiring special test equipment.**

The Contracting Officer shall coordinate with the Office of Procurement Policy and Oversight (Commandant (CG-913)) when acquiring special test equipment.

CGAP SUBCHAPTER 3045.6 REPORTING, REUTILIZATION, AND DISPOSAL

CGAP SUBCHAPTER 3045.602 Reutilization of Government Property.

The Contracting Officer shall approve the transfer and disposition of Government furnished property upon contract completion. The Contracting Officer shall ensure that a copy of the Contractor Inventory Report and transfer/disposition of property documentation is provided to the applicable Unit Property Officer.

CGAP SUBCHAPTER 3045.602-3 Screening.

The Contracting Officer shall coordinate agency standard screening and agency special item screening with Commandant (CG-842).

CGAP SUBCHAPTER 3045.603 Abandonment, destruction or donation of excess personal property.

CGAP SUBCHAPTER 3045.603-90 Guidance.

The U.S. Coast Guard Personal Property Management Manual, [COMDTINST M4500.5 \(series\)](#), provides guidance on the sale and disposal of Government-owned personal property. Contracting offices shall contact the local property office or Division of Internal Controls and Asset Management (Commandant (CG-842)) for assistance regarding property disposal.

CGAP CHAPTER 3046 QUALITY ASSURANCE**CGAP SUBCHAPTER 3046.6 MATERIAL INSPECTION AND RECEIVING REPORTS****CGAP SUBCHAPTER 3046.601 General.**

Material Inspection and Receiving Report (MIRR), DD Form 250 (Series) found at <http://cgweb2.comdt.uscg.mil/cgforms/> is authorized for Coast Guard use to document contract quality assurance, acceptance of supplies and services, and shipments. MIRRs shall not be used for:

- (a) Shipments by subcontractors where direct shipment is not made to the Government, or;
- (b) Shipment of contractor inventory.

CGAP SUBCHAPTER 3046.601-90 Acceptance of capitalized assets.

- (a) There are two types of capitalized assets: real property and personal property. Real property assets include the procurement of land, building and structure. These assets may require construction, refurbishing, assembly or similar effort. Personal property assets include the procurement of aircraft, boats, electronic systems, electronic test equipment, general purpose property (GPP), vehicles, vessels and industrial equipment managed in two designated fixed asset applications, Oracle and Naval & Electronic Supply Support System (NESS).
- (b) In accordance with Paragraphs 9.A. and 9.B.3.e.3 of the [Financial Resources Management Manual \(FRMM\)](#), [COMDTINST M7100.3\(series\)](#), it is Coast Guard policy that every contract for the development or delivery of capital assets valued at \$50,000 or more shall be supported by a signed acceptance report, such as DD Form 250, Material Inspection and Receiving Report, DHS Form 700-21, Material Inspection and Receiving Report, Standard Form (SF) 1449, Solicitation/Contract/Order for Commercial Items, or Optional Form (OF) 347, Order for Supplies and Services, in order to document the date of acceptance and valuation of Coast Guard capital assets. Such reports documenting receipt and acceptance of capital assets by the Coast Guard shall be signed by a Contracting Officer as acknowledgement that the asset has been received and satisfies the terms of the contract under which it was procured with respect to price, quantity, and quality.

CGAP SUBCHAPTER 3046.7 WARRANTIES**CGAP SUBCHAPTER 3046.702 General.**

- (c) Written summary of the procedures to trace and enforce contract warranty provisions is required within 10 calendar days from date of request. As a minimum, the summary shall include in the order listed: the (1) contract number, (2) contractor's name, (3) description of warranted item, (4) warranty cost (from the contract), (5) costs associated with warranty enforcement, (transportation, travel, etc.), and

- (6) summary of warranty enforcement experience (to include, but not limited to, disposition of warranted items, other considerations obtained, and dates warranty action initiated and completed).

CGAP SUBCHAPTER 3046.706 Warranty terms and conditions.

