

April 15, 2005

POLICY LETTER 05-01

TO THE HEADS OF CIVILIAN EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Developing and Managing the Acquisition Workforce

1. Purpose. This Policy Letter establishes the government-wide framework for creating a federal acquisition workforce with the skills necessary to deliver best value supplies and services, find the best business solutions, and provide strategic business advice to accomplish agency missions.

2. Authority. This Policy Letter is issued pursuant to section 6(a) of the Office of Federal Procurement Policy (OFPP) Act, as amended (41 U.S.C. § 405(a)), and sections 37(b)(3) and (g) of the OFPP Act, as amended (41 U.S.C. § 433(b)(3) and (g)).

3. Rescission. OFPP Policy Letters 92-3 and 97-01 are rescinded. Policy Letter 05-01 consolidates OFPP policy on acquisition workforce development.

4. Background. The quality and effectiveness of the federal acquisition process depend on the development of a capable and competent workforce. Congress recognized the need for a professional workforce through the passage of the Defense Acquisition Workforce Improvement Act (DAWIA) (10 U.S.C. §§ 1741-46) and section 4307(a) of the Clinger-Cohen Act (40 U.S.C. §1401(3), amending section 37 of the OFPP Act (41 U.S.C. § 433)). These acts established education, training, and experience requirements for entry and advancement in the acquisition career fields for the Department of Defense (DOD) and civilian agencies respectively. Policy Letter 92-3, dated June 24, 1992, established policies for skill-based training in contracting and purchasing duties for all executive agencies. Policy Letter 97-01, dated September 12, 1997, established career management, education, and training requirements for contracting personnel in civilian executive agencies. This Letter builds on those previous efforts to improve the development of the acquisition workforce by more broadly defining the acquisition workforce and more closely aligning civilian (non-DOD) and defense acquisition workforce requirements.

5. Applicability. This Letter applies to all executive agencies, except those subject to DAWIA.

The acquisition workforce includes individuals who perform various acquisition-related functions to support the accomplishment of an agency's mission. The Services Acquisition Reform Act of 2003 (SARA) (P.L. 108-136) defines acquisition to include, among traditional contracting functions, requirements definition, measurement of contract performance, and technical and management direction. One of the principal purposes of this Letter is to include formally these individuals in the definition of the acquisition workforce so they can be trained and developed using common standards.

To facilitate the identification of individuals included in the acquisition workforce, agencies shall consider the functions performed by those individuals. Membership in

the acquisition workforce may be on a full-time, part-time, or occasional basis. For example, members of the acquisition workforce may include:

- individuals who are substantially involved in defining, determining, and managing requirements,
- individuals involved in acquisition planning and strategy,
- individuals who participate in the process of establishing the business relationship to obtain needed goods and services, (e.g., contracting process, those involved in the solicitation, evaluation and award of acquisitions),
- individuals who manage the process after business arrangements have been made to ensure that the government's needs are met (e.g., testing and evaluating, managing and monitoring the manufacturing and production activities, auditing, contract administration, performance management and evaluation, etc.),
- individuals who arrange disposal of any residual items after work is complete, (e.g., property management/disposal),
- individuals who support the business processes of the above listed activities (e.g., General Counsel, finance, or other subject matter experts), and
- individuals who directly manage those involved in any of the above activities.

At a minimum, the acquisition workforce of an agency, for purposes of this Letter, includes:

1. All positions in the general schedule contracting series (GS-1102) and non-DOD uniformed personnel in comparable positions.
2. All Contracting Officers (CO) regardless of general schedule series with authority to obligate funds above the micropurchase threshold.
3. All positions in the general schedule purchasing series (GS-1105).
4. Program and project managers, as identified by the agency's Chief Acquisition Officer (CAO), or equivalent.
5. All Contracting Officer's Representatives (CORs) and Contracting Officer's Technical Representatives (COTRs), or equivalent positions.
6. Any significant acquisition-related positions identified by the CAO, or equivalent, using the guidance provided above.

