

MWI 5100.1
REVISION L-3
EFFECTIVE DATE: January 22, 2023
EXPIRATION DATE: January 22, 2028

MARSHALL WORK INSTRUCTION

PS01

INITIATING PROCUREMENT REQUISITIONS *With Change 3 (2/28/25)*

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DOCUMENT HISTORY LOG

Status (Baseline/ Revision/ Change/ Revalidation/ Canceled)	Document Revision/ Change	Effective Date	Description
Baseline		5/14/99	Document converted from MSFC-P06.1-C03 to a Directive. Previous history retained in system as part of canceled or superseded ISO Document files.
Revision	A	8/20/99	Organization codes and titles updated. Updated forms listing at 9.b. Updated S&MA document numbers at paragraph 3 (Applicable Documents) and sections 1.3.1, 1.4.1, 3.3.2.1.5, 3.6.1, 3.6.2, and Appendix D. Updated requirement terminology and referenced document at Appendix D, 7.A. Corrected QMS to MMS at 3.6.5.1. Added "safety" to first sentence at 1.1 of Chapter 1.
Revision	B	8/8/01	Document renumbered to comply with format required by MPG 1410.2. Section 3 revised to delete MM 4000.1 and substitute MWI 4520.1 and MWI 4520.2, where applicable; delete MM 8040.12, MM 9000.1, MWI 1050.1, CM21-011, PS-OWI-16; delete QS01-QE-002 and QS01-QE-006 and substitute QS01-QE-001; add MPD 2800.1, MPG 8040.1, MWI 8040.3, MWI 8715.9; change MMI 1845.1 to MPG 1840.2 and add "MSFC" to title; change MMI 3200.1 to MPG 3200.1; change title of MWI 4530.1 and MWI 5330.1. Section 5, paragraph a. (now 5.2), updated definition of Basic Ordering Agreement; added definition of Collaborative Work Commitment (new 5.12); paragraph k now 5.1; paragraph m. (now 5.14), redefined Information Technology; paragraph o. (now 5.16), redefined Internal Agreement; added definition of Organizational Chief Information Officer (new 5.21). Section 9, added Note. Chapter 1: 1.1 (now CH1.1.1), Deleted "contractor delivery" and "final voucher paid"; 1.1.2 (now CH1.1.3), third bullet, change \$25,000 to \$100,000; fifth bullet, deleted "under the Government Employees' Training Act, (see CM21-011) or" and added "(see MWI 5113.1, "Credit Card Operating Procedures"); CH1.1.4, deleted hardware fabrication BOA, University research BOA, and SEWP II IT; 1.2 (now CH1.2), added "Contract Specialist supporting the requiring function will, upon request, assist and guide the initiator in performing the market research"; 1.3.1 (now CH1.3.3), deleted "Year 2000 compliance requirements, if applicable"; 1.4.1 (now CH1.4.2), added "involving MSFC on-site performance for all proposed contracts in excess of \$1,000,000" to first sentence; added a requirement for submittal of a Safety and Health Plan; 1.4.3 (now CH 1.4.4), changed the process for processing procurement requests for IT services and products requirements to Procurement Office; 1.7.1 (now CH1.7.2), Added "assigned contracts and/or Business Office personnel can assist the initiator in contacting"; CH1.7.2.1, sixth bullet, added: "or involving on-site performance or procurements in excess of \$1,000,000"; Bullet 9, deleted "Program/Project Analyst"; deleted the requirement for documents with original signatures to be forwarded to the Procurement Office concurrently with the APRS submittal; CH1.7.2.2, added requirement for electronic versions of all supporting documents to be submitted to the Procurement Office concurrently with the APRS submittal; 3.1.2 became CH3.1; 3.3.2.1.a. (now CH3.3.3.2), added a statement stressing the importance for post award risk assessment to develop surveillance approach and determining functions that should be delegated; 3.6.5.1 (now CH3.6.5.1), added a sentence regarding the importance of a comprehensive risk assessment of the contract and program immediately following award. Appendix A, Deleted first page of flow diagram and replaced with a new first page. Appendix C, added approval level within the Center Operations Directorate (AD01); changed approval levels within Engineering Directorate. Appendix D, updated references.

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Revision	C	5/10/03	<p>Updated URL in footers and corrected grammatical errors. Throughout the document deleted "Procurement" Requests and substituted "Purchase" Requests; deleted "quality records" and substituted "records"; deleted "QS01." and substituted "QS..."; deleted "Commerce Business Daily (CBD)" and substituted "FedBizOpps"; deleted "Initiators" and substituted "Requisitioners"; deleted "APRS" and substituted "SAP"; deleted "Credit" and substituted "Gov't Commercial Purchases"; deleted "Defense Contract Management Command (DCMC)" and substituted "Defense Contract Management Agency (DCMA)"; deleted all reference to MSFC Forms 55 and 404.; changed the title of MWI 5115.1 from "Handling of" to "Processing" Unsolicited Proposals; 3.17, deleted MWI 5100.2 (APRS); 3.18, changed title to MWI 5113.1; 3.27, added MWI 8540.2; 5.3 deleted "CBDnet"; 5.12 added "FedBizOpps"; 5.21 deleted "and other procurement actions"; 5.22 added new Purchase Request (PR) definition and changed "amendment" to "modification;" 5.25 added "SAP" definition. Changed Chapter 1 Instructions Index format and numbering scheme. CH1.1.4 changed "Simplified Acquisition Procedures (SAP)" to "Simplified Acquisition Threshold Purchases (SAT)," and added NRAs and CANs; CH1.2.1 added "Affirmative Procurement Program"; CH1.4.5 deleted; CH1.7.2, CH1.7.2.1, and CH1.7.2.2 reworded to reflect the implementation of SAP; CH1.7.3 reworded to reflect changes to manual purchase requests; CH1.7.4 reworded process; CH1.7.5 deleted; 1.8, 7th bullet, added JAUP, and 11th bullet, clarified technical evaluation for grant awards; CH2.5.2 added reference to MSFC Form 3409; CH3.2.8 redefined contract administration duties of ONR; CH3.3.2 revised information pertaining to COTR appointments; CH3.3.2.1 revised to reflect COTR delegation; Appendix A, deleted first page of flow diagram and replaced with a new first page; Appendix C, deleted PR approval requirements and added release strategies established within SAP, and delete matrix; Appendix D, removed approvals from the table and updated Section 8 on Hazardous Materials to reflect new references; Appendix G, deleted and replaced in its entirety; Appendix J, revised "Procurement Package Checklist";</p>
Revision	D	10/15/2004	<p>Throughout the document, denoted requirements with the verb "shall" and deleted references to all Midrange procurement procedures. Throughout the document, revised title of MWI from "Procurement Requisitioners Guide" to "Initiating Procurement Requisitions". Throughout the document, replaced references to purchase request with procurement requisition and deleted references to ISO. Throughout the document, revised wording to have gender-neutral language per NPR 1400.1 C, section 4.6. Throughout the document, revised NPG to reflect NPR, MPG to reflect MPR and made grammatical, formatting, and renumbering revisions as appropriate. Revised Paragraph 3, APPLICABLE DOCUMENTS deleting reference to QD-QA-010 and added reference to MWI 4500.1. Added 3.6 NPR 5900.1, "NASA Spare Parts Acquisition" and renumbered as appropriate. Deleted 5.15 to put in correct alphabetical order and revised the definition of Requisitioner. Paragraph 11, Flow Diagrams added Appendix L. Paragraph 12, MWI changed from 5100.1B to MWI 5100.1C date to May 10, 2003. Updated Appendices to include Appendix L. Revised CH 1.1.3 to include the Marshall Retail Store for office supplies, furniture and chemicals, changed the ISC to Logistics Services, changed PrISMS to UNITEs contractor for IT services, added Agencywide, IFMP and MSFC Information Services (reference MPD 2800.1, Appendix C), deleted UMS and replaced with HOSC, deleted references to CSOC and added non-emergency basis guidance on the acquisition of all other requirements. Added CH1.1.5 to provide guidelines to the requisitioner on description development, and spare parts acquisitions. CH1.3 added a note to identify a SOW as a Performance Work Statement. CH1.3.3 added note addressing the elements of the SOW/SPEC, stand-alone attachments or contract terms and conditions. CH1.4.2 deleted references to proposed contracts in excess of \$1M and added other quality sensitive items and contracts over \$1M. CH1.4.4 deleted</p>

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			<p>references to PrISMS and CSOC and replaced with UNITEs and HOSC. CH1.5.2 revised wording to include one or more responses and analysis of the firms capability in sole-source justification. CH1.6.2 revised to SEC and SAT thresholds from Midrange thresholds and included reference to PIC 04-13. CH1.7.2.1 revised to include construction. CH2.5.2.1 (b) deleted references to Midrange and replaced with procurements over the SAT threshold and referenced PIC 04-13. CH 3.3.2.1 added guidance on refresher COTR course requirement every 5 years to maintain COTR authority. CH3.3.3.3 (b) replaced Logistics Management Office (Code JG) with Logistics Management Division. CH3.6.1.4 revised to include furnishing inspection and acceptance requirements to the cognizant NASA Quality organization. CH3.6.1.3 deleted reference to QS-QA-010 and replaced with MWI 5330.1. Appendix A deleted "digit" code and added Return/Hold action. Appendix G, revised to replace Institutional services with Logistics and replaces PrISMS with UNITEs. Appendix K, revised to delete "end" user. Added Appendix L, flow diagram for using the MSFC Retail Store. Appendix H, revised to include Note to see exceptions to synopsis at FAR 5.202. Throughout the document, deleted references to QS and replaced with QD. Throughout the document, deleted references to purchase requests and replaced with procurement requisitions. Paragraph 5.15, Requisitioner deleted and moved to 5.24 and in 5.29 removed instructions to Appendix Z for due to Headquarters Rule Review Initiative. Paragraph 12 Cancellation revised MWI 5100.1C dated May 10, 2003 to MWI 5100.1D, revised the Ombudsman from Alex Roth to Robin N. Henderson and the Director from A.G. Stephenson to David King. Revised Appendices B, E and F to RESERVED and added Appendices L and Z for material moved due to Headquarters Rule Review Initiative. CH1.3 Revised to replace Appendix B with Appendix Z, Z.2. Revised CH1.4.2 Safety and Mission Assurance (S&MA) Requirements to address construction. Revised CH1.5.4 Appendix E to Appendix Z, Z.3. Deleted Appendix F in entirety. Revised CH1.7.2.1 S&MA to include construction. Revised CH3.3.2.1 to address refresher COTR course requirement. Revised Appendix A to include references to MWI 4200.1 and MWI 4520.1. Revised Appendix B SOW Checklist to RESERVED and moved to Z.2 due to Headquarters Rule Review Initiative. Revised APPENIX D to include references to MWI 4500.1 and deleted references to Sensitive Items, MPR 4200.1. Revised Appendix E JOFOC For Hardware Requirements, and Point Paper to RESERVED and moved to Z.3 due to Headquarters Rule Review Initiative. Revised Appendix F, Midrange BVS, to RESERVED. Revised Appendix G to include Chemical, and Office furniture. Revised Appendix H to delete references to MidRange and added guidance on Acquisitions below the SEB/C Threshold and Commercial Items as well as revising Large or Major Acquisitions greater than \$50M.</p>
Revision	E	10/17/2005	<p>Changed Revision D to Revision E. Throughout the document, revised references from Procurement Office to Office of Procurement, and AD41 to AS41. Throughout the document, made formatting, grammatical and renumbering revisions as appropriate. Section 9.2, revised to include NASA Form 1707. Throughout the document, revised to reflect organizational changes. CH1.2 revised to add guidance on Market Research related to Section 508 compliance for IT purchases. Section 12, revised Cancellation Revision number and date. Section 3 and CH1.3, and Appendix Z, deleted references to NPR 5600.2 SOW guidance. CH1.4.4.2 revised to include background on Electronic & Information Technology Accessibility and the website and added reference to FAR 39.201. Throughout the document, revised references from Departments to Offices. Appendix A revised to delete advisement of 7120.5 approval status and revise NAIS posting of Draft RFP from \$1 million to \$10 million. Appendix G revised AD41 to AS41. Section 3.23, revised title of MWI 5330.1 from "Evaluation of Contractors, Suppliers, and Vendors" to "Evaluation/Audits of Contractors, Suppliers, and Vendors." Throughout the document replaced Organizational Chief Information Officer (OCIO) to Organizational Information Technology</p>

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			<p>Manager (OITM); and replaced OCIO with OITM. Throughout document changed MSFC Retail Store to MSFC Retail Supply Source. Revised the Integrated Financial Management Program (IFMP) to Integrated Enterprise Management Program (IEMP) and throughout document revised IFMP to IEMP. CH1 first paragraph added “(PS)” to define as “Office of Procurement.” CH1.4.4.2, revised a FAR reference to be FAR “Subpart 39.201.” CH1.4.4.2, third paragraph, changed reference/title to read the “Office of Procurement.” Under Definitions added: “5.3 Chief Financial Office (CFO) Analyst. An individual who completes accounting code data, advises as to fund availability, and provides guidance on completing required fields in SAP.” Under 5.22 Procurement Requisition, deleted “The PR has a 10 digit Document Control Number (DCN) as an identifier which is generated by SAP.” CH1.1.5 deleted reference to “(required for five or more data requirements).” Appendix Z Guidance Z.2 SOW # 13 is reworded but conveys the same information. 5.15 (IT) replaced the definition with a reference to MPD 2800.1. CH1.4.4 deleted references to ODIN, UNITES, HOSC. Revised Appendix D to add Audio Visual Services MPR 2500.1. Revised Appendix G to read “Is Pr >\$100k?”. CH1.1.3 replaced Employee and Organizational Development Department (CD20) with Learning and Organization Development Office (HS40). Throughout document changed Business Management Office to Accounting Operations Office (CFO Accountants and Requisition Approvers). CH1.7.2.1 deleted Business Management Office from list as it combined with Accounting Operations Office which remained on the list. Appendix A bottom box, left “Business Office Lead” as it refers to a person not the Business Management Office. Section 3.13 revised name of MWI 4500.1.</p>
Revision	F	11/8/2007	<p>Made editorial, grammatical, numerical, and formatting corrections as needed. Revised Procurement Office to Office of Procurement, and organization to department. Added titles to identify directives, forms and PS10, and identified acronyms. Revised references and url from OLQR to EPSS and from IEM to IEMP. In 3. Applicable Documents, added MPR 8715.1, Section 508 of the Rehabilitation Act, 31 U.S.C. 6301, and 36 CFR 1194 to Applicable Documents, and revised title of MWI 4500.1. In 5 Definitions, revised definitions of AOO, Contract, Contract Specialist, CFO Analyst, Cooperative Agreement, Purchase Order, SAP, and Requisitioner, identified acronym for Purchase Order, added definitions for Bulk Funded Delivery Orders, CCI, CMM, DCN, Governmentwide Commercial Purchase Card, Initiator, Micro-purchase, NRA, Performance-Based contract, QBL, QPL, QML, Qualified Purchase and Safety and Health Plan, SAT, and SEB/C. In 9 Records, added Retention Schedule and Forms listing. In 9.3.2 Formats, deleted reference to blank formats. In 10. Personnel Training and Certification deleted reference to COTR Training and Certification. In 12. Cancellation, revised revision number and date. In Appendices, added Appendix F Acronyms and deleted to Z.1 thru Appendix Z.3.1 In Chapter 1, Chapter Table of Contents, added reference to “Requisitioner’s roles and responsibilities” and revised page numbers. In CH1.1 Acquisition Planning, revised to include environmental and quality. In CH1.1.3, revised purchase card actions from \$2,500 to \$3,000, and revised FHSO scope of flight hardware parts cost of any one item not to exceed \$3,000. In CH1.1.3, corrected title of HOSC, moved requirements from Appendix L Notes, and addressed items needed for reporting purposes on bulk funded Delivery Orders. In CH1.1.4, identified title for GSA. In CH1.3, deleted reference to Appendix Z. In CH1.4.2. S&MA requirements, deleted reference to \$1M threshold for Safety and Health Plan. In CH1.4.3.1, added Safety and Health statement to be included in all solicitations and contracts under certain circumstances. In CH1.5.1, revised dollar threshold for RDSS sole-source justification from \$2,501 to \$3,001. In 1.5.4, deleted reference to Appendix Z. In CH1.7, revised the requisitioners’ preparation of supporting documents. In CH1.7.2, revised automatic routing of PRs to PS office via SAP, and added reference to utilize the EUPs and Job aids or contacting</p>

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			<p>RS40 for support in using SAP. In CH1.7.2.1, added criteria for S&MA review and approval cycle, Office of the Chief Information Officer approval for IT purchases, revised Environmental Engineering Dept. to EEOH, and deleted references to OMEHS, hazardous materials, chemicals and quality sensitive/flight items or involving onsite performance, construction or procurements in excess of \$1,000,000. In CH 1.7.4, revised requisitioner to initiator. In CH1.7.5, added special requirements initiating requisitions utilizing earmark funding. In CH1.8, deleted reference to certified funds in complete procurement package. In CH2.5.1.1, revised procurement action responsibilities of the Office Manager, Office Chief, or Team Lead. In CH2.8, added requirement for a FedBizOpps synopsis on all actions (both competitive and noncompetitive) above \$25,000 with the exception of those circumstances outlined at FAR 5.202. In CH3.3.2.1, revised to address the COTR training requirements and deleted the training course number. In Appendix A, revised Procurement Process Flow Diagram to address changes as a result of CMM, deleted reference to block E, added Initiator block, and moved reference to Support Contractor and entry of action into tracking system. In Appendix C, added PR Type and item category, and deleted requirements for special approvals. In Appendix D, added references to MWI 8715.10 and 8715.15 to the Safety and Security Equipment and Services, revised reference from S&MA Requirements to Quality Assurance Requirements, and deleted reference to chemicals in the Hazardous Materials Waste Generating Equipment. In Appendix D, added reference to MPR 1040.3 to the Emergency/Priority procurements. In Appendix F, added listing of Acronyms. In Appendix G, revised the office title of RS50 and revised the verification of PR complete package from the CS to the PS Office Chief. In Appendix H, revised Micro-purchases and SAT thresholds. In Appendix J, revised Procurement Package Checklist to remove certifying of funds by AOO. In Appendix J, revised the small business concerns to “an anticipated value greater than \$3,000 but not exceeding \$100k” for purchases of supplies and services. In J.4.2, revised posting for solicitations on NAIS for actions greater than \$25k. In Appendix L, revised reference of IEM to IEMP and deleted requirements Notes to CH1.1.3. Appendix Z, revised numbering of Synopsis from 5.29 to 5.46, and removed FedBizOpps requirement on actions above \$25k to 5.46. In Appendix Z.1, deleted Synopsis Guidance. In Appendix Z.2, renumbered Simplified Acquisitions Overview to Z.1. Deleted Appendix Z.3, Point Paper.</p>
Revision	G	04/01/2008	Revised 2. Applicability statement to reflect transition of the MAF from GOCO to GOGO. [On 7/18/08, an administrative correction made in header from “April 1, 1008” to April 1, 2008.”]
Revision	H	10/14/2009	Made editorial, grammatical, numerical, and formatting corrections as needed. Made revisions to include changes to CMM and SAP, Table of Contents, from RS40 to RS20, deleted references to Show Cause Notice Format, and included instructions for EPSS, LSJ, and Requisitioner responsibilities. Deleted references to PIC 04-13 which was canceled and revised COTR training requirements. 3.1, revised title of 29 U.S.C 794d to “Electronic and Information Technology.” 3.2, revised reference to 31 U.S.C. 6301 – 6305. 3.3, revised title of 36 CFR 1194. 3.3.1, changed the title of MWI 8540.2 to “Green Purchasing Program.” 3.10, deleted reference to MPR 1840.2. In 3.14, deleted reference to MPR 8715.1. 3.51, added reference to NPR 5810.1. 4. Revised reference to None. 5. Definitions, added or revised Cooperative Agreement, Cooperative Agreement Notice, Delivery Order, EIT, EPSS, Grant, IT, IEMP, LSJ, Micro-purchase, NAIS, NRA, OITM, PLI, PO, PR, Qualified Purchase, Requisitioner, SAP, Safety, Health and Environmental Plan, SAT, and SEC/C definitions. 5.5, deleted reference to Collaborative Work Commitment. 5.5 and 5.6, added reference to FAR 2.101. 5.7, revised to clarify CCI inter-Center and Agency-wide. 5.8, added reference to FAR 2.101 and added 31 U.S.C. 6301. 9.2.4, added reference to NRRS 5/1/A/3 for contracts selected by the AA or precedent setting. 9.3.2, added location for Samples. 9.3.2.1, added JAUP and LSJ to