- (b) For enforcement of major system acquisition warranty provisions, all major system acquisition contracts shall require that written notice of warranty be attached to or furnished with the warranted item at time of delivery. Such written notice of warranty shall state (i) existence and substance of warranty, (ii) duration of warranty period, and (iii) contractor's point of contact (to be contacted only upon determination by the warranty manager that warranty enforcement is necessary).

CGAP SUBCHAPTER 3046.706-90 Waiver and notification procedures (USCG).

- (b) Requests for waiver shall be signed by the Head of the Contracting Activity and shall be submitted through the COCO with supporting documentation to Commandant (CG-913) for processing to the HCA at least 60 days prior to the anticipated award date. Contract award will not be made until the waiver is approved and Congressional notification is completed.

CGAP CHAPTER 3047 TRANSPORTATION

CGAP SUBCHAPTER 3047.1 GENERAL

CGAP SUBCHAPTER 3047.104 Government rate tenders under section 10721 and 13712 of the Interstate Commerce Act (49 U.S.C. 10721 and 13712).

CGAP SUBCHAPTER 3047.104-1 Government rate tender procedures.

- (b) Negotiation of [49 U.S.C. 10721 and 13712](#) rates by transportation officers does not require signature of a warranted Contracting Officer (see [\(FAR\) 48 CFR 47.104-1\(b\)](#)). However, the binding of the Government through negotiated actions, other than through [49 U.S.C. 10721 and 13712](#), does require the signature of a warranted Contracting Officer unless otherwise exempt by executive order, statute, or regulation.

CGAP SUBCHAPTER 3047.3 TRANSPORTATION IN SUPPLY CONTRACTS

CGAP SUBCHAPTER 3047.303 Standard delivery terms and contract clauses.

CGAP SUBCHAPTER 3047.303-17 Contractor-prepaid commercial bills of lading, small package shipments.

- (c) The Contracting Officer shall notify the contractor of any loss or damage to the Government supplies shipped by the contractor under prepaid commercial bills of lading.

CGAP SUBCHAPTER 3047.90 Contractor mailings.

- (a) Definition. "Penalty mail" as used in this Subchapter is mail which is sent using a Government imprint stating that postage and fees are paid by an agency of the U.S. Government and that there is a penalty for private use. Only matter relating exclusively to the business of the Government of the United States may be sent as penalty mail.
- (b) Policy. Contracting Officers and CORs shall ensure that Coast Guard mailings performed by contractors are prepared in accordance with the [Coast Guard Postal Manual, COMDTINST M5110.1 \(series\)](#), emphasizing use of mail class and supplemental postal services meeting security, accountability, and delivery requirements of material being shipped at the most economical cost to the Coast Guard.
- (c) Procedures. When a contractor makes penalty (indicia) mailings for the U.S. Coast Guard, the Contracting Officer or COR shall either provide a copy of the [Coast Guard Postal Manual, COMDTINST M5110.1 \(series\)](#) or furnish appropriate information from the instruction to the contractor. The Contractor shall be provided with the U.S. Coast Guard Permit Number and assist the contractor in submitting the required postal forms. The Contracting Officer or COR shall ensure that a copy of the required postal forms is forwarded to the Office of Information Management (Commandant (CG-611)).

CGAP CHAPTER 3048 VALUE ENGINEERING

CGAP SUBCHAPTER 3048.1 POLICIES AND PROCEDURES

CGAP SUBCHAPTER 3048.102 Policies.

- (b) The Head of the Contracting Activity (HCA) is responsible for managing and monitoring Value Engineering (VE) efforts for the Coast Guard. (See [OMB Circular A-131](#).) VE reports shall be prepared in the format prescribed in OMB Circular A-131 and shall be sent to Commandant (CG-913) by November 1 of each year. The report should cover VE activity occurring in the preceding fiscal year.

CGAP CHAPTER 3049 TERMINATION OF CONTRACTS**CGAP SUBCHAPTER 3049.1 GENERAL PRINCIPLES****CGAP SUBCHAPTER 3049.106 Fraud or other criminal conduct.**

In cases of suspected fraud or other criminal conduct in connection with the settlement of a terminated contract, the Contracting Officer shall notify CG-0949 and take action per CG-0949 direction regarding preparation of documentation for possible submission to the Coast Guard Investigative Service.

