



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

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Department of the Interior Acquisition Policy Release (DIAPR) 2012-08

Subject: Service Contract Inventory Data Reporting in Federal Procurement Data System – Next Generation (FPDS-NG)

References: Federal Acquisition Regulation (FAR) Subpart 7.5, *Inherently Governmental Functions*;
Office of Federal Procurement Policy (OFPP) Policy Letter 11-01, *Performance of Inherently Governmental and Critical Functions*;
OFPP Memorandum dated December 19, 2011, *Service Contract Inventories*; and
Chief, Acquisition Officers' Council electronic communication dated February 10, 2012, *Clarification to OFPP's December 19, 2011, Guidance on Service Contract Inventories*

1. Purpose: This DIAPR provides policy for the reporting of Service Contract Inventory information to the FPDS-NG.

2. Effective Date:

March 01, 2012

3. Expiration Date:

No expiration unless cancelled or superseded.

4. Background and Explanation:

In order to implement the collection of information about the role services play in achieving agency objectives, OFPP's December 19, 2011, guidance instructed agencies to begin coding functions closely associated to inherently governmental functions, critical functions, and other functions in the "description of requirement field" in FPDS-NG. This data collection is a requirement of the service contract inventory mandated by Section 743 of Division C of the Fiscal Year 2010 Consolidated Appropriations Act (P.L. 111-117).

OFPP instructed agencies to start collecting the data for contracts awarded on or after March 1, 2012, because the information has not been previously collected in FPDS-NG. Specifically, OFPP guidance requires the first two words to be entered into the "Description of Requirement" field in FPDS-NG to be either "Closely Associated," "Critical Functions," or "Other Functions."

Identifying closely associated and critical functions at the time of award should assist in prioritizing which contracts may require increased management attention and oversight to ensure that mission creep does not result in the performance of inherently governmental functions by contractors, and ensure that the agency does not lose control of its mission and operations.

An annual FPDS report for service contract inventories will generate the description of requirement field for the most recently reported modification; therefore, the description field for each modification of the covered contracts should also include this information.

OFPP Policy Letter 11-01 provides guidance on managing the performance of inherently governmental and critical functions. Specifically, the Policy Letter is intended to assist agencies in ensuring that only Federal employees perform work that is inherently governmental or otherwise reserved for the public sector. Key elements of the Policy Letter describe the collection of information related to contracts for services and the analysis of that data. Detailed definitions of the classifications are also provided. The Policy Letter can be found online at <http://www.whitehouse.gov/omb/procurement>.

5. Action Required:

For new service contract awards made on or after March 1, 2012, and modifications to these awards, contracting officers shall enter one of the following phrases in the FPDS-NG Description of Requirement field: Closely Associated, Critical Functions, or Other Functions. The entry shall be made in accordance with the referenced guidance, and based upon the predominant type of function being performed under the contract. Contracting officers should refer to OFPP Policy Letter 11-01 and FAR Subpart 7.5 for assistance with coding decisions. A summary of the coding classifications is attached.

Please disseminate this policy within your bureau. It will also be available on the web at <http://www.doi.gov/pam/diapr.html>. You may contact Brigitte Meffert of the Office of Acquisition and Property Management on (202) 254-5514 or Brigitte_Meffert@ios.doi.gov if you have any questions regarding this policy.



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Attachment

CLASSIFICATION SUMMARY
FPDS-NG Service Contract Inventory Codes

- i. "Closely Associated" means the service is closely associated with inherently governmental functions.
 1. These are services that are generally not considered to be inherently governmental, but are closely associated with the performance of inherently governmental functions.

- ii. "Critical Functions" means the service is closely associated with critical functions.
 1. These services provide a function that is necessary to the agency being able to effectively perform and maintain control of its mission and operations.
 2. OFPP does not provide a definition or examples of "Critical Functions", however consider the following when making this determination:
 - a. the role the services play in the Bureau's overall mission,
 - b. the complexity of the services,
 - c. the need for specialized staff to perform the services, and
 - d. the impact on the Bureau's ability to meet its mission if the contractor failed to perform the services.

- iii. "Other Functions" means the service is neither of the above.