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			Sole Source Formats. Appendices, revised Appendix G title. CH1.1.3.b, clarified purchases in excess of \$3k on bulk-funded DO. CH1.1.4, revised title of MWI 5000.1. CH1.3, added 300 word minimum descriptions for R&D. CH1.3.1 moved purchase description language to CH1.3.5. CH1.3.2.h, added title of QD-QE-001. CH1.4.1 revised from PMG to PMO and from cataloging to screening. CH1.4.4 revised from PR for IT Equipment and Software to Products and Services. CH1.6, clarified Development of Evaluation Criteria in accordance with the NFS. CH1.6.2 revised Mission Suitability Evaluation CH1.7.2.1, added AOO, EEOH, OCIO and Procurement to the offices in the typical approval cycle, replaced Cataloging with PMO, and clarified S&MA review of flight hardware, software or ground support equipment. CH1.8, added NASA Form 1707, LSJ or RDSS, from Brief to Comprehensive description, required waivers to Complete Procurement Package and included Note to reference MWI 5115.1. CH3.3.2.3, clarified language on refresher COTR course. CH3.13.1.1, added requirement for certificate of completion to the CO within 45 days on FP contracts and 180 days on cost-type, grants and cooperative agreement. Appendix A, revised Procurement Process Flow Diagram. Appendix D, added references to applicable directives, revised references to directives that have been canceled or renumbered, and revised language of requirement types. Appendix F, revised Acronym listing. Appendix G, revised title to Procurement Requisition Flow Diagram. Appendix H revised to include LSJ and Dollar Values.
Revision	I	7/13/2011	Made editorial, grammatical, numerical, and formatting corrections as needed. Revised to update the dollar range values as a result of the revised definition of “simplified acquisition threshold” at FAR 2.101 as well as the revised justification approval levels at FAR 6.304 and 8.405-6, all of which were implemented as part of FAC 2005-45. At CH1.1.3.f, revised reference from ODIN to ACES. Revised references from DD Form 1149 to MF 4554 and references from UNITEs to MITS. Revised Authority/Applicable Documents. Revised title of Appendix D from References to Special Approval Requirements Related Documents. Revised Acronyms listing. Appendix J, revised Procurement Package Checklist.
Change	1	9/14/2011	At the request of the OPRD, administrative changes were made throughout to delete all references to CCI replacing with FSSI. Minor editorial and format corrections made throughout.
Revision	J	6/18/2015	Complete rewrite in accordance with MWI 1410.1 and to implement NFS revisions.
Change	1	2/22/2018	On 2/22/2018, at the request of the OPRD, an administrative change was made to correct wording in Appendix D, Records.
Revision	K	9/22/2020	Updated obsolete references (e.g. document titles, forms, thresholds, etc.) and processes.
Change	1	5/21/2021	On 5/21/21, at the request of the OPRD, administrative changes were made to update supervisory designations of Office Manager to Division Director, Office Chief to Branch Chief, and update the link to Sam.gov.
Revision	L	1/22/2023	Updated obsolete references (e.g. RDSS, PS-OWI-10, PS-OWI-12, PS-OWI-13, etc.) and processes. Minor editorial and format corrections made throughout. Added requirement to check the Office of Procurement Strategic Sourcing Website and input into PALT+. Revised required Acquisition Forecast information as required. Revised the IGCE requirement to only be required for actions above SAT. Clarified technical evaluation requirements for actions below SAT. Revised Government property definitions and requirements as necessary.
Change	1	2/6/2023	On 2/6/23, at the request of the OPRD, administrative changes were made to clarify text in Section 5.1.4 regarding use of the NF1707.
Change	2	4/10/2024	On 4/10/24, at the request of the OPRD, administrative changes were made to minor editorial and format corrections. At 5.1.4.5, added quote from NFS. Updated paragraph 5.1.1.3(b) with revised requirements in MWI 4530.1. Appendix D, revised the NRRS Schedule.

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Change	3		On 2/12/2025, at the request of OPRD, administrative changes were made to delete process requirements that are no longer mandated. Specifically, at 5.1.1.1, all references to PALT deleted/changed to NEAR. At Appendix B Acronyms, reference(s) to PALT need to be deleted and changed to NEAR. At Appendix E page 63, reference(s) to PALT need to be deleted and changed to NEAR on Flow Chart.

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1. PURPOSE

To document the Requisitioner’s functions and procedures in the acquisition process from initiation of the procurement package through contract award, receipt of the goods and services, and contract completion in accordance with the FAR and NFS. As permitted by MPR 5000.1, this document also provides specific instructions to Procurement Requisitioners on preparing procurement packages for the acquisition of supplies and services, and for other contractual actions.

2. APPLICABILITY

2.1 This MWI applies to Center personnel, programs, projects, and activities, including contractors and resident agencies to the extent specified in their respective contracts or agreements. (“Contractors,” for purposes of this paragraph, include contractors, grantees, Cooperative Agreement recipients, Space Act Agreement partners, or other agreement parties.)

2.2 This MWI applies to the Michoud Assembly Facility.

2.3 This MWI applies the following: all mandatory actions (i.e., requirements) are denoted by statements containing the term “shall.” The terms: “may” or “can” denote discretionary privilege or permission; “should” denotes a good practice and is recommended, but not required; “will” denotes expected outcome; and “are/is” denotes descriptive material.

2.4 This MWI applies the following: all document citations are assumed to be the latest version unless otherwise noted.

3. AUTHORITY

MPR 5000.1, Purchasing

4. APPLICABLE DOCUMENTS AND FORMS

4.1 Electronic and Information Technology (i.e., Section 508 of the Rehabilitation Act), 29 U.S.C sec. 794d

4.2 Using Procurement Contracts and Grant and Cooperative Agreements, 31 U.S.C. secs. 6301 - 6305, Chapter 63

4.3 Special Emergency Procurement Authority, 41 U.S.C. 428

4.4 The NASA Seal and Other Devices, and the Congressional Space Medal Of Honor, 14 CFR Part 1221

4.5 Electronic and Information Technology Accessibility Standards, 36 CFR Part 1194

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- 4.7 NASA FAR Supplement (NFS)
- 4.8 NPD 1387.1, NASA Exhibits Program
- 4.9 NPD 1800.2, NASA Occupational Health Program
- 4.10 NPD 7900.4, NASA Aircraft Operations Management
- 4.11 NPR 1387.1, NASA Exhibits Program
- 4.12 NPR 7900.3, Aircraft Operations Management
- 4.13 NPR 8735.1, Exchange of Problem Data Using NASA Advisories and the Government-Industry Data Exchange Program (GIDEP)
- 4.14 NASA Grant and Cooperative Agreement Manual (GCAM)
- 4.15 MPD 1860.2, Radiation Safety Program
- 4.16 MPD 2800.1, Management of Information Technology Systems and Services at MSFC
- 4.17 MPR 1280.10, Marshall Quality Management System
- 4.18 MPR 1420.1, MSFC Forms Management Program
- 4.19 MPR 1440.2, MSFC Records Management Program
- 4.20 MPR 1600.1, MSFC Security Program Procedural Requirements
- 4.21 MPR 1860.1, MSFC Radiation Safety Procedural Requirements
- 4.22 MPR 1860.2, Nonionizing Radiation Safety
- 4.23 MPR 2800.2, MSFC Information Technology Services
- 4.24 MPR 3200.1, Onsite Location or Relocation of Contractor or Other Government Agency Personnel at MSFC
- 4.25 MPR 4000.2, Property Management
- 4.26 MPR 6000.1, Transportation
- 4.27 MPR 6430.1, Lifting Equipment and Operations

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- 4.28 MPR 7123.1, MSFC Systems Engineering Processes and Requirements
- 4.29 MPR 8500.1, MSFC Environmental Engineering and Occupational Health Program
- 4.30 MPR 8715.1, Marshall Safety, Health, and Environmental (SHE) Program
- 4.31 MPR 8730.1, Inspection and Testing
- 4.32 MPR 8730.3, Control of Nonconforming Product
- 4.33 MPR 8730.5, Metrology and Calibration
- 4.34 MWI 4530.1, Flight Hardware Support Operations (FHSO) Component Acquisition, Inventory Control, and Kitting Service
- 4.35 MWI 5115.1, Processing Unsolicited Proposals
- 4.36 MWI 5115.2, Requirements Development Team (RDT) and Source Evaluation Board (SEB) Process
- 4.37 MWI 5116.1, Evaluation of Contractor Performance Under Contracts with Award Fee Provisions
- 4.38 MWI 5143.1, Contract Change Process
- 4.39 MWI 8540.2, Green Purchasing Program
- 4.40 MWI 8550.5, Hazardous Material Management
- 4.41 MWI 8715.10, Explosives, Propellant, and Pyrotechnics Program
- 4.42 MWI 8715.15, Ground Operations Safety Assessment Program
- 4.43 MCP 1040.2, MSFC Emergency Plan
- 4.44 MCP 1040.4, MAF Emergency Plan
- 4.45 MGM 8040.1, MSFC Configuration Management Guidance
- 4.46 NASA Source Selection Guide
- 4.47 NRRS 1441.1, NASA Records Retention Schedules
- 4.48 AS40-OWI-024, Logistics Use of the Procurement Discrepancy Tracking System (PDTS)

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4.49 PS-OWI-07, Noncompetitive Procurement Documentation

4.50 QD-QA-031, Evaluation/Audits of Contractors, Vendors, Distributors, and Other Suppliers

4.51 QD-QE-001, Project Quality Instruction

4.52 NASA Form 1707, Special Approvals and Affirmations of Requisitions

4.53 MSFC Form 4489, MSFC Purchase Requisition (PR) Request worksheet

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5. INSTRUCTIONS

5.1, 5.2, and 5.3 describe the required activities of a Requisitioner in the initiation of a procurement.

5.1 Procurement Initiation Activities

Procurement initiation entails the activities from identification of a needed product or service through the submission of a complete procurement package to the Office of Procurement. Early involvement of the Office of Procurement personnel is encouraged to assist in the development of the various documents making up a complete procurement package (see Appendix E).

5.1.1 Acquisition Planning. Advance planning of procurement activity is essential in order for the Center to meet its procurement, programmatic, safety, environmental, quality and financial commitments. Each initiating organization is contacted by its respective Procurement support personnel on a semi-annual basis and requested to provide input regarding potential procurement needs. The information provided shall include the following:

- a. Title of Requirement (brief and unique name of the requirement for reference);
- b. Type of requirement (e.g., Supplies (including Equipment), Research and Development (R&D), Construction (Including Architect & Engineering (A&E)), Services);
- c. Description of requirement (Detailed description of the principal requirements of the procurement and any other information considered to be useful to potential sources. Remember to spell out acronyms the first time they are used for clarification to potential sources);
- d. Estimated dollar value;
- e. Name of Requisitioner, organization code, and phone number;
- f. Anticipated Quarter and FY of Award (Government fiscal quarter and year of when the award is expected to take place.);
- g. Competitions (indicate whether the procurement is expected to be competitive); and
- h. Fiscal Year (FY) of Solicitation Release (Government fiscal year the solicitation is expected be released);
- i. Period of Performance (Anticipated period of performance of the procurement);
- j. Product Service Code (Four-digit code applicable to the requirement); and
- k. North American Industry Classification System (NAICS) Code (NAICS code applicable to the forecasted procurement).

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Office of Procurement personnel then ensure that, in accordance with NFS subpart 1807.72, all planned PRs over the simplified acquisition threshold (SAT) are included in the Center’s comprehensive acquisition forecast. The acquisition forecast is a mechanism used by NASA to alert industry of possible business opportunities. The annual forecast and semiannual update are available on the NASA Acquisition Internet Service (See <https://www.hq.nasa.gov/office/procurement/forecast/index.html>).

5.1.1.1 Once identified in the acquisition forecast, Office of Procurement personnel, based on a set of programmatic assumptions, develop detailed procurement schedule baselines showing key procurement timelines (such as PR package complete, solicitation issued, and contract award). In accordance with NFS 1807.7100, the CO is required to input the procurement schedule, as applicable, into the NASA Enterprise Acquisition Repository (NEAR). These NEAR inputs provide information on planned acquisitions and in timelines allowing for management insight into acquisitions above the SAT across NASA programs. This data is used to support other Agency planning activities, including the monthly Baseline Performance Review (BPR). Progress against these schedule baselines is tracked and reported on a periodic basis to the Office of Procurement and organization management.

5.1.1.2 When a requirement (product or service) to be purchased has been firmly established, the Requisitioner shall identify and describe the salient features of the product or service in terms of:

- a. Functions to be performed;
- b. Performance required; and/or
- c. Essential physical characteristics.

At this point, the assigned Office of Procurement personnel are contacted and detailed assistance provided.

5.1.1.3 Early participation of Office of Procurement personnel, from the time the need is first identified, possibly makes the Requisitioner’s planning job easier and, more importantly, increases the likelihood of program success. Office of Procurement personnel are available to assist the Requisitioner in considering the best procurement approach to use considering the specifics of the requirement (see Appendix G, Procurement Requisition Flow Diagram). Supplies and services are obtained through various avenues depending upon the specific requirement and include the following:

- a. In accordance with NFS 1808.003-7201, requiring offices and contracting officers shall make use of the NASA contracts that are available for use by other Centers to satisfy requirements for supplies and services. The use of NASA contracts that are available for use by other Centers allows NASA to obtain favorable terms and pricing for supplies and services as described in the Office of Procurement Strategic Sourcing Website at <https://nasa.sharepoint.com/sites/procurement/SitePages/SS.aspx>. After the Requisitioner has reviewed the information on the Office of Procurement NASA Strategic Sourcing website

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and the requirement is not available through a Mandatory Source Contract, the Requisitioner should attach a memo documenting the review to the NF 1707 referenced in Section 5.1.4 of this MWI.

- b. Logistics Services Contractor for items within the scope of the Flight Hardware Support Operations (FHSO) function. The FHSO stores and maintains Electrical, Electronic, and Electromechanical (EEE) parts, and mechanical parts (e.g., connectors and fasteners), which are anticipated to be used by more than one program. In addition, the FHSO contractor assists Requisitioners in reviewing the Project's Equipment Parts List and procures items within the FHSO scope. (See MWI 4530.1).
- c. Information Technology (IT) contracts managed by the Information Technology Procurement Office for IT products and services (reference NFS Appendix A, A-102.2 and MPD 2800.1).
- d. Training and Incentives Office (HS40) for off-the-shelf training courses.
- e. Enterprise Service Desk (ESD) for NASA for desktop computing services.
- f. The Office of Procurement for acquisition of all other requirements, or for assistance in procuring items in any of the above categories which are required on an emergency or non-emergency basis.

5.1.1.4 In addition to the procurement avenues mentioned above, there are many avenues available within the Office of Procurement for processing a procurement action. Included among those procurement avenues are General Services Administration (GSA) Federal Supply Schedule, GSA Federal Strategic Sourcing Initiative (FSSI) contracts, Micro-purchases, SAT purchases, and Source Evaluation Board (SEB) procedures (see MWI 5115.2).

5.1.1.5 Requisitioners shall develop the description of the requirement, including, as required, a performance work statement, statement of work, specifications, data procurement document, delivery schedule, and/or other appropriate descriptions of the work (see MPR 7123.1).

5.1.2 Market Research. The Requisitioner shall conduct and document market research. The Contract Specialist (CS) supporting the requiring function assists and guides the Requisitioner in performing the market research, upon request. Market research is required before soliciting any offers above the SAT and discretionary for solicitations below the SAT. Market research is used to evaluate the potential of the commercial marketplace to meet MSFC requirements, including how the requirements may be reasonably modified to facilitate the use of potential commercial items, components, specifications, standards, processes, technology, and sources (see 5.1.4.9 for Market Research related to Section 508 Compliance for IT purchases).

5.1.2.1 Market research activities play a critical role in requirements definition. The timing, depth, and extent of market research efforts shall be commensurate with the value and complexity of the procurement and the scope of such efforts varies depending upon the type and amount of information needed to support preparation of the solicitation. Techniques for conducting Market

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Research include, but not limited to, the following (See FAR 10.002(b)(2)):

- a. Contacting experts for information;
- b. Reviewing commercial catalogs, NASA online supply catalog, appropriate journals, magazines, and other product literature publications;
- c. Issuing a Request for Information;
- d. Querying databases or other online sources;
- e. Reviewing GSA’s FSSI and utilizing strategic sourcing to acquire goods and services in a more effective and efficient manner; and
- f. Reviewing software licenses available from the Enterprise License Management Team (ELMT) program (reference NFS 1807.70).

5.1.2.2 The Requisitioner shall consult MWI 8540.2 to determine if any recycled content/recovered materials, biopreferred/biobased and/or environmentally-preferable products are required for procurements in targeted categories to include but not limited to construction, landscaping, non-paper office supplies, paper, transportation, vehicles and other miscellaneous items.

5.1.2.3 If market research results in a sole-source or a limited-sources procurement, the market research finding shall be incorporated into the sole-source or limited-sources supporting documentation (Limited Sources Justification (LSJ) or Justification for Other than Full and Open Competition (JOFOC)).

5.1.3 Development of SOW/Specifications. One of the first steps in putting together a PR package is to develop a purchase description for the requirement. A purchase description contains the essential physical characteristics and functions required to meet the Government’s minimum needs. Developing a good purchase description is usually the most challenging part of putting together the PR package. Refer to Appendix K.