CGAP SUBCHAPTER 3049.4 TERMINATION FOR DEFAULT**CGAP SUBCHAPTER 3049.401 General.**

Commandant (CG-0949) shall review all notices of termination for default, with all supporting information, for legal sufficiency.

CGAP SUBCHAPTER 3049.402-3 Procedures for default.**CGAP SUBCHAPTER 3049.402-390 Procedures for default, referral to debarring and suspending official.**

To ensure compliance with HSAM 3049.402-3, on a monthly basis CG-913 will provide COCOs with a list of awards that were coded in FPDS-NG as either terminations for default or cause. COCOs shall validate and complete the data, indicating whether the requirements of HSAM 3049.402-3 have been met, and return the report to CG-913 within 10 business days.

In the event that the COCO determines that a referral to the component suspension and debarment coordinator is warranted, the referral, including all information required by HSAM 3049-402-3 and signed by the COCO, shall be submitted to the component suspension and debarment coordinator (CG-0949) with a copy to CG-913. CG-913 will inform the HCA of any referral.

CGAP SUBCHAPTER 3049.5 CONTRACT TERMINATION CLAUSES**CGAP SUBCHAPTER 3049.501 General.**

Requests to use special purpose clauses shall be submitted to CG-913 via the COCO and contain the following information: a copy of the clause, justification for the necessity of its use, and the concurrence of legal counsel regarding the legality of the proposed clauses and the inappropriateness of the standard FAR clauses. CG-913 will forward the request to the HCA for approval.

CGAP SUBCHAPTER 3049.6 CONTRACT TERMINATION FORMS AND FORMATS

CGAP SUBCHAPTER 3049.607 Delinquency notices.

- (a) Cure Notice. When it is appropriate to issue a cure notice, the format in FAR 49.607(a) is mandatory except that additional paragraphs may be added if appropriate. If re-procurement is a possibility, the following paragraph shall be added to the cure notice:

Should the Government decide to pursue its right of termination for default, the Government may procure supplies or services similar to those so terminated, and you will be liable to the Government for any excess costs of the re-procurement.

- (c) Show Cause Notice. The format at [FAR 49.607\(b\)](#) is mandatory for the Coast Guard.

CGAP CHAPTER 3050 EXTRAORDINARY CONTRACTUAL ACTIONS AND THE SAFETY ACT

CGAP SUBCHAPTER 3050.1 EXTRAORDINARY CONTRACTUAL ACTIONS

CGAP SUBCHAPTER 3050.103-5 Processing cases.

The Office of Procurement Law (Commandant (CG-0949)) is the Contracting Officer's designated representative for processing adjustments. The Contracting Officer shall transmit the contractor's request for adjustment as detailed in [FAR 50.103-3](#) to Commandant (CG-0949). Commandant (CG-0949) shall compile the facts and evidence detailed in [FAR 50.103-4](#), as necessary, and processes the case as specified in [FAR 50.103-5](#).

CGAP CHAPTER 3051 USE OF GOVERNMENT SOURCES BY CONTRACTORS

(RESERVED)

CGAP CHAPTER 3052 SOLICITATION PROVISIONS AND CONTRACT CLAUSES

CGAP SUBCHAPTER 3052.2: TEXTS OF PROVISIONS AND CLAUSES

The following is a list of solicitation provisions and contract clauses contained in CGAP. Each is hyperlinked to the location of the provision or clause.