6. Agency Responsibilities.

a. Authority - In accordance with section 16(b)(6) of the OFPP Act, as amended (41 U.S.C. § 414(b)(6)), sections 37(g)(1) and (g)(3) of the OFPP Act, as amended (41 U.S.C. §§ 433(g)(1) and (3)), and subject to the authority, direction, and control of the head of an executive agency, the CAO, or equivalent, shall develop and maintain an acquisition career management program to ensure the development of a competent, professional workforce to support the accomplishment of agency mission. The CAO is responsible for identifying the members of the agency's acquisition workforce and for implementing a budget strategy that reflects the workforce's development needs and organizational structure of the agency. This strategy might include

identifying funding sources, establishing a methodology for prioritizing funding needs, and otherwise institutionalizing a process for maximizing the agency's acquisition workforce training budget. The CAO shall carry out the powers, functions, and duties of the agency head with respect to implementation of this Letter. The CAO may delegate this responsibility to a level no lower than the deputy CAO, or equivalent, and may appoint functional advisors for each segment of the acquisition workforce (i.e. contracting, program management, etc.) to facilitate the management of the agency's acquisition workforce, in accordance with the requirements of this Letter. The CAO shall consider appointing senior civil service managers as functional advisors to promote technical continuity in advising the CAO on career management issues in the various disciplines.

b. Inclusion of Acquisition Workforce in Agency Human Capital Plans -

The CAO, in consultation with agency acquisition career managers and functional advisors, shall provide to the agency's Chief Human Capital Officer, or equivalent, substantial input to the agency's human capital strategic plan regarding the acquisition workforce. This may include recruitment needs and hiring strategies, relevant agency workforce statistics, skills assessments, accession plans, workforce development initiatives, and performance incentive plans (in accordance with section 37(b)(1) of the OFPP Act, 41 U.S.C. § 433(b)(1)). Additionally, the CAO is responsible for assessing the current skills inventory of the workforce, identifying short- and long-term agency needs, and establishing plans, including recruitment and retention strategies, for obtaining the acquisition workforce resources and skills required to meet future agency mission needs.

c. Agency Acquisition Workforce Management - The CAO, or designee, shall appoint an individual with acquisition experience to lead the agency's acquisition career management program. The Acquisition Career Manager (ACM) will be responsible for ensuring that the agency's acquisition workforce meets the requirements of this Letter. At a minimum, the ACM shall:

1. manage the identification and development of the acquisition workforce, including identifying staffing needs, training requirements, and other workforce development strategies;
2. propose to the CAO an annual budget for the development of the acquisition workforce to fulfill the requirements of this Letter and other agency human capital objectives;
3. provide coordinated input to the CAO and Chief Human Capital Officer regarding short and long term human capital strategic planning for training, competency fulfillment, career development, accession, recruitment and retention, and other facets of human capital management affecting the acquisition workforce;
4. recommend to the CAO a transition plan for meeting the requirements of this Letter;
5. ensure that agency policies and procedures for workforce management are consistent with those established by OFPP, as appropriate;
6. coordinate with agency functional advisors to ensure fulfillment of requirements of this Letter;

7. recommend to the Senior Procurement Executive (SPE) waivers to the GS-1102 education and training provisions of this Letter, as needed and in accordance with the qualification standards; and
8. maintain and manage consistent agency-wide data on those serving in the agency's acquisition workforce in the acquisition career management information system (Acquisition Career Management Information System (ACMIS)) – see paragraph 12).

The CAO shall forward the name and contact information (phone number, email, etc.) of the person designated to perform these roles to the Federal Acquisition Institute (FAI) at ACMinfo@fai.gov not later than October 1, 2005, and shall update this information, as needed, to ensure that agencies receive timely information from FAI and Defense Acquisition University (DAU) regarding training and development opportunities and other related information.