NOTE: An SOW is also referred to as a Performance Work Statement when included in a Performance-Based Contract (PBC).

5.1.3.1 The terms SOW and specifications are both expressions used to describe the manner in which a Government requirement is stated. The term specification is commonly applied to the description of a product that is being acquired, whereas an SOW is used to describe a desired service or effort.

5.1.3.2 Elements of SOW/Specifications. A comprehensive SOW/Specification shall contain each of the elements listed below. These elements are not intended to be all-inclusive, but they do represent the key items considered when an SOW is being prepared.

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- a. General SOW/Specifications – Most sentences begin with “The contractor shall...” if referring to the SOW, or “The product shall...” if referring to specifications.
- b. Contractor tasks – What is wanted, not how the work is to be done.
- c. Contract deliverables – Does the product have a shelf life? If so, define the minimum acceptable shelf life.
- d. References.
- e. Data requirements (see MPR 7123.1), if applicable.
- f. Government-furnished property (GFP), if applicable.
- g. Schedules or period of performance.
- h. Quality requirements (see QD-QE-001), if applicable.

NOTE: These individual elements are part of the SOW/Specifications or stand-alone attachments or identified in the contract terms and conditions.

- i. Contractor participation in GIDEP/NASA Advisor System (NPR 8735.1 requires Program, Project, and Operations/Institutional Managers to incorporate GIDEP/NASA Advisory System participation into contract statements of work or contract specifications).

5.1.3.3 Types of SOW/Specifications. In developing SOW/specifications, the Government recognizes three basic approaches: design, function, and performance. In order to gain the most accurate description of the Government requirements, a combination of types shall be used.

- a. Design – A design SOW/specification contains extremely detailed information on the physical characteristics that the required product has to meet or the instructions on how to make the product in order to satisfy the Government’s need. This type of SOW/specification is the most restrictive, the most difficult to develop, and the least preferred specification.
- b. Functional – A functional SOW/specification describes requirements in terms of end purpose or final objective rather than the manner in which the work is to be performed. It shall include a statement of product quality and, if needed, those minimum essential physical characteristics necessary for the product or service procured to satisfy the Government’s requirement.
- c. Performance – A performance SOW/specification is a specialized type of functional specification that describes the performance criteria that a product shall meet to fulfill the Government’s minimum requirement. This is the least restrictive type and is used when the specific

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design of a product is less critical than whether it performs as required. PERFORMANCE SPECIFICATIONS ARE THE MOST PREFERRED TYPE OF SPECIFICATION.

NOTE: In accordance with NPR 8735.1, Program, Project, and Operations/Institutional Managers are accountable for incorporating the requirement for contractor participation in GIDEP and the NASA Advisory System in contract statements of work specifications.

5.1.3.4 “Brand Name or Equal” Descriptions. “Brand name or equal” descriptions are widely used but are actually the least acceptable form of purchase description. This type of purchase description is used as a last resort, because if the “or equal” part of the description is inadequately defined, the procurement is in danger of experiencing unnecessary delays or major problems. The rule of thumb is that the brand name be given for information only, as an example of an acceptable product line. A “brand name or equal” description shall contain the following information:

- a. Identification of an item that has been determined to meet the Government’s minimum requirement by reference to manufacturer’s name and catalog or model number.
- b. List of the minimum salient physical, functional, or other characteristics of the product that are essential to meet the Government’s need.
- c. List of all other vendor items, brand name, and catalog or model number, believed to meet the requirements.

A “brand name or equal” description shall be used only when there is a need for a standard commercial item, available off the shelf, for which a complete definition is impractical.

5.1.3.5 A purchase description shall be an SOW, a specification, or a “brand-name or equal” description. The type of purchase description used depends on the requirement. All purchase descriptions set forth the minimum salient characteristics that the required product or service contains without unduly restricting competition.

5.1.3.6 Tips on Developing a Purchase Description. ALWAYS be very careful in defining salient characteristics in the purchase description. Otherwise, the result is potentially unfair competition, higher prices and items not meeting the Government’s needs. If your requirement needs to perform some specific function, be sure to include that function in the specifications.

5.1.4 Required and Special Approvals. With the exception of incremental funding only PRs, the Requisitioner shall obtain all required and special approvals listed in the NASA Form 1707 and in accordance with the release strategies (approvals) within Systems, Applications and Products (SAP) for all PRs. The approvals have been predetermined based on the organization code, PR type, and item category selected. The Appendix F in this MWI contains the Special Approval Authorities required for certain purchases, including quality-sensitive hardware, and hazardous materials. (see NFS 1804.7301)

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NOTE: In accordance with NFS 1807.7301(a), the NF 1707 is not required for within scope actions for which special approvals and affirmations have previously been obtained.

5.1.4.1 Each PR for materials, supplies, equipment or turn-ins shall include the required approvals prior to submission to the Property Management Office (PMO) for screening. Screening determines whether the requested item is available from existing inventories and assigns the appropriate source of supply.

5.1.4.2 PRs for services shall also have proper approvals and funds certification prior to submittal to the Office of Procurement. The Office of Procurement has the overall and final accountability for verifying that all required approvals have been obtained.

5.1.4.3 Certain materials, equipment and chemicals considered to be Hazardous Material or Environmentally Sensitive Equipment (ESE) are subject to a “Proactive Procurement” process that reviews materials, equipment and chemicals prior to purchase or site introduction, and allows a comprehensive and proactive approach to managing and mitigating risks associated with its use, storage and disposal. The instructions addressing this process for purchasers of Hazardous Material and/or ESE are included in MWI 8550.5.

5.1.4.4 Prior to purchasing machinery, equipment and chemicals, the requester shall refer to MWI 8550.5.

5.1.4.5 Per NFS 1807.7002(a), “PRs for software or software maintenance, shall include the ELMT Program Office approval with the purchase request”.

5.1.4.6 Safety and Mission Assurance (SMA) Requirements. The Requisitioner shall coordinate with and submit work descriptions to SMA for all procurements involving MSFC onsite performance, construction, flight hardware, flight software, proto-flight units, qualification units, associated flight support equipment, other quality-sensitive items, and other items as specifically set forth in the program/project quality plan to determine the appropriate SMA requirements including the requirement for submittal of a Safety and Health Plan or a Safety, Health and Environmental (SHE) Plan (see MPR 8715.1, QD-QE-001 and QD-QA-031).

5.1.4.7 Onsite Approval. The Requisitioner shall prepare an onsite approval letter (in accordance with MPR 3200.1) for any action involving contractors or other Government agency employees who are permanently assigned (30 days or more) onsite. Included are support contractors, prime or mission contractors, repair and maintenance contractors, subcontractors, and other Government agencies.

5.1.4.8 PRs for IT Products and Services. Contracts have been established to provide IT services and products to MSFC. In the event a requirement is not satisfied utilizing these existing contracts, a waiver (prepared by the Requisitioner) shall be required before the Office of Procurement processes the procurement (see MPR 2800.2).

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5.1.4.9 FAR Subpart 39.201 implements Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d) (<https://www.access-board.gov/ict/>), and the Architectural and Transportation Barriers Compliance Board EIT Accessibility Standards (36 CFR Part 1194). When acquiring EIT, agencies shall ensure that (1) Federal employees with disabilities have access to and use of information and data that is comparable to the access and use by Federal employees who are not individuals with disabilities; and (2) members of the public with disabilities seeking information or services from an agency have access to and use of information and data that is comparable to the access to and use of information and data by members of the public who are not individuals with disabilities.

5.1.5 Preparation of Sole-Source Documentation.

5.1.5.1 One of the primary goals of public policy and statutory requirements is to encourage full and open competition in all purchases. When supplies and services required by the requesting organization are available from only one responsible source or a limited number of responsible sources, and no other supplies or services satisfy Agency requirements, justifications (based on FAR requirements) shall be prepared and provided to the Office of Procurement (see PS-OWI-07).

5.1.5.2 In accordance with the requirements of FAR Subpart 6.3 and NFS Subpart 1806.3, a Justification for Other than Full and Open Competition (JOFOC) shall be prepared and approved for each contract action to be awarded without providing for full and open competition (i.e., new contract, new work modification, contract extension, etc.).

5.1.5.3 In accordance with FAR 8.405-6, Limiting Sources, orders placed or Blanket Purchase Agreements (BPAs) established under Federal Supply Schedules (FSS) are exempt from the requirements in FAR part 6. However, the Requisitioner shall document the justification for restricting consideration and complete an Limited Source Justification (LSJ) for actions exceeding the micro-purchase threshold when consideration is restricted.

5.1.5.4 The sole-source justification for an action exceeding \$25,000 shall be reviewed by the Contracting Officer (CO) or approving official and synopsisized, as appropriate, in accordance with the FAR and the Competition in Contracting Act (CICA).

5.1.5.5 In accordance with FAR 5.301(a)(1), Contract actions exceeding \$25,000 are posted on the GPE at <https://SAM.gov/>. At the end of the 15-day period, if one or more responses are received, the requiring organization and the CO shall analyze the firm's capabilities and determine if more than one source meets the Government's needs. If so, offers are solicited using competitive procedures. If not, the procurement is to proceed on a sole-source basis.

5.1.5.6 In accordance with FAR 5.301(d)(2), FSS orders or Blanket Purchase Agreements with an estimated value greater than the SAT and supported by a limited- sources justification are required to be synopsisized.

a. Justifications based on urgency are not required to be synopsisized.

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NOTE: Urgency based on lack of advanced planning is not an acceptable reason for limiting competition.

- b. For noncompetitive procurement actions resulting from unsolicited proposals, refer to MWI 5115.1.

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5.1.6 Development of Evaluation Criteria. In accordance with NFS 1815.101, “when a written acquisition plan is not required by NFS 1807.103, the contracting officer must document in the contract file the source selection approach” and the rating method to be used, how they will be used, and how these will result in selection of the best value to the government. Otherwise, when a written acquisition plan is required by NFS 1807.103, the CO shall document in the written acquisition plan or source evaluation plan the source selection approach and the rating method to be used, how they will be used, and how these will result in selection of the best value to the government.

5.1.6.1 The Requisitioner develops the evaluation criteria/factors, which are the determinative considerations when evaluating competing offers. The nature of the particular procurement is critical in identifying or establishing the evaluation criteria used. The evaluation criteria are a part of a complete procurement package; however, they shall be submitted directly to the Office of Procurement under separate cover and marked “Sensitive” with the Procurement Requisition (PR) cited. The goal is to ensure equal competition and to provide offerors sufficient information to submit complete offers. There are several evaluation methods available for selecting a contractor during a competitive negotiated procurement. See the NASA Source Selection Guide at <https://nasa.sharepoint.com/sites/procurement/SitePages/PR.aspx#guides>. (MWI 5115.2)

5.1.7 PR Preparation. The Requisitioner shall prepare the PR utilizing the MSFC Form 4489, MSFC Purchase Requisition (PR) Request worksheet, and supporting documentation outside the system in accordance with the FAR/NFS and applicable Center requirements. Individual PRs vary according to the nature of the action. The documentation should be forwarded to the Initiator for entry into SAP. Appendix F identifies any special approvals prior to transmitting the PRs to the Office of Procurement. Appendix G outlines the process flow for submission of PRs to the Office of Procurement.

a. Requisitioners shall coordinate with the Office of Procurement by submitting preliminary versions as early in the preparation process as possible to ensure completeness and to allow for the efficient processing of the procurement.

5.1.7.1 SAP. PRs are entered in SAP and route to the Office of Procurement for final approval. For assistance in using SAP, the PR initiator shall utilize the End-User Procedures and Job Aids located in the Enterprise Performance Support System (EPSS) or contact RS20/Accounting Operations Office (AOO).

a. Once the PR has been entered into SAP, it will be forwarded automatically through the appropriate review and approval cycle mapped by the SAP system. Typical offices involved in the review and approval cycle include:

(1) Appropriate Business Office.

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(2) Catalog Review

(3) PMO (for any work to be conducted completely or partly on premises owned or controlled by the Government).

(4) SMA. PRs to be reviewed by SMA include, but are not limited to the following: (1) Work conducted completely or partly on premises owned or controlled by the Government; (2) Work includes construction, alteration, or repair of facilities in excess of the simplified acquisition threshold; (3) Work, regardless of place of performance, which involves hazards that have the possibility to endanger the public, astronauts and pilots, the NASA workforce (including contractor employees working on NASA contracts), or high-value equipment or property, and the hazards are not adequately addressed by Occupational Safety and Health Administration (OSHA) or Department of Transportation (DOT) regulations (if applicable); or (4) Work or items associated with flight hardware, software, or ground support equipment.

(5) Finance/AOO.

(6) Environmental Engineering and Occupational Health Office (for radioactive materials and lasers).

(7) Office of Chief Information Officer (for IT purchases).

(8) Office of Procurement.

b. An electronic (MS Word) version of all supporting documents (e.g., JOFOC or SOW, or Specification (templates are located on the MSFC Office of Procurement Website) shall be forwarded to the Office of Procurement either as an attachment to the PR or concurrently as an attachment via an e-mail message.

5.1.7.2 Manual PRs. Manual PRs shall only be accepted in those instances when the SAP system is unavailable for an extended period of time.

a. Manual PRs shall be prepared in a format previously coordinated with the CO and the AOO and entered into the SAP system once it becomes available.

5.1.7.3 Cancel a PR. If the need arises to stop action on a PR prior to award, the initiator shall cancel the PR following the procedures outlined in the EPSS. Prior to canceling the PR, the PR initiator notifies the Office of Procurement.

NOTE: Any changes to the PR are made by the Initiator.

5.1.7.4 Initiating PRs Utilizing Earmark Funding. PRs citing earmark funds shall be entered into SAP by the RS20/AOO to ensure that funds are properly marked and appropriately utilized as designated.

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5.1.8 Complete Procurement Package. Requisitioners shall prepare a complete procurement package to describe and facilitate procurement of needed items or services. Procurement packages received by the Office of Procurement and determined to be incomplete shall be returned to the Requisitioner for corrective action.

5.1.8.1 A complete procurement package shall consist of the following:

- a. PR with the required/special approvals;
- b. NASA Form 1707 and any applicable required attachments required by the NASA Form 1707 (see NFS 1804.7301);
- c. Approved accounting and appropriation data;
- d. An accurate description of the item or service requested, including SOW and/or specifications; quality assurance requirements (if applicable); drawings, including revision number, if hardware fabrication; and part numbers, if applicable;
- e. If item being purchased is a system, list each taggable component individually and provide value for each individual component;
- f. Comprehensive description of the market research results;
- g. Evaluation criteria (e.g., Best Value Selection, Mission Suitability) under separate cover,
- h. Suggested vendors or justifications for limiting competition JOFOC, or LSJ ;
- i. Special transportation requirements, if applicable (see MPR 6000.1);
- j. Unique proposal instructions/requirements (e.g., surveillance plan if PBC);
- k. Data Requirements (e.g., Data Procurement Document (DPD)), if applicable (see MPR 7123.1 and NFS Appendix C, Data Requirements Documents and Requirements Statement, Part 200);
- l. Independent Government Cost Estimate (IGCE) (if greater than the simplified acquisition threshold);
- m. Quality assurance requirements (if applicable); and
- n. Any required waivers.

NOTE: See MWI 5115.1 for content of unsolicited proposal procurement packages.

5.2 Solicitation and Award Activities

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5.2.1 Requisitioner’s Roles and Responsibilities. This chapter describes the Requisitioner’s roles and functions in the solicitation and award process, which includes input into the technical evaluation of proposals. The Requisitioner participates in the development and review of the solicitation, the evaluation process, the discussion process, and supports negotiations, as necessary. This chapter includes references to the requisitioner or cognizant MSFC technical organization because in some instances the requisitioner may not serve as the representative for the requiring organization. This chapter primarily addresses these processes for relatively low dollar competitive procurements.

5.2.1.1 The process for some types of actions that fall under this subject are covered in later chapters of this MWI or in other locations. The process for developing change order documentation and for evaluating change order proposals is described in MWI 5143.1 and 5.3.10. The subparagraphs below provide more detail on the Requisitioner’s duties.

5.2.2 Input to Solicitation Preparation. The Requisitioner or cognizant MSFC technical organization shall provide numerous inputs to the solicitation document, many of which are described below:

5.2.2.1 If applicable, a listing of all GFP, the use of facilities, and services that are to be furnished to the contractor. This listing of GFP will included at minimum of:

- a. The name, part number and description, manufacturer, model number, and National Stock Number (if needed for additional item identification tracking and management, and disposition);
- b. Quantity/unit of measure;
- c. Unit acquisition cost;
- d. Unique-item identifier or equivalent (if available and necessary for individual item tracking and management); and
- e. A statement as to whether the property is to be furnished in an “as-is” condition and instructions for physical inspection.

5.2.2.2 If facilities and/or services are to be provided to the contractor, then a detailed description of the facility and/or service is required to include: the facility and/or services that is available, the hours of availability, any potential conflicts, required maintenance downtimes (if applicable), and instructions for physical inspection.

5.2.3 Solicitation Review. Except for procurements under SAT and some noncompetitive procurements, the Requisitioner or cognizant MSFC technical organization shall review the solicitation prior to its release. The participation of the Requisitioner in SEB level procurements and in the development and review of the solicitation is addressed in MWI 5115.2.

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5.2.4 Independent Government Cost Estimates (IGCE). The Requisitioner or cognizant MSFC technical organization provides the IGCEs and shall be required for all procurements exceeding the simplified acquisition threshold. A Contracting Officer, at his or her discretion, may require an IGCE for actions less than the SAT. An IGCE is the Government’s estimated cost or price of the proposed acquisition. Its purposes are to serve as: (1) the basis for reserving funds for the contract as part of acquisition planning; (2) a basis for comparing costs or prices proposed by offerors; and (3) an objective basis for determining price reasonableness. Estimating methods include comparison with previous buys, comparison of catalog or market prices, benchmarks or yardsticks, and grounds up estimates. For commercial items, a cost estimate is typically the result of market research and is the price offered by identified vendors for the item or service. If the item or service is not a commercial item, the Government estimate is typically either a parametric estimate or a bottoms-up estimate of all tasks required to develop the item or furnish the service. A parametric estimate is usually a bottom-line number developed based on historical cost for a similar item. Size, weight, and function are typically used in developing this estimate.

5.2.4.1 Competitive procurements for noncommercial R&D items and services usually require a more exact Government estimate that is well supported with data and facts. In a competitive procurement, the Government uses its internal estimate to evaluate the contractor’s cost proposal. In most cases, this is not a bottom-line comparison but a bottoms-up comparison of the tasks and resources the Government believes is required to complete the end item or service. The best way to prepare this type estimate is to develop a Work Breakdown Structure (WBS) for the work with the resources required to perform the contract effort. The WBS cost estimate is developed to the level that the contractor’s costs are to be evaluated. The Requisitioner shall develop this type Government cost estimate, which is done prior to the release of the solicitation to industry.

5.2.4.2 The cost estimate is also beneficial with noncompetitive procurements that are for large value development and service efforts. An estimate of this detail allows the Government to better analyze the contractor’s cost and negotiate the cost/price for the work.