CGAP SUBCHAPTER 3004.1301-90: [Common Access Card \(CAC\) for Trusted Associate Sponsorship System \(TASS\)](#)

CGAP SUBCHAPTER 3017.9001: [Price related factors in the award of vessel repair contracts](#)

CGAP SUBCHAPTER 3017.9001: [Foreseeable Cost Factors Pertaining To Different Shipyard Locations](#)

CGAP SUBCHAPTER 3023.490: [Salvageable Products](#)

CGAP SUBCHAPTER 3036.691: [Quality Assurance And Inspection Services](#)

CGAP SUBCHAPTER 3042.302-90: [Valuation Requirements For The Acquisition Of Spare Parts Purchased For Inventory Control Points From Headquarters Contracts](#)

CGAP CHAPTER 3053 FORMS**CGAP SUBCHAPTER 3053.1 GENERAL****CGAP SUBCHAPTER 3053.101 Requirements for use of forms.****CGAP SUBCHAPTER 3053.101-90 Use of other agency forms.**

Coast Guard contracting activities are authorized to use any of the forms prescribed within the Department of Defense (DoD) FAR Supplement. Forms prescribed by the Federal Acquisition Regulation (FAR) shall have first preference usage, forms prescribed by the [Homeland Security Acquisition Regulation \(HSAR\)](#) shall have second preference usage, forms prescribed by the [Homeland Security Acquisition Manual \(HSAM\)](#) shall have third preference, forms prescribed by the Coast Guard Acquisition Procedures (CGAP) shall have fourth preference usage, and forms prescribed by the DOD FAR Supplement shall have last preference usage, unless mandatory use is prescribed for these forms.

CGAP SUBCHAPTER 3053.103 Exceptions.

Alteration (changes rather than overprinted additions, e.g., names, addresses and other uniform entries) of any Coast Guard form or other authorized form used for contracting-related purposes is prohibited unless prior approval has been obtained from Commandant (CG-913). Use for the same purpose of any form other than one prescribed by these procedures requires prior approval of Commandant (CG-913). Requests for exceptions to standard or optional forms, as prescribed in [FAR 53.103](#) shall be forwarded to Commandant (CG-913) for appropriate action.

CGAP SUBCHAPTER 3053.105 Computer generation.

Forms prescribed within the FAR System may be adopted for computer preparation by following the exception procedures in CGAP Subchapter 3053.103.

CGAP SUBCHAPTER 3053.106 Special construction and printing.**CGAP SUBCHAPTER 3053.107 Obtaining forms.**

The Coast Guard's Forms Library provides the electronic version of CG-specific forms and other agency forms. The library is accessible on the Coast Guard's intranet website at <http://cgweb.comdt.uscg.mil/CGForms>; Internet: <http://www.uscg.mil/forms/>; and CGPortal at <https://cgportal2.uscg.mil/library/forms/>.

The DOD Single Line Item Requisition System Document (Manual), Form DD 1348, is available at <http://www.dtic.mil/whs/directives/infomgt/forms/forminfo/forminfo493.html>.

Standard and Optional Forms are located at:

<http://www.gsa.gov/portal/forms/type/TOP/category/22457/hostUri/portal>.

Department of Defense forms are located at:

<http://www.dtic.mil/whs/directives/infomgt/forms/formsprogram.htm>.

Department of Homeland Security forms are located at: <http://dhsconnect.dhs.gov/forms>.

CGAP SUBCHAPTER 3053.108 Recommendations concerning forms.

As specified in [FAR 53.108](#), contracting activities shall coordinate with the FAR Secretariat through Commandant (CG-913).

CGAP SUBCHAPTER 3053.2 PRESCRIPTION OF FORMS

CGAP SUBCHAPTER 3053.200 Scope of subchapter.

This Subchapter prescribes Coast Guard forms for use in agency procurement. The Subchapter is arranged by subject matter in the same order as the parts and chapters of the regulation in which the form usage requirements are addressed. (See [FAR 53.200](#) for an example.)

