

# Department of the Interior Departmental Manual

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**Effective Date:** 7/25/86

**Series:** Property and Services

**Part 404:** Procurement Planning

**Chapter 2:** Scope; Policy; Criteria

**Originating Office:** Office of Acquisition and Property Management

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This chapter has been given a new release number.* No text changes were made.
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## **404 DM 2**

**2.1 Scope.** This Part 404 DM applies to all bureaus and offices within the Department of the Interior.

**2.2 Policy.** It is Departmental policy that procurement planning shall be accomplished to assure that contracts, meeting all the requirements of law, policy, and regulation, are issued in a timely manner. Within the Department of the Interior, formal procurement planning will be accomplished on two levels of detail.

### **2.3 Advance Procurement Plans.**

A. The first level of procurement planning is accomplished during budget formulation and identifies contractual effort associated with bureau and office budgets, coordinates that effort with the appropriate contracting office, and schedules it in such a manner that both program and contracting office objectives are met in the most efficient and effective manner possible. Planning during budget formulation is on a macro or gross level, and it is primarily the responsibility of the program or requiring office.

B. During budget formulation, advance procurement planning shall be accomplished for all identified contract actions with an estimated contract value of \$300,000 or more.

C. While the threshold for formal advance procurement planning is set at \$300,000, bureau and office management should strive to develop advance procurement planning techniques that will:

(1) Cause at least 90% of their transactions to be A planned@ in some manner, and

(2) Provide rapid and accurate support to the Office of Small and Disadvantaged Business Utilization (OSDBU) for use in the goal setting process for Business and Economic Development Programs as described in the Department of the Interior Acquisition Regulation (DIAR) System '1419.202-70.

D. Advance procurement plans for telecommunications and automatic data processing (ADP) equipment, software, and services should reflect planning requirements previously documented in the IRM LONG-RANGE PLAN, ADP and Telecommunications Acquisition Plan, FY 1986 B 1990, January, 1986 (see 306 DM 4.3B), and in Exhibits 43A and 43B prepared pursuant to OMB Circular A-11.

## **2.4 Individual Contract Plans.**

A. The second level of procurement planning is accomplished on a micro or detail level. This planning is accomplished primarily within the contracting office and consists of developing or refining the procurement strategy, identifying each of the factors impacting the procurement action, and scheduling each of the events necessary in order to assure the appropriate contract(s) can be awarded in time to meet legitimate program needs.

B. Except as provided in C. below, individual contract plans shall be prepared for all contemplated purchases with an estimated value of over \$25,000.

C. Individual contract plans do not need to be developed for:

- (1) Contracts and orders with a value of \$25,000 or less,
- (2) Orders, placed against mandatory contracts and schedules, for example, Federal Supply Schedules, and,
- (3) Purchases made pursuant to Federal Acquisition Regulation (FAR) 6.302-2, Unusual and compelling urgency, where preparation of an individual contract plan would result in an unacceptable delay in contract award.

## **2.5 Use of Procurement Planning Documents.**

A. In addition to the coordinating function described in 404 DM 1, procurement planning documents should be utilized for both functional reviews and program control purposes to the maximum extent practicable. Controls utilizing procurement documents should help reduce the procurement administrative lead time by eliminating unnecessary duplicate reviews during the actual procurement cycle.

B. All requests for Departmental reviews and approvals, for example, requests for approval to issue a consulting contract, must be accompanied by either an advance procurement plan (404 DM 2.3) or an individual contract plan (404 DM 2.4) as appropriate.

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