5.2.5 Requisitioner’s Input to Solicitation Questions. The Requisitioner or the MSFC cognizant technical organization shall provide input to the contracting office on questions received from potential offerors in response to either a draft or a formal solicitation. This input is required whether the procurement is competitive or noncompetitive. In most instances, the input involves one of the elements of the solicitation that was supplied by the Requisitioner or requiring organization. The responses are always coordinated through the contracting office and not provided to, or directly discussed with, the contractor or contractors.

5.2.5.1 Procurements that fall under the MSFC SEB process shall comply with the formal procedures for handling questions addressed in MWI 5115.2.

5.2.6 Technical Evaluation. This paragraph describes the duties of the Requisitioner and the cognizant MSFC technical organization in developing the technical evaluation. The primary focus of this paragraph shall be on competitive procurements not using SEB procedures (see MWI 5115.2 with regard to technical evaluations on SEB actions).

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5.2.6.1 The cognizant MSFC technical organization for the procurement involved shall provide the expertise and technical support required to evaluate proposals.

5.2.6.2 Procedures for Technical Evaluations. CSs/COs shall submit a written Request for Technical Evaluation to the MSFC requiring organization initiating the procurement action immediately upon receipt of proposals for new procurement actions. A Request for Technical Evaluations clearly identifies the specific element(s) of the proposal to be evaluated and includes instructions regarding specifics of supplemental or special information.

a. Technical Evaluation Procedures for Competitive Procurements.

(1) Simplified Acquisitions. In competitive actions within the SAT, the evaluations are made on the basis established in the solicitation. Award is typically based on the lowest priced/technically acceptable submission. Therefore, the Requisitioner shall examine the submissions based on the established criteria, and provide a brief narrative memorandum documenting their determination.

(2) Procurements over the SAT. It is permissible to use a simplified version of the SEB process for negotiated procurements in this category.

(a) The evaluation team shall evaluate competitive proposals solely on the factors specified in the solicitation. Normally, the team evaluates proposals with respect to the following three evaluation factors:

i. Mission Suitability: Reflects the anticipated performance level of the offerors work from a technical and management perspective.

ii. Cost/Price: Reflects the most probable cost to the Government for doing business with the offeror.

iii. Past Performance: Reflects the amount and quality of previous work accomplished by the offerors comparable to the work to be performed under the procurement being evaluated.

(b) Established Criteria. Proposals shall be evaluated using the exact same factors, subfactors, weights, and criteria established and approved during the solicitation development process and which were included in the Request for Proposal (RFP).

(c) Mission Suitability Evaluation. The mission suitability evaluation shall review the offeror's technical and management approach to meeting the Government requirement identified in the solicitation. The evaluation team evaluates whether the offeror has the technical capability and management structure to accomplish the work. This includes an evaluation of the sufficiency and qualification of the proposed resources.

(d) Cost Evaluation. The evaluation of the offeror's cost shall be a comparison of proposed cost to the Government-developed independent cost estimate and not a comparison of cost to that of

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another offer. The evaluation by WBS element, identifies any understatement or overstatement of resources proposed. The evaluation team is obligated to evaluate direct costs. Shown below is an examination by cost element of how direct cost is evaluated:

i. Labor Hours: The evaluation team shall identify whether the number of labor hours proposed is adequate. If hours need to be eliminated or added, the evaluator identifies the delta number of hours and which WBS element to adjust.

ii. Labor Skill Mix: The evaluation team shall verify the proposed skill mix and recommend adjustments when and where required.

iii. Materials, Supplies, Equipment, and Other Direct Cost (ODC): The technical evaluation shall state whether proposed material, supplies, equipment and ODC are appropriate. When exceptions are taken, a recommended adjustment is provided.

iv. Travel: The evaluation team shall evaluate proposed travel. This includes the need for the travel, the location of the travel, the duration of the trip, and the number of personnel making the trip.

v. Subcontracts: The evaluation team shall examine subcontracts in the same manner prime contractor costs are evaluated. This includes evaluating and making recommendations on subcontract cost by direct cost element.

(e) The evaluation team shall not evaluate indirect costs. Examples of these types of costs are labor rates, overhead, General and Administrative, and travel/per diem rates.

(f) The evaluation shall not determine Profit/fee.

(g) Past Performance Evaluation. The past performance of a potential contractor provides NASA one means of determining the suitability of a contractor for a particular effort. Directly comparable or related efforts to the existing procurement shall be considered in the evaluation, and to a lesser extent past performance from non-comparable effort. This provides an indication of a contractor's commitment to perform and complete the job. In performing this evaluation, the evaluator utilizes Federal Awardee Performance and Integrity Information System (FAPIIS) and Contractor Performance Assessment Reporting System (CPARS) and contacts project managers within NASA or other Government agencies in a position to have observed the performance of the offeror and any subcontractors.

b. Technical Evaluation Procedures for Noncompetitive Procurements.

(1) Simplified Acquisitions: A technical assessment of a sole source proposal less than the simplified acquisition threshold should include an assessment of the effort a contractor has proposed to satisfy the requirements of the solicitation in accordance with FAR 15.404-1(e). The objective of the technical evaluation is to document the rationale behind why the Government accepted or rejected each element of the contractor's proposal so that a fair and reasonable price can be negotiated with the contractor. Use of the NASA Technical Evaluation

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Report is optional for actions valued at or below SAT.

(2) Procurements over the SAT. The technical assessment of sole source proposals greater than the SAT shall be documented in accordance with the NASA Technical Evaluation Guide (<https://nasa.sharepoint.com/sites/procurement/SitePages/PR.aspx#guides>) using the NASA Technical Evaluation Report Template. The assessment is an evaluation of the contractor’s proposed effort to satisfy the government’s requirements of the solicitation. The information provided in the technical evaluation will assist the CO in establishing the government’s negotiation position; therefore, the report should be transparent and thorough. The technical evaluator is to work with the CO in determining the depth of the assessment based on the particulars of the action being evaluated.

5.2.7 Technical Support During Discussions and Negotiations. The evaluator shall participate in discussions in the competitive procurement process. The discussion process is intended to allow the Government to better understand the contractor’s proposal and capabilities. The evaluator provides input to the evaluation process based on the discussions. The SEB procedures provide specific details on conducting discussions and the evaluator’s role.

5.2.7.1 In noncompetitive and some competitive procurements, the evaluator shall participate in the fact-finding and negotiation processes. Fact-finding normally takes place prior to the evaluator completing the technical evaluation and is used to better understand the contractor’s proposal and verify that the contractor understands the Government’s requirement. The contracting office conducts the fact-finding.

5.2.7.2 Negotiations are conducted with a contractor after competitive range determination or with a noncompetitive contract. Typically, negotiations are led by the CO with the support of the evaluator, a CS and other subject matter experts. Negotiations, much like fact-finding and discussions, are aimed at better understanding the contractor’s proposal and obtaining the final proposal revision.

5.2.8 Governmentwide Point of Entry (GPE). The GPE synopsis shall be used for all actions (both competitive and noncompetitive) above \$25,000 with the exception of those circumstances outlined at FAR 5.202.

5.3 Post Award/Administration Activities

This chapter describes the aspects of contract administration that are of direct interest to the Procurement Requisitioner and the Contracting Officer’s Representative (COR).

5.3.1 Purpose. After contract award, performance shall be monitored to ensure the obligations of both parties are fulfilled. Also, since the Government’s requirements change from time to time, maintain the contract document, thereby ensuring that the Government’s requirements are adequately and accurately described throughout the period of performance of the contract. Collectively, this is known as contract administration, the broad scope of which is evidenced by

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the fact that the FAR and the NFS list approximately 80 discrete tasks to be performed for any given contract.

5.3.2 Definitions Specific to Contract Administration.

5.3.2.1 Contract Administration. All functions that are necessary to ensure that, once a contract has been signed, both parties fulfill their obligations, as those obligations have the possibility to change from time to time.

5.3.2.2 COR (see Appendix A, DEFINITIONS).

5.3.2.3 Administrative CO (ACO). The CO who administers the contract.

NOTE: The Procuring CO (PCO), as is often the case at MSFC, has the option to decide not to delegate all contract administration functions to another CO. In this case, there is more than one ACO on a contract; that is, the primary ACO is the MSFC PCO, but a field contract administration support organization with delegated authorities also has an ACO (example, a field ACO) for the particular contract.

5.3.2.4 PCO. The CO who awards the contract.

5.3.2.5 Termination CO (TCO). The CO who has the authority to terminate a contract, in whole or in part. The MSFC Procurement Officer retains sole TCO authority, but has the option to delegate it on a case-by-case basis.

5.3.2.6 COR (see Appendix A, DEFINITIONS).

5.3.2.7 Corrective Action. An action taken to correct nonconformances and to eliminate the cause of nonconformances to prevent recurrence.

5.3.2.8 Defense Contract Management Agency (DCMA). The Department Of Defense (DOD) Agency that provides contract administration services to NASA. The basic relationship is established at the Agency level. Specific requirements are determined and delegated by NASA on a contract-by-contract basis. Delegated services are performed by DCMA on a reimbursable basis. The amount of service provided by DCMA is determined annually by NASA as part of the annual budget process.

5.3.2.9 Delegation. The vehicle by which authority to perform specified contract administration functions is conveyed by the PCO to a competent individual (e.g., the COR) or organization (e.g., DCMA).

5.3.2.10 Office of Naval Research (ONR). Pursuant to the NASA Grants and Cooperative Agreements Manual (GCAM), the office to which full administration (including property, but excluding closeout) is delegated for all grants and cooperative agreements with non-profit institutions.

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5.3.2.11 Technical Direction. A directive to the contractor that approves approaches, solutions, designs, or refinements; fills in details or otherwise completes the general description of work or documentation of items; shifts emphasis among work areas or tasks; or furnishes similar instruction to the contractor. Technical direction includes requiring studies and pursuit of certain lines of inquiry regarding matters within the general tasks and requirements of the contract.

5.3.3 Delegations.

5.3.3.1 Unless the contract is transferred to another NASA Center, the overall administration of the contract shall remain with the MSFC PCO. However, it is common for specific contract administration tasks to be delegated by the PCO to other organizations or individuals.

a. These delegations shall be made in writing via the NASA-1430 series of forms. In particular, administration on our larger supply contracts is often performed at contractor plants (and at subcontractor plants) where DCMA has onsite contract administration offices. In these cases, the PCO usually delegates various contract administration tasks.

NOTE: MSFC often has a NASA Resident Management Office (RMO) at these sites as well. The RMO, however, is an extension of and is responsive to, the respective program or project office, or MSFC's SMA organization, rather than the PCO.

b. The RMO shall not be delegated contract administration tasks.

c. The CO also often delegates specific contract administration tasks to a Center technical representative when knowledge of the supplies or services being acquired is necessary on an ongoing basis for effective contract administration. This individual is designated as the contracting officer representative (COR). Immediately following the award of a contract, the technical organization recommends an individual to be a COR or Alternate COR. Per NFS 1801.602-2(d)(ii), the technical organizations are responsible for ensuring that the individual they recommend possesses the training, qualifications and experience commensurate with the duties and responsibilities to be delegated and the nature of the contract. The Agency-wide "Recommendation for Appointment of Contracting Officer Representative (COR) and/or Alternate COR" template shall be completed by the technical organization and submitted to the CO along with a copy of the current COR certificate signed by the Procurement Officer.

d. If evidence of COR training is not attached, the CO shall route the request to PS10/Policy and Information Management Office for confirmation of training.

e. The COR shall be delegated specific contract administration tasks via NASA Form 1634, "Contracting Officer Representative (COR)/Alternate COR Delegation." However, the CO has the option of delineating additional duties in the contract. Delegations applicable to cost-plus-award-fee contracts require approval by the cognizant Procurement Division Director prior to distribution.

f. COR candidates are identified by their respective institutional, program, or project office.

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Pursuant to NFS 1801.604-70, individuals shall complete the Contracting Basics for COR training to be appointed as a COR. The request for delegation and the certificate identified in c. above, as well as COR training, are completed before an appointment can be made. If an urgent need arises for the appointment of a COR and no trained or otherwise qualified individual is available, a temporary COR appointment, not to exceed 6 months, is made. No technical direction is issued by a COR when serving under a temporary appointment. To maintain a FAC-COR, CORs are required to earn 40 continuous learning points (CLPs) skills currency training every two years.

g. Pursuant to NFS 1801.602-2, there shall only be one COR per contract. If necessary, the CO may appoint an alternate COR (in the same manner and with the same requirements and restrictions as the COR) to act during short absences of the COR, such as when the COR is on leave or travel. Additionally, in limited circumstances, a CO may appoint more than one alternate COR when approved by the Procurement Officer.

h. Contract terms and conditions. To be effective, the COR shall be familiar with all terms and conditions in the contract.

i. Communication. In all but the simplest of acquisitions, some form of communication between the contractor and the Government during contract performance is to be expected. In the more complex negotiated procurements, especially those in which a COR is formally designated, dialogue between the Government and the contractor is virtually continuous. This Government/contractor interchange is often the source of innumerable problems if not handled properly or if the participants do not understand their roles.

j. Limitations and Constraints.

(1) The COR is authorized to perform only those functions specifically delegated on the NASA Form 1634, Contracting Officer Representative's (COR) Delegation, by the CO. With respect to contractor performance, the COR is limited to providing technical direction, which includes prioritization of contractor effort and clarification of technical requirements.

(2) CORs do not have the authority to issue any instruction purporting to be technical direction that:

(a) Constitutes an assignment of additional work outside the SOW;

(b) Constitutes a change as defined in the Changes clause;

(c) Constitutes a basis for any increase or decrease in the total estimated contract cost, the fixed fee (if any), or the time required for contract performance;

(d) Changes any of the expressed terms, conditions, or specifications of the contract; or

(e) Interferes with the contractor's rights to perform the terms and conditions of the contract.

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(3) All technical direction shall be issued in writing by the COR.

k. Changes. A “change” to the contract has a very specific meaning. What constitutes a “change” depends upon the type of contract, but usually is related to the technical aspects of the work to be performed (e.g., specifications, SOW, method of shipment or packing, or place of delivery). The Changes clause of each contract defines a “change” and the correct manner in which it is incorporated into the contract (see 5.3.10.1). There are other reasons for which the contract is modified (e.g., changing the paying office, changing the name of the contractor, or incorporating a fee determination into a contract with award-fee provisions), but these are not “changes” per se.

(1) Avoiding Unauthorized Changes. Avoiding unauthorized changes requires constant thought and vigilance. In some cases, the COR and contractor personnel interact frequently. Often the encounters are informal discussions rather than official meetings. Most contractor personnel are aware that only the CO has the authority to approve a change to the contract. Most also feel, however, that the COR is the true customer, the person whom they have to satisfy to successfully complete the contract. Accordingly, they are usually quite responsive to the perceived desires of the COR and sensitive to anything and everything the COR says or implies. The COR shall be sensitive to the fact that anything said to contractor personnel, however innocuous, has the potential for being interpreted as a change to the contract.

(2) Notification of Changes Clause. If an inadvertent action on the part of the Government constitutes a change (see 5.3.10.5, item c., “Constructive Changes”), there are established procedures for correcting the situation. This procedure is described in FAR 52.243-7, “Notification of Changes.” CORs shall be familiar with its requirements.

l. DCMA. The DCMA mission, as its name implies, includes providing effective administration of contracts. Because of its depth of expertise and experience, and the many locations of its field offices, NASA utilizes DCMA to help administer its contracts. In fact, DCMA often plays a major role in the administration of NASA’s contracts; especially the larger contracts where performance takes place at the contractor’s plant and, in some cases, at major subcontractor plants.

(1) Contract Administration Functions.

The various delegable contract administration functions are listed at FAR 42.302. NFS 1842.202 lists specific contract administration functions that are not normally delegated. Performance of a thorough post-award risk assessment (led by the project office or Requisitioner with full participation by Procurement and other supporting functions) is instrumental in developing a comprehensive surveillance approach and determining the functions that shall be delegated/retained by NASA.

(2) Delegated contract administration functions are grouped by functional areas. DCMA’s projected and actual hours expended in support of NASA contracts are reported by these functional areas.

(a) Contract Operations. This functional area encompasses a miscellaneous set of contract

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administration tasks not included in any of the other specific functional areas. They are not inconsequential or unimportant; rather, they tend to be rather general administrative requirements aimed at ensuring that the contractor's administrative systems (e.g., insurance system) are functioning properly and that Government policies (e.g., socio-economic programs) are properly applied. DCMA is delegated many specific tasks in this area, although the MSFC PCO retains some and plays a direct role in many of those that are delegated.

(b) Property Management and Plant Clearance. As the name implies, this functional area encompasses personal and real property management. MSFC's Industrial Property Officer (IPO) plays a key role in working with the NASA Headquarters Contract Property Program Manager (CPPM) to obtain a Letter of Delegation (LOD) for Property Administration and/or Plant Clearance with our Federal Industry Partners (FIPs). Our current FIPs are DCMA and ONR.

(c) Financial Services. This functional area includes development and negotiation of overhead rates, forward pricing rate agreements (i.e., agreed-to interim rates for use in pricing proposals), cost or price analysis of proposals, and other financial support. MSFC retains a pricing capability, but often relies on DCMA, when available, to augment our own pricing efforts.

(d) Transportation and Packaging. This is a relatively narrow functional area that provides onsite review of the contractor's transportation and packaging policies, procedures, and operations, when relevant to the contract (see MPR 6000.1).

(e) Quality Engineering and Quality Assurance. Usually the largest in terms of reimbursable hours, these areas augment MSFC's in-house SMA capability. The language for the delegation of this functional area shall be provided by SMA. These areas are the most important to the COR.

(f) Program and Technical Support. This functional area includes technical and engineering oversight and support for the COR. It often is not used heavily since the MSFC program or project, directly and through a MSFC RMO if available, performs much of this effort itself.

(3) Post-Award Orientation. Pursuant to NFS 1842.503, a post-award conference shall be held with representatives of the contract administration office when:

- (a) a contract is expected to exceed \$10,000,000;
- (b) contract performance is required at or near a NASA installation or NASA-controlled launch site;
- (c) the delegation imposes an abnormal demand on the resources of the contract administration office receiving the delegation; or
- (d) complex contract management problems are expected.

(4) In less complex contracts, a letter is sufficient to satisfy this action. A post-award conference also aids both Government and contractor personnel in achieving a clear and mutual understanding of all contract requirements and in identifying and resolving potential problems.

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An orientation is particularly useful if the acquisition is complex or if the contractor has not had recent experience working on Government contracts. Waiver of a post-award conference for contracts meeting the above criteria shall require approval of the Procurement Officer.

5.3.4 Government Responsibilities.

5.3.4.1 Incremental Funding. If work on a contract is to continue without interruption, the COR shall ensure that the necessary funding is provided to the contractor. This process requires careful advance planning and coordination with the program's or project's business manager, AOO, and the CO.