APPENDIX A – CHAPTER 3004

Coast Guard Procurement Policy and Oversight
Review and Approval Threshold Matrix

Acquisition Plan (AP)	Small Business Specialist	Level Above KO	COCO	CSO or designee	CIO or designee	HCAd	HCA	DHS CPO
>SAT to <\$10M (FFP)	No written AP required			R/A	R/A	No written AP required		
>SAT to <\$10M (Other than FFP)	R*	A		R/A	R/A			
\$10M - \$50M	R	R	A	R/A	R/A			
>\$50M up to levels requiring CPO approval	R	R	R	R/A	R/A	R	A	
Levels requiring CPO Approval: <ul style="list-style-type: none"> • Program acquisitions with lifecycle costs ≥ \$300M • Services ≥\$100M per annual expenditure level. • Designated by CPO 	R	R	R	R/A	R/A	R	R	A
*Small business review and signature is required on AP's for actions over \$2.5M (total value including options) in accordance with FAR 7.104(d)(2)(i)(C)								
NOTE: For sole source procurements (Limited Sources Justification, Fair Opportunity Exceptions, or Justifications for Other Than Full and Open Competition), the USCG Procuring Activity Competition Advocate (PACA) shall review APs with an estimated value greater than \$13.5M prior to AP approval in accordance with CGAP 3007.103(j)(1)(iii)								
References: CGAP 3007.103 / HSAM 3007.103 (j)(2)								
NOTE: The CSO and CIO designee will review and sign the AP or Appendix G for actions up to \$50M. The CIO and CSO will review and sign the AP all actions over \$50M.								

Justification & Approval (J&A) / Limited Sources Justification (LSJ)	KO	Legal	Command PACA	Coast Guard PACA	DHS CPO
\$700K or less	A	R*			
Over \$700K to \$13.5M	R	R	A		
Over \$13.5M to \$93M	R	R	R	A	
Over \$93M	R	R	R	R	A
*Legal counsel shall review and sign all justifications for requirements with an estimated value greater than the SAT.					
References: CGAP 3006.304 / FAR 6.304(a)					

R = Review A = Approval
 Effective: 8/8/2017

APPENDIX A – CHAPTER 3004

Coast Guard Procurement Policy and Oversight
Review and Approval Threshold Matrix – Continued

• Source Selection Plan • Solicitation • Award	KO	Legal	Supervisory KO	Contract and Legal Review Board (Legal/913)	COCO	HCA-d	HCA
SAT - \$500K	A						
>\$500K - <\$3M	A		R*				
\$3M – < \$10M	R	R	A*				
\$10M – <\$50M	R		R	R**	A*		
>\$50M (Other than Major System)	R		R	R**	R	A	
Major System	R		R	R**	R	R	A
* all competitive source selections require a written SSP, commensurate with the procurement's value and complexity. This requirement includes actions below the threshold for HCA-d review and approval. This requirement applies to FAR Part 15 as well as FAR Part 12.							
** CLRB is NOT required for task orders against single award IDIQ's.							
NOTE: For FAR Part 8 & 16 buys, an evaluation plan replaces the requirement for a SSP.							
References: CGAP 3015.303 / FAR 15.303							

• Pre-Negotiation Memo* • Post-Negotiation Memo • SSA Decision Memo, if applicable**	KO	Legal	Supervisory KO	Contract and Legal Review Board (Legal/913)	COCO	HCA-d	HCA
SAT - \$500K	A						
>\$500K - <\$3M	A		R				
\$3M – < \$10M	R	R	A				
\$10M – <\$50M	R		R	R***	A		
>\$50M (Other than Major System)	R		R	R***	R	A	
Major System	R		R	R***	R	R	A
*Legal review is discretionary for Pre-Negotiation Objectives memorandum in accordance with HSAM 3004.7003(a)							
** For other than major systems acquisitions, the HCA-d shall serve as the Source Selection Authority (SSA) for all actions greater than \$50M, unless otherwise delegated by the HCA-d. For Major systems, the SSA is the HCA.							
***CLRB is required for all solicitations and award actions greater than or equal to \$10M.							
References: CGAP 3015.406-170 / CGAP 3015.406-370 / HSAM 3015.406							