7. Core Competencies. The development of a highly-qualified, well-trained workforce will generally be based on a framework of core competencies that are common to defense and civilian agencies. DOD maintains core competencies that OFPP, in consultation with the Office of Personnel Management (OPM) shall consider for civilian agency use in fulfilling the requirements of this Letter. OFPP, in consultation with OPM, and DOD shall also establish a process for updating these competencies, as needed, and developing specialized competencies for particular areas of focus. Agencies may require their acquisition workforce members to obtain additional competencies to fulfill agency mission needs.

8. Federal Acquisition Certifications.

a. General - OFPP's vision for the federal acquisition workforce is the development of common certification programs that generally reflect a government-wide standard for education, training, and experience leading to the fulfillment of core competencies in a variety of acquisition-related disciplines. To promote the development of core acquisition competencies government-wide and to facilitate employee mobility, FAI, in consultation with OPM, shall develop federal acquisition certification programs that shall be accepted by, at a minimum, all civilian executive agencies. These certifications will generally serve as one means to demonstrate that an employee meets the core education, training, and experience requirements, as appropriate, for that acquisition-related discipline (e.g., contracting, program management, etc.). Agency-specific certification programs are not transferable to other agencies.

Federal acquisition certifications shall be offered to, though not necessarily required of, the general acquisition workforce as defined in this Letter and further identified by agency CAOs. However, agencies may specify a particular type and/or level of certification when establishing quality ranking factors when it is determined that the certification is job related.

b. Federal Acquisition Certification - Contracting (GS-1102) Series - Not later than January 1, 2006, FAI, in partnership with DAU, shall develop a

certification program that considers a variety of means, including a fulfillment process, for assessing and certifying that the education, training, and experience requirements for the GS-1102 series, as described herein, have been met. The program shall be based on the DAWIA requirements for certification at the junior, intermediate, and senior levels to reflect the need to meet increasingly more rigorous standards for education, training, and experience throughout the career development process. The Chief Acquisition Officers Council (CAOC) shall approve the program. Once granted, the certification shall be accepted by, at a minimum, all civilian executive agencies as evidence that an employee meets the core education, training, and experience requirements for the GS-1102 series.

The GS-1102 federal acquisition certification is not mandatory for all GS-1102s. However, members of the workforce issued new CO warrants on or after January 1, 2007, regardless of GS series, must be certified at an appropriate level to support their warrant obligations. New CO warrants are defined as warrants issued to employees for the first time at a department or agency. This requirement does not apply to senior level officials responsible for delegating procurement authority or those whose warrants are generally used to procure emergency goods and services.

CAOs shall establish agency-specific requirements for tying warrant levels to certification levels based on agency needs. However, agencies are encouraged to require a senior level certification for any employee issued an unlimited Contracting Officer's warrant on or after January 1, 2007. The SPE of a civilian agency may waive this requirement in writing, on a case-by-case basis, if granting a waiver is in best interest of the agency. This authority may not be delegated, and the use of this authority shall be adequately documented. This waiver is not transferable to another agency. The CAO shall ensure that an employee's warrant information is entered and maintained in ACMIS (see paragraph 12).

1. **Contracting (GS-1102) Series Education Requirements** - The Contract Specialist (GS-1102) Qualification Standard, established in consultation with OPM, establishes the education requirements for civilian GS-1102s (see www.opm.gov). This Policy Letter does not change the education requirements for the civilian GS-1102 series, and the certification program shall be developed to reflect any differences between civilian and defense education requirements. For example, a GS-7 civilian contract specialist (1102) who meets the education requirement in the qualification standard (a bachelor's degree OR 24 hours of business classes) but does not meet the DAWIA requirements (a bachelor's degree AND 24 hours of business), may still be eligible for a federal acquisition certification, but would not be considered qualified for a position subject to DAWIA.