5.3.4.2 Scheduling Government Activities. Although all Government contracts require the contractor to provide supplies to or perform services for the Government, many contracts also obligate the Government to do or provide certain things to enable the contractor to perform. Failure of the Government to fulfill its obligations is just as much a violation of the contract as is the failure of the contractor to perform. The COR, along with the CO, shall ensure all actions the Government is obligated to perform take place at the times and places specified in the contract. Contractors are entitled to excusable delays (see 5.3.9.1) and or an equitable adjustment if the Government does not fulfill its obligations.

5.3.4.3 GFP. Property in the possession of, or directly acquired by, the Government and subsequently furnished to the contractor for performance of a contract. GFP includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification. GFP also includes contractor-acquired property if the contractor-acquired property is a deliverable under a cost contract when accepted by the Government for continued use under the contract. (See FAR 45.101).

5.3.4.4 General Policy. Contractors are expected to furnish all property required to perform Government contracts. There are exceptions, of course, such as when the property is of a specialized nature suitable only for use on the immediate contract, unless substantially modified. This seems reasonable and straightforward, but is often not as simple. The cost of obtaining or building multi-purpose equipment and facilities is generally charged to overhead pools; specialized property and facilities are charged directly to the immediate contract. Contractors are motivated to charge as much as possible directly to the immediate contract, since this keeps costs down on their other contracts (e.g., the amount of overhead spread to other contracts is reduced). Thus, contractors are motivated to classify as much GFP as possible as special purpose. The COR shall assist the CO in preventing this from happening.

5.3.4.5 Government Responsibility. The Government shall:

a. Deliver to the Contractor the GFP described in the perspective contract and any related data and/or information needed for the intended use of the property. The delivery and/or performance dates specified in the contract are based upon the expectation that the GFP will be suitable for contract performance and will be delivered to the Contractor by the dates stated in the contract.

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b. Immediately address in writing to the Contracting Officer if the GFP is not delivered on time and/or is not suitable for contract performance.

5.3.4.6 Government-Furnished Services. For reasons of economy, the Government often provides needed services to the contractor to more efficiently enable contract performance. This is especially true when performance takes place on a Government facility (e.g., onsite utilities and transportation services); however, it is possible on other contracts (e.g., providing Government testing services). Whenever the Government provides services, it generally incurs the same types of responsibilities and the contractor generally has the same kind of remedies as with GFP.

5.3.5 Obtaining Performance.

5.3.5.1 Enforcement. While a contract contains the promises of both parties and sets forth their respective duties and obligations, it does not enforce itself. Thus, if one of the parties does not perform a required duty, there is no sanction against that party unless the party to which the duty is owed complains. The basis for complaint under a contract is a breach of the contract, which is defined as the nonperformance of any contractual duty of immediate importance.

5.3.5.2 Contract Terms and Conditions. In order to determine if, in fact, satisfactory performance has been obtained by the Government (e.g., no breach of contract), contracts shall spell out all performance inspections, including dates of inspection, standards of acceptability, methods of testing, and inspectors.

a. These requirements shall be contained in the basic contract or its attachments, in documents incorporated into the contract by reference, or in Government-approved contractor sampling, testing, design and verification, and other similar plans.

b. The contract terms and conditions provide the basis for the Government's quality assurance program and are critical to the Government being able to ascertain adequate performance has been obtained.

5.3.6 Technical Performance. To ensure the Government gets what it pays for, it is necessary to examine the contractor's work, and inspect and test it against the requirements of the specifications. The particular inspections or tests required vary from relatively simple ones, such as weighing or measuring dimensions, to complex and involved ones requiring many people and sophisticated equipment (see MPR 8730.1, MPR 8730.3 and AS40-OWI-024). By whatever means it is accomplished, inspection and testing is the key to the Government enforcing the technical requirements of the contract. It is particularly important because the rules of law and contract clauses provide relief of contractor liability for defects, in certain circumstances, if they are not challenged prior to their acceptance and use by the Government.

5.3.6.1 Inspection.

The contract's SOW and/or specifications shall identify what inspections or tests are to be

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performed, by whom, and when. Some contract clauses also contain requirements for inspections by the Government.

- a. The COR shall know the exact extent of and limitations on, Government inspections so they are planned, scheduled, and conducted effectively and within the legal constraints of the contract.
- b. The place of inspection or testing shall be clearly stated in the contract specifications.
- c. If the place is other than at the contractor's facility, the contract shall indicate the means by which the items are to be transported to the place and at whose expense. If inspections or tests are to be conducted at the contractor's facility, the Inspection clause requires the contractor to furnish, at no additional cost, all reasonable facilities and assistance for their safe and convenient conduct. This has been interpreted by appeal boards to mean that the Government has the option to use any of the contractor's tools, equipment, or testing devices that the contractor reasonably expects to have available to perform on the contract.
- d. For acquisitions where inspection is performed upon delivery to MSFC, refer to AS40-OWI-024.
- e. If a nonconformance is discovered during this initial receiving inspection, refer to AS40-OWI-024.
- f. Upon completion of the receiving inspection and test activities, the SMA shall update Procurement Discrepancy Tracking System (PDTS) with the results (see MPR 4000.2 and MPR 8730.1).
- g. SMA shall evaluate supplier performance by trending nonconformances used to determine if systemic problems exist, and if SMA requests supplier corrective action through the CO or if follow-up audits of suppliers are necessary. Appendix J is a flow diagram depicting this process (see QD-QA-031).
- h. When items are inspected at locations other than MSFC, typically, a "Letter of Contract Administration Delegation, General" (NASA Form 1430) exists with either the DCMA or ONR to allow them to inspect on NASA's behalf. This delegation shall be done on an individual contract basis.
- i. If a nonconformance is discovered during the initial receiving phase, DCMA/ONR documents it accordingly and if nonconformances are unable to be resolved locally, DCMA/ONR shall contact the MSFC Quality Assurance Representative (QAR) and CO for disposition.
- j. In the event that a delegation does not exist, the cognizant NASA quality organization shall perform inspection and acceptance services at the offsite location.
- k. Inspection and acceptance requirements shall be furnished to the cognizant NASA quality organization via letter from the CO.

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5.3.6.2 Rejection.

Any product that does not conform to contract specifications has the potential of being rejected by the Government (see MPR 8730.1, MPR 8730.3 and MPR 4000.2). While this fact is indisputable, outright rejection by the Government is not a usual occurrence. When inspections or tests reveal that supplies do not conform to contract specifications, the contractor is normally given the opportunity to correct the defects. The contractor shall be given the opportunity to correct any defects if the delivery date has not yet arrived. It is possibly in the Government's best interest to allow corrections of defects even after the intended delivery date. If the supplies are rejected and the contract terminated for default, the Government has to go through the acquisition process all over again and undergo the delays associated with that process. It is, therefore, prudent to allow the contractor to correct the defects, particularly if they are not major.

- a. If the contractor is unable to deliver conforming supplies by the delivery date, the Government has another alternative to rejection. Consideration, such as a reduction in price, is obtained if nonconforming items are accepted. In firm-fixed-price contracts, the contractor bears all costs associated with bringing supplies into conformance. In cost reimbursement contracts, the reimbursement of the cost of rework is possible under the terms of the contract.
- b. CORs are major participants in this process since COs often defer to their judgment on what course of action to take. They shall be aware of the available options and recommend whatever decision is best for their programs.
- c. If the nonconformance is discovered during receiving inspection, PMO shall initiate an Inbound Discrepancy Report (IDR) in the PDTS, and the CO updates PDTS by providing the disposition instructions (see AS40-OWI-024).
- d. If the nonconformance is discovered during the inspection and test verification, SMA shall update the Inspection and Acceptance Report (IAR) in PDTS and the CO provide the disposition instructions in PDTS (see MPR 8730.1 and MPR 8730.3). Appendix J is a flow diagram depicting this process.
- e. The one course of action that shall never be taken is to ignore the fact that supplies or services do not conform to contract specifications.
- f. If the nonconformance is detected at a location other than MSFC (e.g., the supplier's facility) before submittal to MSFC, the supplier shall document the nonconformance within the supplier's applicable nonconformance system.
- g. If the supplier cannot correct the nonconformance to meet the contractual requirements, the supplier shall submit the discrepancy for acceptance by MSFC using the applicable contractual Deviation Approval Request (DAR) system and/or process the nonconformance through the contractually-authorized Material Review Board system.

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h. COs have final approval of all contract DARs (see MGM 8040.1, MPR 7123.1. In the event that MSFC source inspection was not required, a request for inspection by the SMA Office from the COR/CO is often necessary to facilitate processing of the supplier nonconformance.

5.3.6.3 Acceptance.

Acceptance is acknowledgment by the Government that supplies or services conform to applicable contract quality and quantity requirements (see MPR 8730.1 and MPR 4000.2). Appendix J is a flow diagram depicting this process. Acceptance shall not be confused with delivery; acceptance occurs before delivery, at the time of delivery, or after delivery, depending on the terms of the contract. Acceptance is usually evidenced by execution of an acceptance certificate such as a DD Form 250, MF 4554, or a similar document. CORs are often authorized to perform the acceptance function for supplies and services that do not involve SMA acceptance processing, although that function can be delegated to another agency. Title to supplies passes to the Government upon acceptance, regardless of when or where the Government takes physical possession.

- a. Simply passing an inspection or test does not constitute acceptance. Acceptance shall be acknowledged by whatever means is specified in the contract.
- b. The passage of time alone can, in some cases, result in what is known as implied acceptance. If the Government does not consciously reject nonconforming work within a reasonable period of time, it can be judged to have implicitly accepted the work. What is considered a reasonable period of time can vary. Therefore, the COR shall ensure that a contractor is promptly notified if work is being rejected.
- c. Government Rights after Acceptance. Although acceptance is generally considered conclusive and final, the Government is not without some degree of protection in the event defects are discovered after acceptance. If a nonconformance is discovered after acceptance, the COR shall contact their Customer Service Representative (CSR) for assistance in initiating an Inspection Rejection Report (IRR).
- d. The CSR shall initiate the IRR in PDTs (see AS40-OWI-024).
- e. The CO shall update PDTs by providing the disposition instructions. Appendix J is a flow diagram depicting this process.
- f. All IRRs shall be initiated and tracked in the PDTs, which also contains the information on all IDRs and IARs. The terms of inspection clauses afford the Government remedies after acceptance in the cases of latent defects, fraud, or gross mistakes as amount to fraud. In addition, warranty clauses, which serve to give the Government rights against the contractor after acceptance, are also used in commercial item contracts. The COR considers these possibilities at the time of development of the solicitation. If the COR thinks any of these conditions exist at the time of delivery, the situation is discussed with the CO. Refer to Appendix J.

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5.3.6.4 Warranties.

A warranty is an agreement by the contractor that it shall be liable for meeting the contract specifications for a stated period of time after acceptance. Including a standard FAR warranty clause in a contract affords the Government some protection against defects after acceptance and is particularly useful if inspections and tests do not adequately assure the Government that the articles continue to perform according to the specifications. It needs to be understood that there is an extra cost associated with a FAR warranty clause. The actual cost is difficult to estimate, but some consideration is given to the benefits to be derived from a warranty versus its cost prior to including warranty requirements in a contract. Acceptance of a standard commercial warranty is often more beneficial if one is available. The concern here is that the commercial warranty meets the Government’s needs. Government policy favors using commercial clauses.

Warranties are categorized as either express or implied. If the Government specifies the design of an item, the contractor's warranty to produce the item in accordance with the specifications and free from defects of material and workmanship is an express warranty. If the Government does not specify the design of an item, the contractor's warranty to produce an item fit for its intended purpose is an implied warranty. If express warranties are included in a contract (except contracts for commercial items), all implied warranties of merchantability and fitness for a particular purpose are negated by the use of specific language in the clause. In contracts for commercial items, the standard terms and conditions do not contain express warranties (which are usually warranties in effect for a specified timeframe (e.g., 90 days)), but rather include two implied warranty conditions (e.g., “Implied Warranty of Merchantability” and “Implied Warranty of Fitness for a Particular Purpose”). Implied warranties do not expire in a set amount of time the way express warranties do.

- a. If an express warranty is included in the contract, it shall provide for the repair or replacement of defective items discovered within a reasonable period of time after acceptance.
- b. If a nonconformance is discovered after acceptance, the COR shall contact their CSR for assistance in initiating an IRR.
- c. The CSR shall initiate the IRR in PDTS.
- d. The CO shall update PDTS by providing the disposition instructions (see AS40-OWI-024). Appendix J is a flow diagram depicting this process.
- e. In spite of the additional protection that warranties provide the Government after acceptance, invoking the warranty clause after discovery of defects (but within the period of the warranty) still requires the Government to prove that the defects existed at the time of acceptance. Any alteration of the contract items by the Government after acceptance possibly serves to invalidate the warranty.

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5.3.6.5 Monitoring Performance.

a. Surveillance Plans. Whenever a COR is appointed, the COR shall define the surveillance approach utilized in monitoring contractor performance. A comprehensive risk assessment of the contract and program immediately following award (and updated as appropriate during the life of the contract) is essential in determining the optimal approach to contract surveillance and the appropriate levels of insight/oversight. A type of surveillance approach, or plan, is the award fee evaluation plan with its structured performance reviews and the use of specifically-designated technical monitors (see MWI 5116.1).

(1) For non-complex commercial item contracts, the surveillance approach normally consists of the standard contract “Inspection” clauses.

(2) Surveillance plans or otherwise documented approaches to performing contract monitoring shall be prepared for all major service contracts and performance-based supply contracts. CORs are advised that the Marshall Management System designate SMA to perform inspection activities associated with flight hardware and contractor safety performance while working on-site at MSFC unless otherwise delegated by SMA.

b. Corrective Action. Regardless of the formality of the surveillance approach, the COR shall promptly report to the CO and, as appropriate, SMA, the occurrence of any systemic problem and the need for performing corrective action.

(1) Upon notification, the COR and the CO shall obtain a corrective action plan from the contractor, which provides:

- (a) Description of the problem;
- (b) Determination of the root cause of the problem;
- (c) Action required to correct the problem;
- (d) Prevention of recurrences; and
- (e) Completion schedule for the action.

(2) The COR shall monitor the contractor’s progress in implementing the corrective action plan and verify completion and overall effectiveness. The COR coordinates these activities with SMA.

c. Performance Evaluations of Work Subject to Award Fee Provisions. Performance evaluations of work performed under contracts with award fee provisions serve the purpose of surveillance plans. Performance evaluations are discussed in MWI 5116.1.

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5.3.7 Schedule Performance. A common occurrence of breach of contract involves the failure of a contractor to deliver supplies or services by the contractual delivery date. CORs shall be aware of the actions the Government has the option to take in the event schedule delays occur. Prompt and proper action is necessary when a schedule is breached in order to ensure that the Government's rights under the contract are not forfeited. (In our discussions here, we are assuming that the Government was in no way accountable, in whole or in part, for the breach of contract.)

5.3.7.1 Alternatives When Schedule Is Breached. When a schedule delay occurs, various courses of action are available to the Government. The COR shall consult with the CO to determine which course is the most appropriate.

- a. The Government can accept the late items, extend the contract delivery schedule, establish new delivery dates, or take no action. Taking no action effectively waives the Government's rights to cite the delay as cause for a default termination.
- b. The Government can accept the late items, extend the contract delivery schedule by establishing new delivery dates, and obtain some consideration from the contractor in return. This action excuses the delay and waives the Government's right to initiate a default termination.
- c. The CO can issue a formal "Show Cause Notice" advising the contractor that the Government is considering terminating the contract for default and requesting the contractor to advise within 10 days of any facts relating to the delinquency which shows causes were beyond the contractor's control, and without fault or negligence on the contractor's part.
- d. The Government can terminate the contract (see 5.3.11).

5.3.7.2 Alternatives Prior to Breach. Preventing a breach of contract from occurring is preferable to recovering from the impact of one. CORs shall be aware of the status of their contracts at all times, and be able to anticipate problems before or as they develop.

- a. If a COR sees a potentially-serious problem developing which may result in a decision to terminate the contract, the COR shall notify the CO promptly.
- b. In order to protect the Government's interests, the CO shall issue a formal notice to the contractor known as a "Cure Notice" which advises that the Government is aware of a problem which possibly endangers performance of the contract and gives the contractor 10 days to cure the problem or else the Government has the option to terminate the contract for default. Ideally, this action solves the problem and precludes the necessity for time-consuming termination action.

5.3.8 Cost Performance on Cost Reimbursement Contracts.

5.3.8.1 Monitoring Costs. In cost reimbursement contracts, the Government bears a much greater share of the risk of performance than the contractor; therefore, considerable management attention shall be placed on monitoring these types of contracts. Cost monitoring is usually

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delegated to a COR.

- a. The terms of cost reimbursement contracts normally require the contractor to provide periodic (usually monthly) summaries of the costs that have been incurred in performance of the contract, both during the reporting period and cumulatively since contract award. In all probability, the contractor's proposal provided information as to how the proposed costs were to be incurred in achieving contract milestones. A simple comparison of these two documents, coupled with periodic meetings with the contractor, enables the COR to determine if costs are reasonable and consistent with technical progress on the contract. The COR shall review fee vouchers submitted by the contractor for reasonableness based upon the contractor's performance.
- b. Fully-funded cost reimbursement contracts contain a Limitation of Cost clause which requires the contractor to notify the CO in writing when the costs expected to be incurred in the next 60 days, when added to all costs previously incurred, exceed 75 percent of the estimated costs specified in the contract, or the total costs are greater or substantially less than had been previously estimated. This notification is designed to give the Government a reasonable amount of time to decide if funds beyond the contract amount are to be added to the contract for continued performance, if an overrun is projected, or to adjust the contract requirements to match projected expenditures.
- c. If a cost reimbursement contract is not fully funded, it shall contain the Limitation of Funds clause. In these contracts, funds are provided on an incremental basis, and an estimated period of performance for the funds provided is contained in the contract.
- d. The Limitation of Funds clause provides that the contractor shall notify the CO whenever it has reason to believe that the costs it expects to incur under the contract in the next 60 days, plus already incurred costs, exceed 75 percent of the total amount of funds currently allotted to the contract.

5.3.8.2 Alternatives When Cost Ceiling is Approached or Reached.

- a. The face value of a cost reimbursement contract represents the agreed-upon estimated costs that are expected to be incurred in performance of the terms of the contract and is commonly referred to as the contract "ceiling." The contractor is not obligated to incur costs greater than the ceiling, nor is the Government obligated (or authorized) to pay more than the ceiling. However, the Government has the option to increase the ceiling if it determines it to be in its best interest and necessary to achieve the contract goals.
- b. If the cost monitoring process reveals that cost is outrunning performance, the COR initiates action as soon as the situation is discovered. If, after conversation with the contractor, it reaches the point where the COR believes that performance under the contract is possibly jeopardized, the CO shall be consulted and the following alternatives or a combination thereof, considered:
 - (1) If the contract ceiling has not been reached, the Government can authorize additional funding provided funding is available or can be obtained. This course of action is risky because

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it usually just postpones the problem rather than solving it. Sometimes, however, it serves to buy the Government time to explore other alternatives.