R = Review A = Approval

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APPENDIX A – CHAPTER 3004

**Coast Guard Procurement Policy and Oversight
Review and Approval Threshold Matrix – Continued**

Determination & Findings (D&F)	KO	Supervisory KO	COCO	HCA	Reference
Contract period of performance (inclusive of option years) to extend beyond 5 years	R	R	R	A	CGAP 3017.204 / HSAM 3017.204
Severable Services crossing fiscal years	R	A*	(approval removed)		CGAP 3032.703-3 HSAM 3032.703-3
Fixed Ceiling Price Contracts with Retroactive Price Redetermination	R	R	R	A	FAR 16.206-3(d)
Firm Fixed Price Level of Effort Term Contract	R	R	A		FAR 16.207-3(d)
Incentive Contract	R	R	A		HSAM 3016.401(d)(4)
Incentive Contract (award fee)	R	R	R	A	HSAM 3016.401(d)(3)
Use of T&M or LH with period of performance < 3Years	A				FAR 16.601(d)
Use of T&M or LH with period of performance > 3Years	R	R	R	A	FAR 16.601(d)
Letter Contract < SAT**	R	R	A		HSAM 3016.603-2(c)
Letter Contract > SAT**	R	R	R	A	CGAP 3043.7001
*Approval can be a level above the KO who is not a supervisor					
**Letter contracts of any dollar value require Legal review as well in accordance with HSAM 3004.7003(a)					

R = Review A = Approval

Effective: 8/8/2017

APPENDIX B – CHAPTER 3033**NOTICE FOR FILING AGENCY PROTESTS
United States Coast Guard Ombudsman Program**

It is the policy of the United States Coast Guard (USCG) to issue solicitations and make contract awards in a fair and timely manner. The Ombudsman Program for Agency Protests (OPAP) was established to investigate agency protest issues and resolve them without expensive and time-consuming litigation. OPAP is an independent reviewing authority that is empowered to grant a prevailing protester essentially the same relief as the Government Accountability Office (GAO).

Interested parties are encouraged to seek resolution of their concerns within the USCG as an Alternative Dispute Resolution (ADR) forum rather than filing a protest with the GAO or some external forum. Interested parties may seek resolution of their concerns informally or opt to file a formal agency protest with the Contracting Officer or Ombudsman.

Informal Forum with the Ombudsman. Interested parties who believe a specific USCG procurement is unfair or otherwise defective should first direct their concerns to the applicable Contracting Officer. If the Contracting Officer is unable to satisfy their concerns, interested parties are encouraged to contact the U.S. Coast Guard Ombudsman for Agency Protests. Under this informal process the agency is not required to suspend contract award performance. Use of an informal forum does not suspend any time requirement for filing a protest with the agency or other forum. In order to ensure a timely response, interested parties should provide the following information to the Ombudsman: solicitation/contract number, contracting office, Contracting Officer, and solicitation closing date (if applicable).

Formal Agency Protest with the Ombudsman. Prior to submitting a formal agency protest, protesters must first use their best efforts to resolve their concerns with the Contracting Officer through open and frank discussions. If the protester's concerns are unresolved, an Independent Review is available by the Ombudsman. The protester may file a formal agency protest to either the Contracting Officer or as an alternative to that, the Ombudsman under the OPAP program. Contract award or performance will be suspended during the protest period unless contract award or performance is justified, in writing, for urgent and compelling reasons or is determined in writing to be in the best interest of the Government. The agency's goal is to resolve protests in less than 35 calendar days from the date of filing. Protests shall include the information set forth in [FAR 33.103\(d\) \(2\)](#). If the protester fails to submit the required information, resolution of the protest may be delayed or the protest may be dismissed. To be timely protests must be filed within the period specified in [FAR 33.103\(e\)](#). Formal protests filed under the OPAP program should be submitted electronically to OPAP@uscg.mil and the Contracting Officer or by hand delivery to the Contracting Officer.

Election of Forum. After an interested party protests a Coast Guard procurement to the Contracting Officer or the Ombudsman, and while the protest is pending, the protester agrees not to file a protest with the GAO or other external forum. If the protest is filed with an external forum, the agency protest will be dismissed.

The Ombudsman Hotline telephone number is 202.372.3695.