The SPE of a civilian agency may waive the education and training requirements for an applicant for a GS-13 position and above based on that person's demonstrated analytical and decision making capabilities, job performance, and qualifying experience. This authority may not be delegated. In accordance with the Contract Specialist (GS-1102) Qualification Standard, this waiver must be based on a certification by

the SPE that the applicant possesses significant potential for advancement to levels of greater responsibility and authority. The use of this authority shall be adequately documented and exercised on a case-by-case basis, as needed, to ensure that the best candidate for a position is selected. This waiver is not transferable to another agency and does not apply toward the requirements for federal acquisition certification.

2. **Contracting (GS-1102) Series Training Requirements** - One of the principal purposes of this Letter is to establish uniform core training requirements for the civilian and defense acquisition workforce. Not later than October 1, 2005, civilian agencies shall prospectively follow the training requirements established by DOD, in consultation with OFPP, as part of their acquisition workforce development program (see www.dau.mil/catalog). Employees are not required to retake classes, but shall follow the DOD training requirements when considering additional core training, if needed, or continuous learning.

The SPE of a civilian agency may waive the training requirements for an applicant for a GS-13 position and above based on that person's demonstrated analytical and decision making capabilities, job performance, and qualifying experience. (Please see paragraph 8(b)(1) above for additional information on the SPE waiver authority.)

To ensure consistent quality of the training provided to the acquisition workforce, civilian agencies shall follow the course equivalency determinations accepted by DAU to ensure that core training is comparable across the workforce and qualifies for certification. Electives and other courses do not generally require a course equivalency determination.

3. **Contracting (GS-1102) Series Experience Requirements** - Experience requirements for GS-1102 positions are identified in the Contract Specialist (GS-1102) Qualification Standard.
4. **Contracting (GS-1102) Series Continuous Learning Requirements** - GS-1102s, including all warranted Contracting Officers regardless of series, shall earn 80 continuous learning points every two years to maintain the GS-1102 federal acquisition certification. Civilian agencies shall generally follow the guidance provided by DOD on how these points can be earned (see www.dau.mil), and are encouraged to use continuous learning opportunities to assist individuals in obtaining core acquisition competencies, maintaining critical acquisition skills, and acquiring agency-specific training. The Administrator for Federal Procurement Policy may prescribe specific continuous learning courses to ensure that training is provided to the acquisition workforce on topics such as ethics, performance-based contracting, strategic sourcing, or others, as needed.

c. Federal Acquisition Certification - Program and Project Managers - A cross-agency and cross-functional working group will be formed to assist

FAI in developing recommendations for the establishment of certification programs for program and project managers that are guided by the general competencies, experience, and training associated with the DAWIA requirements, accepted industry certification programs, and existing government requirements, such as the qualification requirements established by the Chief Information Officers Council (CIOC) for information technology project management.

FAI shall work with the CAOC, the CIOC, the Chief Financial Officers Council, the Chief Human Capital Officers Council, and other organizations with subject matter expertise, as appropriate, to ensure that these certification programs reflect the needs and priorities of the community and meet the general requirements of this Letter. FAI shall develop these recommendations not later than October 1, 2006.

Not later than, January 1, 2007, agency CAOs shall identify program and project managers who will be subject to the requirements of this Letter, and shall establish appropriate timeframes and policies for applying the certification program requirements. (For example, agencies may choose to require certification for individuals working on certain critical agency projects or programs, those of a certain dollar threshold, or other high visibility programs and projects.) Individuals identified by the CAO as subject to this Letter shall ensure that the appropriate information is included in ACMIS (see paragraph 12) so that workforce data may be captured for future training and development planning.

d. Federal Acquisition Certification - Other Acquisition-Related Positions - At the direction of the FAI Board of Directors, FAI shall develop additional recommendations for certification programs that are guided by the general competencies, experience, and training associated with the DAWIA requirements and accepted industry certification programs for other acquisition-related positions (see paragraph 5), excluding requirements for CORs and COTRs (see paragraph 9).