(2) The Government can negotiate a change to the contract which reduces the work effort to a level that can be achieved within the available funding. While this appears to solve the immediate problem, certain program goals are left unattained.

(3) The Government can issue a Cure Notice and a Show Cause Notice and, if performance does not improve, terminate the contract.

5.3.9 Contractor Defenses and Remedies. The methods by which the Government ensures that technical, schedule, and cost performance obtained from contractors and what actions the Government can take if performance is not obtained are not one-sided. CORs shall be aware of the recourse available to contractors when performance problems arise.

5.3.9.1 Excusable Delays.

a. The Government recognizes that there can be instances where contractors have genuine excuses for delays in performance for which they are not subject to termination for default. Most contracts contain a standard Excusable Delays clause which provides that the contractor shall not be considered in default because of any failure resulting from causes beyond its control and without the fault or negligence of the contractor or subcontractors. The clause cites nine examples of such causes:

- (1) Acts of God or of the public enemy;
- (2) Acts of the Government in either its sovereign or contractual capacity;
- (3) Fires;
- (4) Floods;
- (5) Epidemics;
- (6) Quarantine restrictions;
- (7) Strikes;
- (8) Freight embargoes; and
- (9) Unusually severe weather.

b. CORs are sensitive to the fact that acts of the Government possibly result in an excusable delay. As cautioned earlier, CORs shall ensure that their words or actions do not implicitly or explicitly give a contractor the right to a claim of an excusable delay.

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5.3.9.2 Claims. A claim is a written demand by a party to a contract seeking payment of a sum of money, the adjustment or interpretation of contract terms, or some other relief. The COR shall be aware that one of the remedies available to an aggrieved contractor is to file a claim with the CO. Many contract clauses contain language which requires or permits the CO to make adjustments to the terms of the contract.

a. The Changes, Suspension of Work, Differing Site Conditions, and Variation in Estimated Quantity clauses are examples. Many claims result from the manner in which inspections, testing, acceptance, and rejection are handled by the Government, which simply reinforces the need for CORs to conduct all transactions related to those matters with the utmost of care, professionalism, and sensitivity to the terms of the contract.

5.3.10 Contract Modifications. During the life of a contract, any of its terms and conditions are potentially altered for any number of reasons. To be valid, alterations to a contract shall be made in writing by the CO. Written alterations to a contract are referred to as modifications (see MWI 5143.1).

5.3.10.1 Modifications Pursuant to Contract Clauses. Many standard clauses can be included in Government contracts that contain language that authorizes the CO to modify certain terms or conditions by issuing a contract modification. The permissive language of these clauses not only gives the CO the authority to make the modification, but also serves to advise the contractor in advance what aspects of the contract are subject to modification if the necessity arises. Examples of clauses that authorize modifications include FAR Clause 52.216-16, Incentive Price Revision—Firm Target for a fixed price-incentive (firm target) contract which specifies the conditions and procedures for determining and making price revisions; Government-Furnished Property clauses provide for an equitable adjustment in the price and/or delivery schedule if the contractor suffers damage because Government property is delivered late or is defective; Inspection clauses provide for an equitable price adjustment if the Government accepts nonconforming supplies; and a Tax clause provides for a price adjustment if certain taxes included in the contract are either increased or decreased.

a. The most useful clause contained in most Government contracts (excluding contracts for commercial items or commercial services) to facilitate making modifications is the Changes clause. The standard Changes clause for fixed-price supply contracts, for example, authorizes the CO to issue unilateral (without the contractor's consent) modifications (called change orders) to the specifications, place of delivery or performance, or method of shipping or packing. The contractor is legally required to comply with all change orders. However, if the change order causes an increase or decrease in the cost of or the time required for performance of any part of the work under the contract, whether or not mentioned directly in the change order, the CO shall be required to make an equitable adjustment in the contract price, delivery schedule, or both. If the CO and the contractor are unable to reach agreement on an equitable adjustment, the CO determines the adjustment. If the contractor does not agree with the determination, the matter is resolved in accordance with the Disputes clause, which is discussed below.

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5.3.10.2 Other Contract Modifications. Although many types of modifications can be anticipated and covered by appropriate contract clauses, it is sometimes necessary to modify some aspect of a contract due to an unanticipated situation. For example, the Government discovers that it can furnish as GFP an item the contractor was to make or buy, or the Government determines that it wants the contractor to perform a particular test that was not specified in the contract when awarded. A written bilateral modification is used in this case and provides mutually-agreeable consideration from both parties. In the first example, the Government is entitled to a price reduction; and in the second example, the contractor is entitled to a price adjustment and possibly a schedule adjustment.

5.3.10.3 The Concept of Contract Scope. The Government's authority to modify a contract is not unlimited, particularly with regard to requiring the contractor to perform additional work. Any additional work required shall be within the scope of the contract. In simple terms, this means the additional work is related to the work envisioned in the original contract.

a. If the additional work contemplated is beyond the scope of the contract, a new procurement is processed. A common situation where this problem arises concerns the desire for an increased quantity of items. Even if items are exactly the same as ones being manufactured under the current contract, a modification to that contract to increase the quantity is potentially beyond the scope of the contract and, therefore, not permissible (assuming the contract did not contain an option for an additional quantity or otherwise permit changes to the quantity). Another example is if a contract awarded for the design (and only the design) of an automated information system, the contractor is not necessarily authorized within scope of the contract to later provide and install hardware.

b. Whether or not additional effort is within or outside the scope of a contract is often not clear cut. Therefore, CORs shall discuss all proposed changes with the CO to obtain a determination.

5.3.10.4 Processing Contract Modifications. Modifications to contracts shall be minimized since they can have significant ramifications for the entire acquisition. If changes are necessary, it is important that they be planned, reviewed, and executed systematically and with caution.

a. Proposals.

(1) The contractor's claim for equitable adjustment of contract cost and fee arising from change orders (or any other reason justifying an equitable adjustment) shall be supported by a proposal. The proposal is evaluated in essentially the same manner as the proposal(s) for award of the basic contract, except that by definition, it is a noncompetitive proposal. Also, there is usually only a cost proposal since the technical requirements and approach were determined before the contract modification effecting the change was issued.

(2) When an equitable adjustment is contemplated or proposed, its effect on cost, delivery, and other factors shall be evaluated carefully. The timing of a change is important since, as a general rule, it is less expensive to make a change earlier in a process than after it is well underway if the change is to apply to all work. To control costs, it is prudent to establish a cut-off point for a

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change and have all subsequent items produced to the new specification, but not rework those items already produced or at an advanced stage of production. Consider the possible effects.

b. Technical Evaluation of Cost Proposals. The CO shall task the cognizant institutional, program, or project office to evaluate cost proposals for equitable adjustment. The resulting technical evaluation report is used by the CO to develop negotiation objectives to settle (or definitize) the proposal.

c. Reviewing Proposed Changes. For some contracts, a formal change review board is established to review and approve all proposed technical changes. This is most common in complex production contracts and those where the configuration of the end product(s) is required to be closely controlled.

d. Executing Modifications. When a determination has been made that a modification is to be made to a contract, the requiring activity shall prepare a PR or similar document to formally request that the CO make the modification. Then the CO processes the modification in one of two ways:

(1) The formal modification is issued in writing to the contractor, after which an equitable adjustment is negotiated; or

(2) The equitable adjustment is negotiated first and then the formal modification is issued.

5.3.10.5 Unauthorized Changes. The single most common problem that the Government encounters with the administration of its contracts is that of unauthorized changes. Only a CO is authorized to issue modifications to a contract. CORs shall guard against taking any action, verbal or written, intended or unintended, that is interpreted by a contractor as an authorization to alter the terms of the contract. Unauthorized changes are potentially legally binding. Most occurrences usually fall into the following categories:

a. Waivers and Deviations. The requirement that all changes to a contract be effected by a properly-executed modification, and that the Government give or receive consideration for all changes is not avoided by calling the action a waiver or deviation. Doing so implies that the change is so minor as to not be worthy of an official modification. CORs and other individuals involved with contract administration can be tempted to waive a contractual requirement or authorize a deviation from contract specifications without fully considering the ramifications of their actions. If the contractor is relieved from a part of its responsibilities, the Government is entitled, under certain circumstances, to receive something in return. In addition, a series of seemingly minor actions can rapidly snowball into a major problem. The Government shall, under appropriate circumstances, waive contract requirements that prove to be unnecessary or authorize deviations from specifications when appropriate, but such actions are taken only through the official modification process or through a formal Configuration Control Board authorized in the contract (see MGM 8040.1 and MPR 7123.1).

b. Extra Work. Unauthorized requests for the contractor to perform extra work can and usually does result in problems. The Government's interests are not served if a contractor performs extra

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work as the result of an unofficial request from a COR and, after its completion, files a claim for an increase in price. Claims for additional work are particularly difficult to resolve because of the problem of distinguishing between voluntary actions by the contractor and extra work directed by the Government. The Government reaps the benefit of the former at no additional cost, whereas the latter incurs an obligation.

c. Constructive Changes.

(1) Changes to a contract can occur through unauthorized action or inaction of Government representatives, frequently without their being aware of the effect of their conduct. Any action by a Government representative that is not a formal modification, but which has the effect of requiring the contractor to perform work different from that prescribed in the original contract, constitutes a constructive change and permits relief to the contractor. Examples of a constructive change include a COR directing a contractor to deviate from a specification; or a CO, attempting to clarify an issue for a contractor, providing information that later turns out to be incorrect.

(2) The action on the part of the Government that eventually results in a constructive change possibly occurred prior to contract award. The following are examples of situations where the Government has been found to have made constructive changes even though its improper action took place before contract award:

- (a) Specifications or contract provisions that are literally impossible to perform because they contain conflicting requirements or require work beyond the state-of-the-art;
 - (b) Specifications or contract provisions that are worded in general terms, are unclear, or are open to more than one interpretation; and,
 - (c) Drawings that contain errors, omissions, inaccuracies, or inconsistencies.
- (3) Suggestions offered by technical personnel do not constitute constructive changes, but great care shall be exercised to ensure that a suggestion is not misconstrued as direction. Constructive changes often consist of letters, telegrams, reports, or other documents directing, in substance, that additional work be performed, but without ever using the words “modify” or “change.”

5.3.11 Terminations. The vast majority of Government contracts run their normal courses with both parties fulfilling their obligations. In some cases, however, it becomes necessary to end the relationship prior to completion of the contract by the process known as termination.

5.3.11.1 COR's Role. In most cases, the first indication of the possible need to terminate a contract originates with technical personnel. They are usually the first to realize that the need for the supplies or services no longer exists, that the contractor's performance has become unsatisfactory, or that some other situation has developed that warrants termination of a contract. The COR shall understand the conditions under which contracts can be terminated, the thoughts that go into making a termination decision, and the procedures for making terminations, so sound recommendations can be made to the CO when terminations become necessary.

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5.3.11.2 Decisions to Terminate.

a. The most obvious situation that can lead to a termination is one where the supplies or services being acquired are no longer needed. The Government is under no obligation to buy something it no longer requires, and it normally terminates any and all contracts for the product or service as soon as that fact is known. When noncompliance or nonperformance on the part of the contractor is the cause of a termination situation, the decision to terminate is more complex.

b. Funding constraints can force the Government into a termination situation. Although agencies cannot award a contract unless the proper funding arrangements have been made, sometimes unexpected funding shortfalls appear after award, and there is no alternative but to terminate. In this situation, the COR takes action as early as possible to ensure that enough funding remains to allow for an orderly termination. If the funding shortfall is expected to be temporary (e.g., funding can probably be made available, but later than anticipated), the CO shall be consulted to see if arrangements can be made with the contractor to work around the problem.

5.3.11.3 Scope of Terminations. Terminations are either partial or complete. If a contract is completely terminated, all work is stopped. A partial termination ends only a portion of the work remaining on the contract.

5.3.11.4 Types of Terminations. Terminations fall into one of two categories: terminations for default and terminations for the convenience of the Government. The obligations of the Government differ for each type of termination, and the COR is often involved in the discussions and negotiations which determine those obligations.

a. Default.

(1) There are a variety of situations that lead to a contractor being considered in default. Assuming that the contractor's poor performance has been adequately and properly substantiated (including the issuance of "Show Cause Notices"), the situation has been discussed with the CO and legal counsel, and a firm decision to terminate for default has been made, the CO shall issue a termination notice in accordance with the Termination clause of the contract. The Government then determines what, if anything, it owes the contractor.

(2) Under fixed-price contracts, the contractor shall not be reimbursed for work performed prior to the termination which has not yet been accepted by the Government, and the Government is entitled to repayment of any unliquidated advance or progress payments applicable to such work. The Government has the option, at its election, to demand the contractor deliver any completed or partially-completed work, for which the Government is then obligated to pay a reasonable price. The contractor is also obliged, if directed by the CO, to protect and preserve any property in which the Government has an interest, and is entitled to compensation for any expenses in so doing. Last, but not least, if the Government subsequently repurchases the same or similar supplies or services called for by the terminated contract from another contractor, the terminated contractor is held liable for the costs of reprocurement, if any.

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(3) Under a cost reimbursement-type contract, the contractor shall be entitled to all normally allowable and allocable costs incurred up to termination and, if fee was included in the contract, to a pro rata portion of the fee based on work accepted by the Government. Costs associated with protecting, preserving, or returning items in which the Government has an interest are allowable. The contractor is not liable for repurchase costs and not entitled to anticipated fee.

b. Convenience

(1) All terminations not made for default are, by definition, for the convenience of the Government. Terminations for convenience involve no wrongful acts on the part of the contractor. Accordingly, the terms of the contract settlement are more favorable for terminations for convenience.

(2) Under a fixed-price contract, the contractor is entitled to compensation for the costs incurred up to the time of termination and a reasonable profit on those costs. In effect, when a fixed-price contract is terminated, it becomes for all practical purposes, a cost reimbursement-type contract. The contractor shall submit a termination settlement proposal which is reviewed by the CO, and usually, the COR, and terms of the settlement are negotiated. Reasonable costs incurred by the contractor in processing the settlement are allowable, but no fee on such costs is payable.

(3) Under cost-reimbursement contracts, the contractor is entitled to all allowable and allocable costs incurred up to the termination and to a percentage of the fee equal to the percentage of completion of the work contemplated under the contract. Costs associated with protecting, preserving, or returning items in which the Government has an interest are also allowable, as are all reasonable costs associated with the preparation of the settlement proposal. Once again, the CO, with the advice of the COR, shall negotiate a termination settlement mutually agreeable with the terminated contractor.

5.3.12 Disputes. When, despite their best efforts, the CO and the contractor cannot agree to an equitable adjustment, the CO shall issue a unilateral settlement. The vehicle for this is a CO's Decision. In such a situation, the contractor has the right to dispute the decision by submitting a claim against the Government. Because of their technical knowledge and their close involvement with a contract, CORs are usually involved in the settlement of disputes, and their input often forms the basis of the Government's position during the entire disputes process.

5.3.13 Contract Closeout. Contract closeouts shall be conducted in accordance with NFS Appendix B, Contract Closeout Procedures, which provides adaptive practical tools and innovative policy-based solutions that will enable timely contract closeout. Ideally, a contract runs its normal course without being terminated or tied up in lengthy litigation resulting from a dispute. All that remains is for the contract to be officially closed-out. Some of the closeout burden falls on the COR. The closeout of cost reimbursement-type contracts can take considerably longer than fixed-price contracts since the Government usually conducts an audit of the contractor's records to ensure that all costs incurred in performance of the contract were allowable and allocable. This audit takes place after settling all overhead rates, which can sometimes take several years after the contract's period of performance ends. A small percentage of the contractor's fee is usually withheld pending

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successful completion of the audit. In accordance with NFS Appendix B, B-102. CORs may be called upon to comment on the reasonableness of or the necessity for certain items of cost.

5.3.13.1 The COR's Role.

- a. The COR ensures that the completion of all contractor performance has been documented, that all appropriate acceptance documents have been properly prepared and submitted, and that all Government property or information provided to the contractor has been properly dispositioned. The COR shall provide a certificate of completion to the CO within 45 days of physical completion on Fixed Price contracts and within 180 days on cost-type contracts, grants, and cooperative agreements. If the certificate cannot be provided within those times, the COR notifies the CS/buyer and provides an estimate of when the certificate is provided.
- b. The COR shall complete the CPARS Input Template which documents the contractor's performance on the contract. This is provided to the CO on an annual basis through contract completion. This information is included in the Federal Awardee Performance and Integrity Information System (FAPIS) data base.
- c. A funds status review shall be accomplished upon physical completion of cost reimbursement-type contracts. The CO and the COR, in conjunction with AOO, determine the amount of funds to leave on the contract, if any. This determination is made by considering the amount of funds contractually required to be withheld and by estimating the amount of funds required to cover final indirect and/or direct costs.
- d. The determination, including the basis upon which it is made, shall be documented by the CO in a memorandum to be included in the official contract file.
- e. In the event that the funds status review reveals excess funds remaining on the contract, a contract modification shall be issued to deobligate the excess amount.

6. CANCELLATION

MWI 5100.1K-1, Initiating Procurement Requisitions, dated September 22, 2020.

Electronically approved by

Rae W. Meyer for
Jody Singer
Director

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APPENDICES

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APPENDIX B	Acronyms
APPENDIX C	Verification Matrix
APPENDIX D	Records Retention
APPENDIX E	Procurement Process Responsibility Overview
APPENDIX F	Special Approval Requirements Related Documents
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APPENDIX A **DEFINITIONS**

AOO CFO Accountants and Requisition Approvers. The organization reviews PRs to ensure that proper financial data has been cited (e.g., material group, which automatically derives the General Ledger and commitment item (object class) codes). They also ensure that proper authorizations and approvals have been obtained and applicable supporting documents are attached.

Basic Ordering Agreement (BOA). A written instrument of understanding, negotiated between a contracting office and a contractor that contains terms and clauses applying to future orders between the parties during its term; a description, as specific as practicable, of supplies or services to be provided; and methods for pricing, issuing, and delivering future orders under the BOA.

CO. A person, appointed in accordance with the FAR/NFS, with the authority to enter into, administer, change, and/or terminate Government contracts and make related determinations and findings within the limits of their certificates of appointment.

Commercial Item. Any item, other than real property, that is of a type customarily used for nongovernmental purposes and that has been sold, leased, or licensed to the general public; has been offered for sale, lease, or license to the general public; or any item that evolved from an item described above through advances in technology or performance (see FAR 2.101 for complete definition).

Commercial Service. Services of a type offered and sold competitively in substantial quantities in the commercial marketplace based on established catalog or market prices for specific tasks performed under standard commercial terms and conditions (see FAR 2.101 for complete definition).

Contract. Under FAR 2.101, a contract is a mutually-binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. Procurement contracts include all types of commitments that obligate the Government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and bilateral contract modifications. Procurement contracts do not include grants and cooperative agreements covered by 31 U.S.C. 6301, et seq.