9. Contracting Officer's Representatives (CORs) and Contracting Officer's Technical Representatives (COTRs). The CAO is responsible for developing basic and refresher training requirements to ensure CORs and COTRs are adequately trained for the functions they perform in the acquisition workforce. FAI and DAU have a number of continuous learning resources to assist agencies in this effort (see www.dau.mil and www.fai.gov). CAOs shall require that CORs and COTRs enter their information into ACMIS (see paragraph 12) to ensure that agency acquisition workforce information is complete.

CAOs shall establish agency requirements for continuous learning for CORs and COTRs. Agencies are encouraged to require, at a minimum, 40 continuous learning points every two years for CORs and COTRs. Additionally, the Administrator for Federal Procurement Policy may prescribe specific continuous learning courses to ensure that training is provided on topics such as ethics, performance-based contracting, strategic sourcing, or others, as needed.

10. Tuition Assistance. Each executive agency must recognize, in its strategic planning and budgeting activities, the importance of developing its acquisition workforce. OMB Circular A-11 provides guidance concerning classification of education and training obligations within budget documentation. To the extent that funding is available, agencies may provide tuition reimbursement at accredited institutions for education, including a full-time course of study leading to a degree, in accordance with 5 U.S.C. § 4107 (as authorized by section 37(h)(2) of the OFPP Act, as amended (41 U.S.C. 433(h)(2))), for personnel serving in acquisition positions in the agency.

11. Acquisition Workforce Training Fund. In accordance with section 37(h)(3)(A) of the OFPP Act (41 U.S.C. § 433(h)(3)(A)), as amended by the Services Acquisition Reform Act of 2003 (P.L. 108-136), the Administrator of General Services shall establish an acquisition workforce training fund (AWTF) to support the training of the acquisition workforce of the executive agencies other than the DOD. Agencies administering contracts specified in section 37(h)(3)(B) of the OFPP Act, as amended (41 U.S.C. § 433(h)(3)(B)) shall credit 5 percent of the fees collected under these contracts to the AWTF at the end of each quarter of the fiscal year and in accordance with the instructions issued by the Administrator of General Services. The fund shall be managed by FAI in accordance with section 37(h)(3)(A) of the OFPP Act, as amended (41 U.S.C. § 433(h)(3)(A)). OFPP and the FAI Board of Directors (see paragraph 13(b)) shall provide direction to FAI on the allocation of these resources to ensure equitable training opportunities for all civilian agencies.

The AWTF supplements, but does not replace, existing agency training budgets, and agencies should continue to budget separately for the training and education of their acquisition workforce. In accordance with section 37(h)(1)(A) of the OFPP Act, as amended (41 U.S.C. § 433 (h)(1)(A)), agency heads shall set forth separately the funding levels requested for education and training of the acquisition workforce in the agency's annual budget request to OMB.

12. Management Information Systems. In accordance with section 37(d) of the OFPP Act, as amended, (41 U.S.C. § 433(d)) each executive agency must collect, maintain, and utilize information to ensure effective management of the acquisition workforce. FAI maintains an acquisition career management information system (ACMIS) that can assist agencies in managing their workforce and help members of the workforce manage their individual education, training, and experience information. Civilian agencies may populate ACMIS through existing agency learning management systems or may populate ACMIS directly. However, all civilian agencies shall ensure that ACMIS has complete and current information on the members of the acquisition workforce as described below.

Not later than October 1, 2006, each civilian agency shall have complete, current records in ACMIS for, at a minimum, the following:

- All positions in the general schedule contracting Series (GS-1102) and non-DOD uniformed personnel in comparable positions;
 - All Contracting Officers regardless of general schedule series with authority to obligate funds above the micropurchase threshold;
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- All positions in the general schedule purchasing series (GS-1105).

Not later than April 1, 2007, each civilian agency shall have complete, current records in ACMIS for program and project managers, including CORs and COTRs, who have been identified by the CAO as members of the acquisition workforce. Information on employees in other acquisition-related disciplines can be entered, as appropriate, but not later than one year after the certification program for that discipline has been developed.