Cooperative Agreement. A legal instrument to reflect a relationship between NASA and a recipient whenever the principal purpose of a transaction is to accomplish a public purpose of support or stimulation authorized by law of the United States; and substantial involvement of NASA is expected in carrying out the activity contemplated in the agreement, 31 U.S.C. 6305, et seq.

Cooperative Agreement Notice. A method used by NASA to announce opportunities for interested parties to compete for cooperative agreement awards.

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COR. An individual, including a COTR, designated and authorized in writing by the CO to perform specific technical or administrative functions.

CS. A person with specialized training in procurement and knowledgeable of the FAR and NFS who assists the CO in performing their duties.

CSR. Contractor personnel responsible for maintaining interface with the organizational element and other property personnel responsible for user supply or equipment requirements and related actions.

Delivery Order. Order place against an established Government contract, such as the General Services Administration's FSS.

EIT. EIT has the same meaning as "information technology" except EIT also includes any equipment or interconnected system or subsystem of equipment that is used in the creation, conversion, or duplication of data or information. The term EIT, includes, but is not limited to, telecommunication products (such as telephones), information kiosks and transaction machines, World Wide Web sites, multimedia, and office equipment (such as copiers and fax machines) (see FAR 2.101).

ELMT Program. The ELMT works to consolidate software license contracts resulting in reduced administrative costs and best value pricing solutions. The ELMT maintains licensing and contract consolidation initiative activities for NASA and negotiates pricing for selected software (see FAR 1807.70).

EPSS. Web site maintained by the AAO which houses the end-user procedures and job aids related to the integrated enterprise management program systems.

FSSI. A GSA initiative that seeks efficiencies and solutions in contracting through the use and sharing of business intelligence, best practices, and easy access to common Federal Government procurement vehicles that offer greater discounts as collective volume increases. It meets the Office of Management and Budget's goal for cross-government participation and includes and seeks commodity teams to identify commodities that can be purchased more efficiently through strategic sourcing. For details see FSSI website at <http://www.gsa.gov/portal/content/112561>.

GIDEP. A cooperative information sharing program between the US Government, Canadian Government and industry participants. NASA participates in GIDEP to exchange information among agencies and Government contractors about non-conforming products and uses NASA Advisories to communicate specific information with the agency.

Government Property. Government property is all property owned or leased by the Government. Government property includes both GFP and contractor-acquired property. Government property includes material, equipment, special tooling, special test equipment, and real property. Government property does not include intellectual property and software.

Government wide Point of Entry (GPE). The official online listing of Government contracting opportunities (<https://SAM.gov/>).

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Grant. A legal instrument to reflect a relationship between NASA and a recipient whenever the principal purpose of a transaction is to accomplish a public purpose of support or stipulation authorized by law of the United States and substantial involvement of NASA is not expected in carrying out the activity contemplated in the agreement, 31 U.S.C. 6304, et seq.

IT. As defined in FAR 2.101.

Initiator. The person who enters the PR in SAP. They are responsible for entering the correct PR data (item category, material group, etc.) into the system.

JOFOC. Written justification for noncompetitive procurements where a contract with a value in excess of SAT is used as the procuring instrument (see FAR 6.3).

LSJ. A written justification restricting competition on procurements where an FSS contract is used as the procuring instrument (see FAR 8.405-6).

Market Research. Collecting and analyzing information about capabilities within the market to satisfy Agency needs.

Micro-purchase. “As defined in FAR 2.101, means an acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. “Micro-purchase threshold” means \$10,000, except it means—

- (1) For acquisitions of construction subject to the Davis-Bacon Act, \$2,000;
- (2) For acquisitions of services subject to the Service Contract Act, \$2,500; and
- (3) For acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation or; to facilitate defense against or recovery from cyber, nuclear, biological, chemical or radiological attack; to support a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate provision of international disaster assistance pursuant to 22 U.S.C. 2292 et seq.; or to support response to an emergency or major disaster (42 U.S.C. 5122), as described in 13.201(g)(1), except for construction subject to 40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements (Construction) (41 U.S.C. 1903):
 - (i) \$20,000 in the case of any contract to be awarded and performed, or purchase to be made, inside the United States; and
 - (ii) \$30,000 in the case of any contract to be awarded and performed, or purchase to be made, outside the United States.”

NRA. Used to announce research interests in support of NASA's programs, and, after peer or scientific review using factors in the NRA, select proposals for funding. An NRA provides for the

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submission of competitive project ideas, conceived by the offerors, in one or more program areas of interest. An NRA is not used when the requirement is sufficiently defined to specify an end product or service.

Organizational Information Technology Manager (OITM). A representative appointed within each Directorate, Office, and Program/Project Office to define IT requirements, allocate, and manage resources for their organization.

PBC. Structures all aspects of an acquisition around the purpose of the work to be performed with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes as opposed to either the manner by which the work is to be performed or broad and imprecise statements of work.

Procurement Package. All required documentation that supports a procurement action, which is received either in electronic (preferably) or written format.

Procurement for Public Sector (PPS). The PPS provides a comprehensive tool to support contract and/or grant writing, limited data reporting and management, procurement workload management, and contract and/or grant administration for NASA; and process reengineering to facilitate, economize, and expedite procurement processes.

PR. An electronic form generated by SAP used to initiate the procurement of supplies and services, recommend changes thereto, and request modifications of existing contracts and purchase orders (see EPSS SAP Core Financials Web site).

Qualified Purchase. A qualified purchase is one that meets a “qualification requirement.” A qualification requirement means a government requirement for testing or other Quality Assurance (QA) demonstration that is completed before award of a contract for that requirement. Items tested or demonstrated as “qualified purchases” are placed on QPL and/or QML.

Requisitioner. The person within a respective organization who prepares or is otherwise accountable for the coordination of a PR for supplies or services including furnishing appropriate Specifications or SOW, recommended sources, market research, Data Requirements, special approvals as required, evaluation criteria and any other required documentation in accordance with this instruction.

SAP. A financial software package implemented by the AAO. It is the official record for all commitments and obligations. Core Financial is the AAO backbone providing management and technical leadership for Agency-wide implementation of standard systems and processes necessary to support NASA’s financial management activities. Detailed instructions on how to perform SAP transactions are found at the EPSS at <https://epss.nasa.gov>.

Simplified Acquisition Threshold (SAT). “As defined in FAR 2.101, means \$250,000, except for acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack (41 U.S.C. 428a), the term means—

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(1) \$300,000 for any contract to be awarded and performed, or purchase to be made, inside the United States; and (2) \$1 million for any contract to be awarded and performed, or purchase to be made, outside the United States.”

Solicitation. Document used to solicit quotes, offers, or proposals.

SEB. The competitive acquisition process utilized by NASA in accordance with NFS 1815.370.

Specification. A description of the technical requirements for a material, product, or service that includes the criteria for determining whether these requirements are met. It establishes the parameters of design, performance, construction, physical characteristics, and terms of acceptance for a specified item.

SOW. A document that establishes and defines all technical requirements that the contractor is obligated to fulfill during performance of the contract.

Synopsis. Presolicitation notice published on the GPE publicizing MSFC’s intent to acquire supplies and services.

WBS. A tool for organizing, defining, and graphically displaying the product or service to be provided as well as the work to be accomplished to achieve the specified result.

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APPENDIX B ACRONYMS

ACO	Administrative Contracting Officer
AOO	Accounting Operations Office
BOA	Basic Ordering Agreement
BPA	Blanket Purchase Agreements
BPR	Baseline Performance Review
CAN	Cooperative Agreement Notice
CFO	Chief Financial Office
CFR	Code of Federal Regulations
CICA	Competition in Contracting Act
CLP	Continuous Learning Points
CO	Contracting Officer
COR	Contracting Officer's Representative
CPARS	Contractor Performance Assessment Reporting System
CPPM	Contract Property Program Manager
CS	Contract Specialist
CSR	Customer Service Representative
DAR	Deviation Approval Request
DCMA	Defense Contract Management Agency
DOD	Department of Defense
DOT	Department of Transportation
DPD	Data Procurement Document
EEE	Electrical, Electronic, and Electromechanical
EIT	Electronic and Information Technology
ELMT	Enterprise License Management Team
EPSS	Enterprise Performance Support System
ESD	Enterprise Service Desk
ESE	Environmentally Sensitive Equipment
FAPIIS	Federal Awardee Performance and Integrity Information System
FAR	Federal Acquisition Regulations
FHSO	Flight Hardware Support Operations
FIP	Federal Industry Partners
FPDS-NG	Federal Procurement Data System Next Generation
FSS	Federal Supply Schedules

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FSSI	Federal Strategic Sourcing Initiative
FY	Fiscal Year
GCAM	Grant and Cooperative Agreement Manual
GFP	Government-Furnished Property
GPE	Governmentwide Point of Entry
GIDEP	Government-Industry Data Exchange Program
GSA	General Services Administration
IAR	Inspection and Acceptance Report
IGCE	Independent Government Cost Estimate
IDR	Inbound Discrepancy Report
IPO	Industrial Property Officer (IPO)
IRR	Inspection Rejection Report
IT	Information Technology
JOFOC	Justification for Other than Full and Open Competition
LOD	Letter of Delegation
LSJ	Limited Sources Justification
MCP	Marshall Center Plan
MGM	Marshall Guidance Manual
MITS	MSFC Information Technology Services
MPD	Marshall Policy Directive
MPR	Marshall Procedural Requirements
MSFC	Marshall Space Flight Center
MWI	Marshall Work Instruction
NFS	NASA FAR Supplement
NEAR	NASA Enterprise Acquisition Repository
NPD	NASA Policy Directive
NPR	NASA Procedural Requirements
NRRS	NASA Records Retention Schedule
NRA	NASA Research Announcements
NAICS	North American Industry Classification System
ODC	Other Direct Cost
OITM	Organizational Information Technology Manager
OSHA	Occupational Safety and Health Administration
OWI	Organizational Work Instruction
PBC	Performance-Based Contract
PCO	Procuring Contracting Officer

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PDTS	Procurement Discrepancy Tracking System
PMO	Property Management Office
PPS	Procurement for Public Sector
PR	Procurement Requisition
QA	Quality Assurance
QAR	Quality Assurance Representative
R&D	Research and Development
RFO	Request for Offer
RFP	Request for Proposal
RFQ	Request for Quote
RMO	Resident Management Office
SMA	Safety & Mission Assurance
SAP	Systems, Applications and Products
SAT	Simplified Acquisition Threshold
SEB	Source Evaluation Board
SHE	Safety, Health, and Environmental
SOW	Statement of Work
TCO	Terminating Contracting Officer
WBS	Work Breakdown Structure

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APPENDIX C

VERIFICATION MATRIX

NONE.

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APPENDIX D

RECORDS RETENTION

D.1 Retention Schedule.

D.1.1 Office of Procurement records retention requirements are set forth in accordance with FAR Subpart 4.8, Storage, handling, and disposal of contract files, NFS 1804.8, Government Contract Files, and NRRS 1441.1, Schedule 5.

D.1.1.1 The retention period for the disposal of contract files (including acquisitions below the SAT) is 6 years after final payment or cancellation, NRRS 5/1/A.

D.1.2 Grants and Cooperative Agreement records are retained in accordance with the NASA GCAM and NRRS 1441.1, Schedule 5.

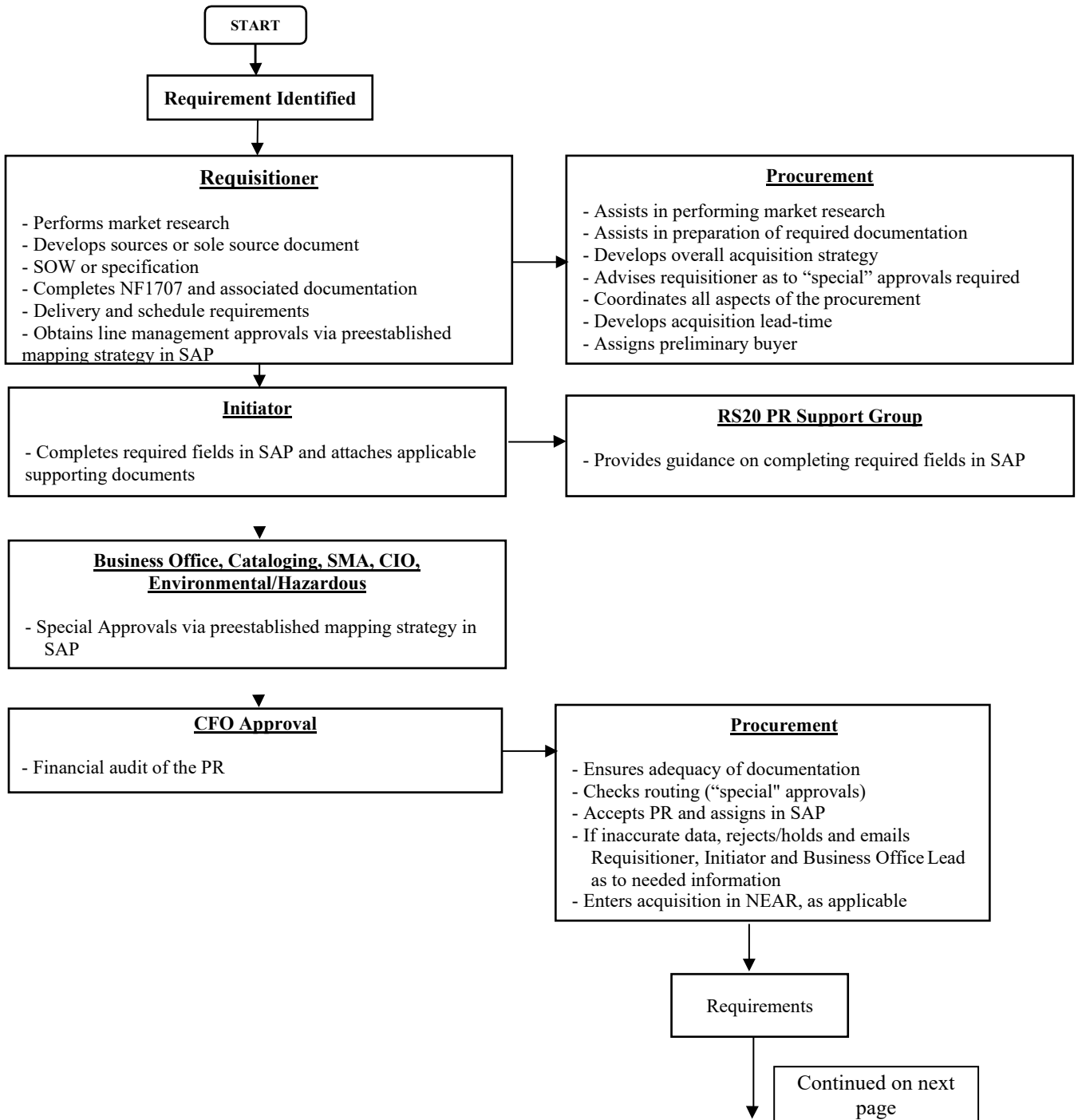
D.1.2.1 The records retention for the disposal of Grants and Cooperative Agreement files is 10 years after final payment, NRRS 5/37/A/1.

NOTE 1: Programs/Projects may have other retention requirements with respect to CANs or NRAs. (Reference NRRS 1441.1.).

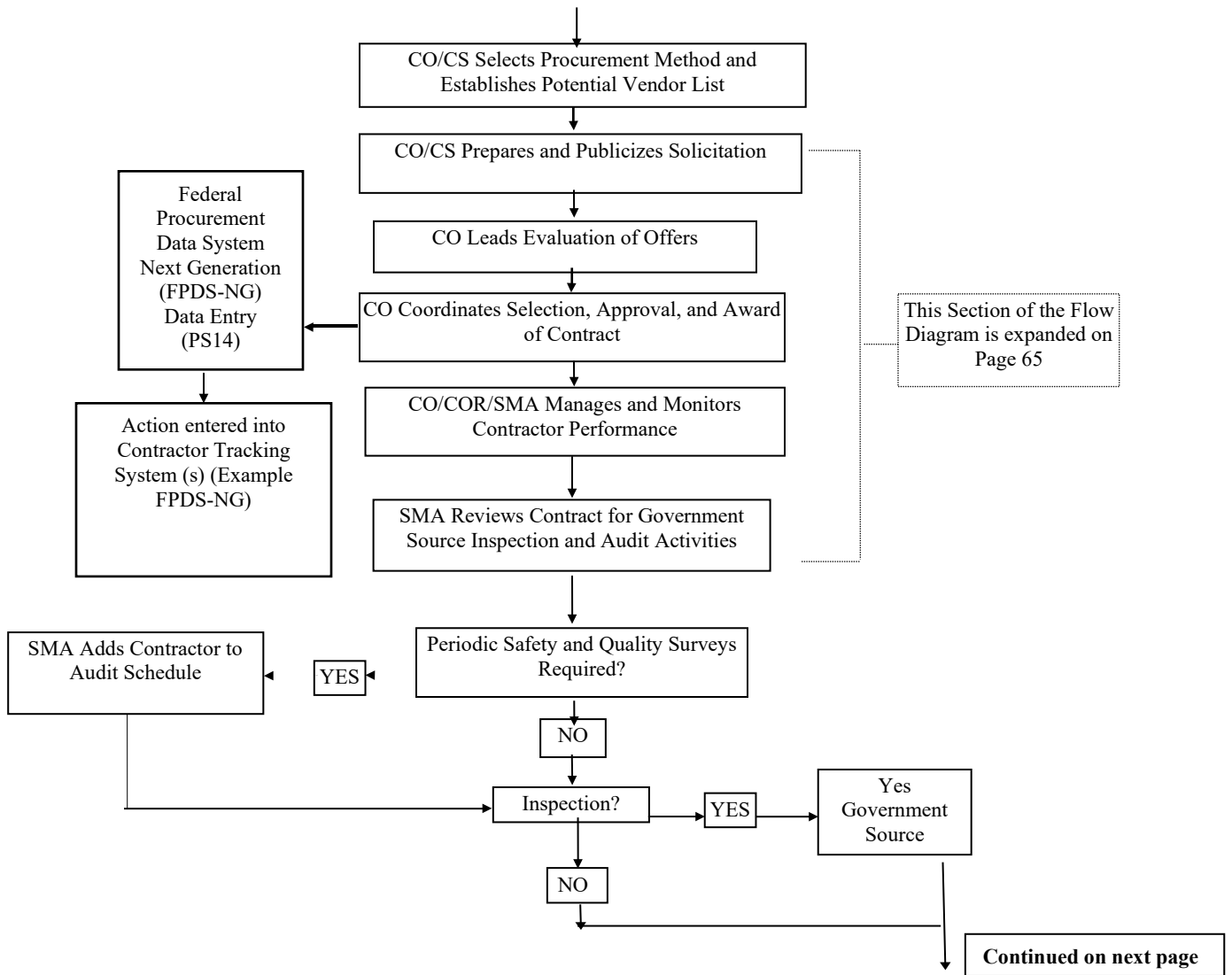
NOTE 2: Training records are maintained by the OHC in SATERN in accordance with NRRS Schedule 3/33.