The Enterprise Human Resources Integration (EHRI), developed by OPM to manage human resources information government-wide, will work in concert with ACMIS by providing general workforce data and information. ACMIS will use the EHRI information, agency learning management systems information, if applicable, and additional information provided by employees and supervisors to capture more specific data on the acquisition workforce. Additionally, ACMIS will provide detailed reports to assist agencies in short- and long-term workforce planning.

As soon as practicable, FAI will prepare guidance for agencies on ACMIS implementation.

13. The Federal Acquisition Institute.

a. Roles and Responsibilities – FAI fosters and promotes the development of a professional acquisition workforce and is responsible for performing a wide range of activities supporting management of the acquisition workforce as directed by the Administrator for Federal Procurement Policy, pursuant to section 6(d)(5) of the OFPP Act, as amended (41 U.S.C. § 405(d)(5)). To support the management of the workforce in accordance with this Letter, FAI shall focus on the following priorities:

1. *Establish performance measures.* Not later than April 1, 2006, and in consultation with the CAOC and other organizations, as appropriate, FAI shall establish general performance measures that agencies may use in assessing their acquisition workforce development programs.
2. *Core competencies and curriculum support:* In partnership with DAU, FAI shall support the identification and maintenance of core acquisition workforce competencies and a core curriculum to develop these competencies government-wide. FAI shall develop curriculum content, if necessary, to support the civilian workforce needs.
3. *Establish career development programs.* To assist the workforce in obtaining the necessary competencies and skills, FAI shall establish career development programs. These may include developing a rotational program among agencies, managing a government-wide intern program for agencies that don't have their own, developing mentoring programs, or identifying other career enrichment experiences. The FAI Board of Directors will assist FAI in prioritizing the development of these programs.

4. *Establish the federal acquisition certification programs:* FAI shall develop and administer, with agency involvement, the federal acquisition certification programs. Certification program requirements for the GS-1102 series shall be submitted to the CAOC for approval not later than January 1, 2006. Recommendations for the requirements for the program and project management certification shall be submitted to the CAOC, and other organizations, as appropriate, not later than October 1, 2006. The Board shall direct FAI to prepare recommendations for other certification programs as needed.
5. *Manage the AWTF:* In accordance with SARA, FAI shall manage the AWTF fund. The Administrator for Federal Procurement Policy and the Administrator of General Services, in consultation with the FAI Board of Directors, shall provide direction to FAI on the allocation of these resources.

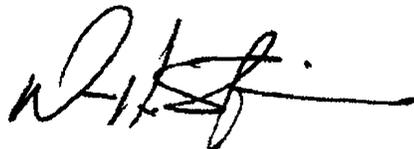
b. FAI Board of Directors - In FY 2004, OFPP established a Board of Directors to assist FAI in its efforts to support the acquisition workforce. The Board provides general direction to FAI to ensure fulfillment of FAI's statutory requirements and the requirements of this Letter.

The Board, which reports to the Administrator for Federal Procurement Policy, makes recommendations to OFPP regarding the development and execution of FAI's annual budget. The Board also provides general direction to FAI on the allocation of AWTF resources, in accordance with the priorities of the acquisition community. The Board's charter can be found on www.fai.gov.

14. Information Contact. Questions regarding this Policy Letter should be directed to Lesley A. Field, Office of Federal Procurement Policy (lfield@omb.eop.gov), or call (202) 395-7579.

15. Judicial Review. This Policy Letter is not intended to provide a constitutional or statutory interpretation of any kind and it is not intended, and should not be construed, to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any persons. It is intended only to provide policy guidance to agencies in the exercise of their discretion concerning federal contracting. Thus, this Policy Letter is not intended, and should not be construed, to create any substantive or procedural basis on which to challenge any agency action or inaction on the ground that such action or inaction was not in accordance with this Policy Letter.

16. Effective Date. This Policy Letter is effective April 15, 2005.



David H. Safavian
Administrator