NOTE 3: See NRRS 5/1/E/2 if contract has been selected by the Associate Administrator for Procurement as precedent setting or unique.

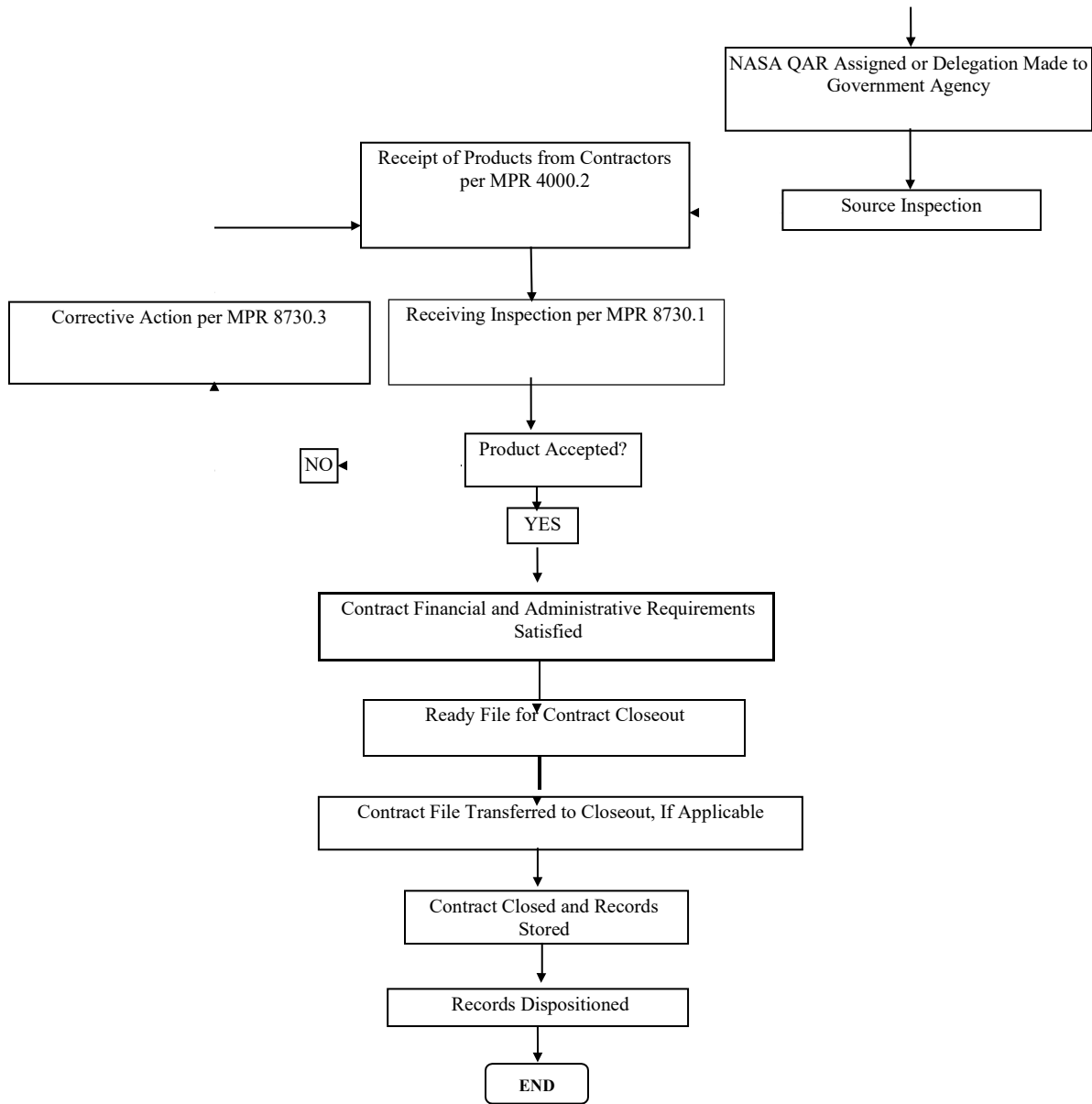
APPENDIX E PROCUREMENT PROCESS RESPONSIBILITY OVERVIEW

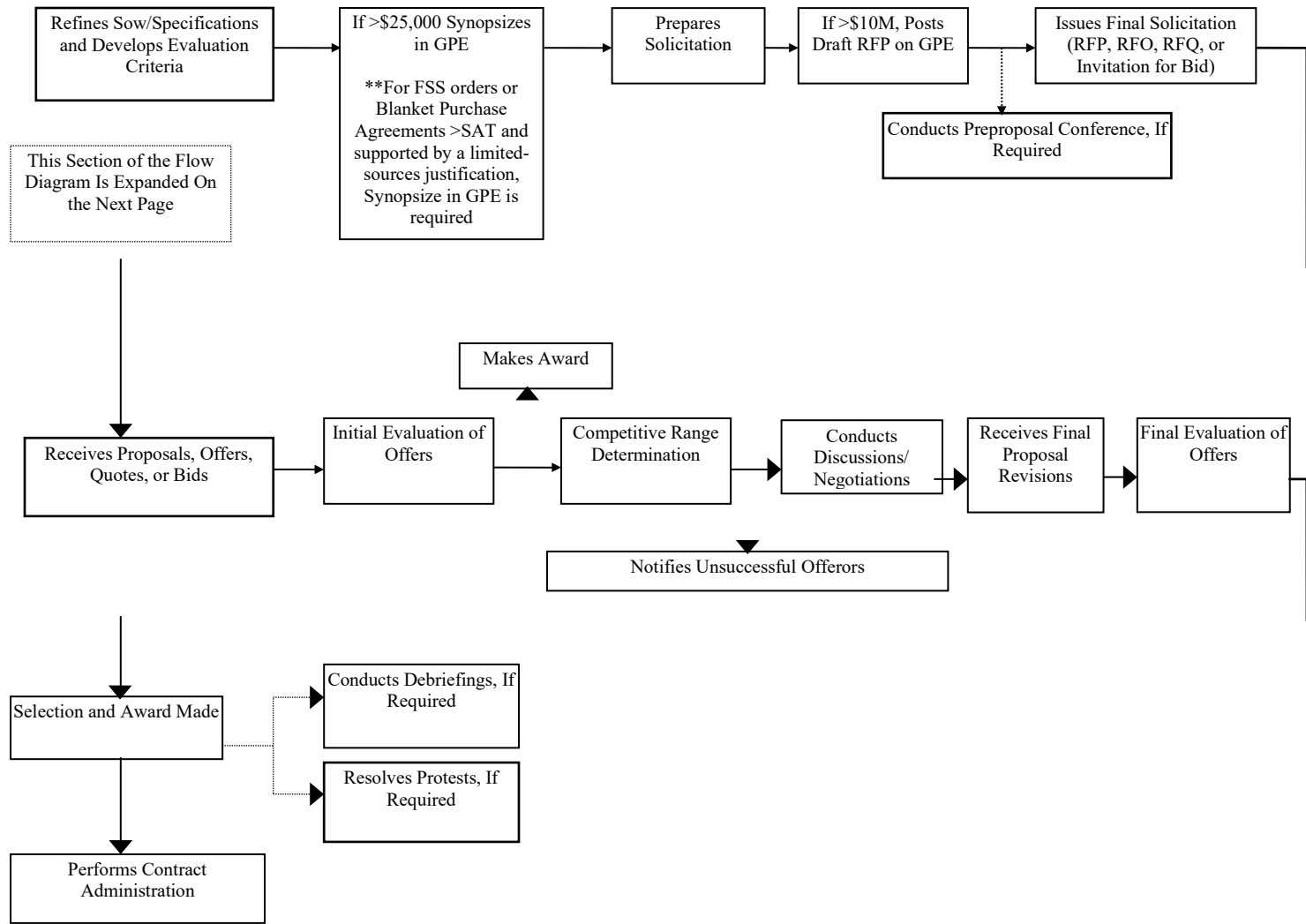


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**APPENDIX F
SPECIAL APPROVAL REQUIREMENTS RELATED DOCUMENTS**

F.1 This Appendix summarizes certain items or services which have special controls imposed on their procurement. These approvals apply to items procured by and for MSFC and for items provided to contractors, and are in addition to the requesting organizations' predetermined release strategies in SAP. The Requisitioner obtains any special approvals prior to transmitting the PRs to the Office of Procurement. Some special approvals and affirmations are obtained/documented via NASA Form 1707 and supporting documents (see NFS 1804.7301).

NOTE: INITIATING OFFICE APPROVAL REQUIREMENTS

The release strategies (approvals) within SAP for all PRs initiated by each organization have been predetermined based on the organization code, PR Type and item category selected.

F.1.1 IT RESOURCES/COMMUNICATION/REPRODUCTION EQUIPMENT

<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
A. IT resources	MPD 2800.1
B. Special telephone equipment and all other MSFC telecommunications	MPR 2800.2
C. Communications equipment and services operating on radio frequencies	MPR 2800.2
D. Reproduction, purchases and rentals, and maintenance and repair	MPR 2800.2

F.1.2 OFFICE FURNITURE

<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
A. Office furniture and furnishings	MPR 4000.2
B. Systems furniture	MPR 4000.2

F.1.3 SAFETY AND SECURITY EQUIPMENT AND SERVICES

<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
A. Radioactive materials and hazardous ionizing and nonionizing radiation-producing devices	MPD 1860.2, MPR 1860.1, MPR 1860.2
B. Facilities and containers for storing classified material	MPR 1600.1
C. Reproduction of classified material	MPR 2800.2, MPR 1600.1
D. Firearms	MPR 1600.1
E. Explosives, propellants and pyrotechnics	MWI 8715.10
F. Major facilities, systems, or operations identified with an overall risk rating of high or medium risk	MWI 8715.15

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F.1.4 FORMS, PUBLICATIONS, AND REPRODUCTION

<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
Printed forms, publications from U.S. Government Printing Office, printing and publication services, and technical publications, charges and reprints	MPR 1420.1 MPR 2800.2

F.1.5 TRANSPORTATION

<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
A. Motorized vehicles purchase, rental, or repair	MPR 6000.1
B. Aircraft purchase, lease, or charter	NPR 7900.3 NPD 7900.4

F.1.6 QA REQUIREMENTS

<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
Quality-sensitive or flight hardware or equipment	MWI 4530.1, MPR 1280.10

F.1.7 MISCELLANEOUS ITEMS

<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
A. Contracts for close support of inherently-governmental functions	NPD 3310.1
B. Exhibits and scale models	NPD 1387.1, NPR 1387.1
C. NASA emblems, insignia, and flags	14 CFR 1221 (MPR 2800.2)
D. Audio Visual Services	MPR 2800.2
E. Maintenance and repair of inspection, measuring, and test equipment	MPR 8730.5
F. Lifting Equipment, including fixed and mobile cranes	MPR 6430.1

F.1.8 HAZARDOUS MATERIALS WASTE GENERATING EQUIPMENT

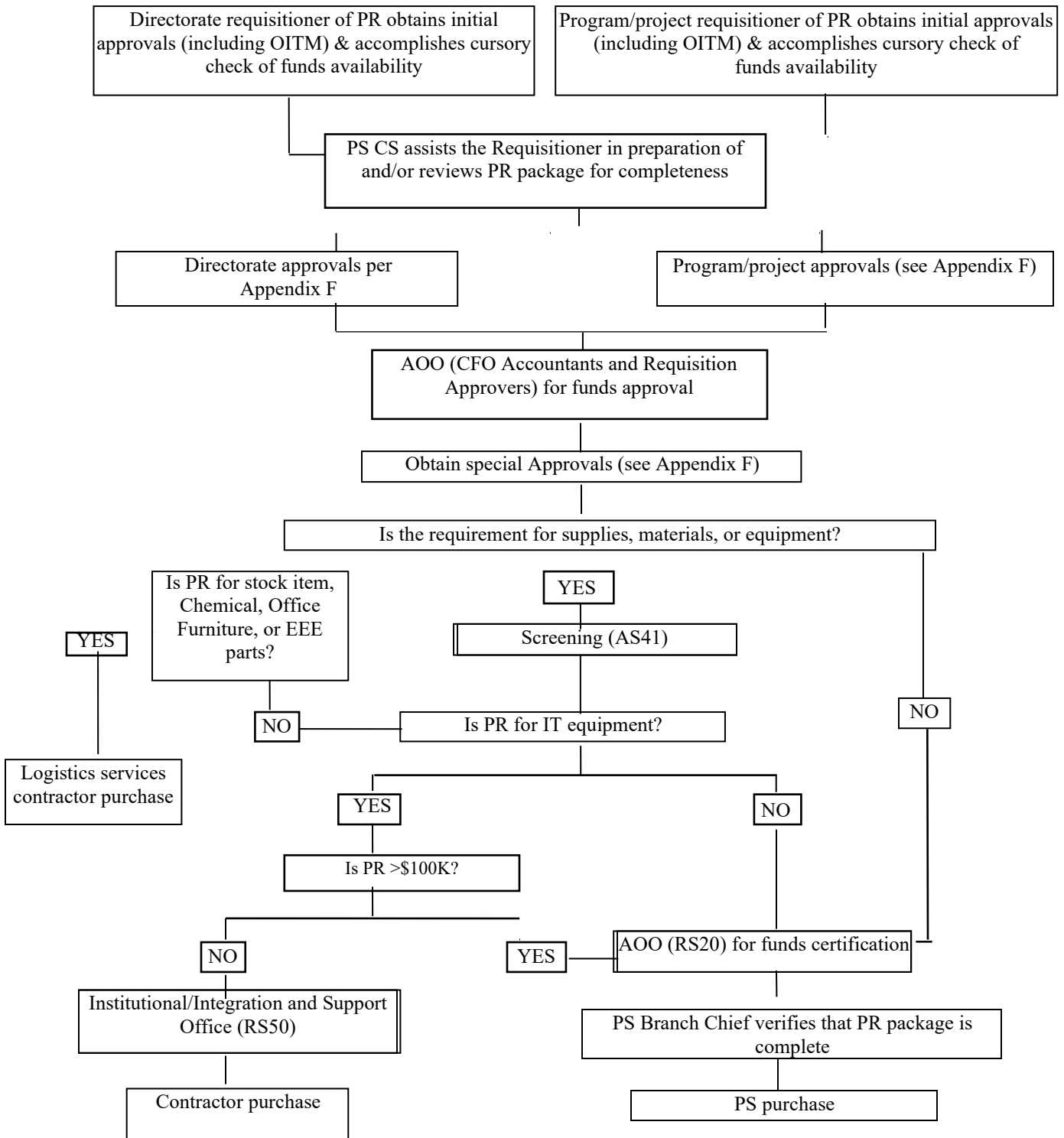
<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
Contracts and purchase orders for hazardous/materials	MPR 8500.1 MPR 4000.2 MWI 8550.5 MPR 1860.1 NPD 1800.2 MPD 1860.2

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F.1.9 UNIFORM CENTER REQUESTS

<u>REQUIREMENT</u>	<u>DIRECTIVE</u>
A. Onsite approval	MPR 3200.1
B. Emergency/Priority procurements	MCP 1040.2, MCP 1040.4

APPENDIX G PROCUREMENT REQUISITION FLOW DIAGRAM



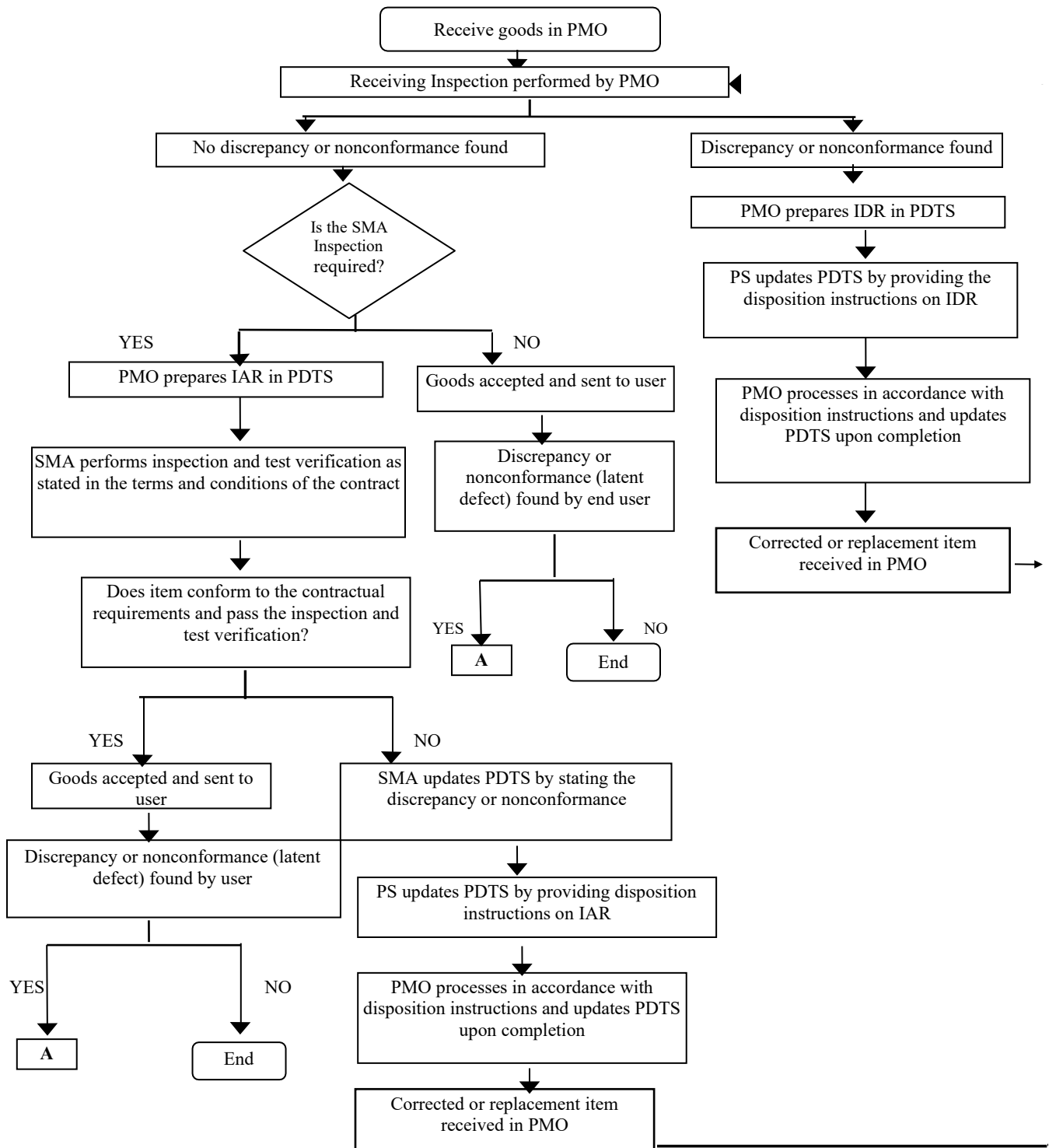
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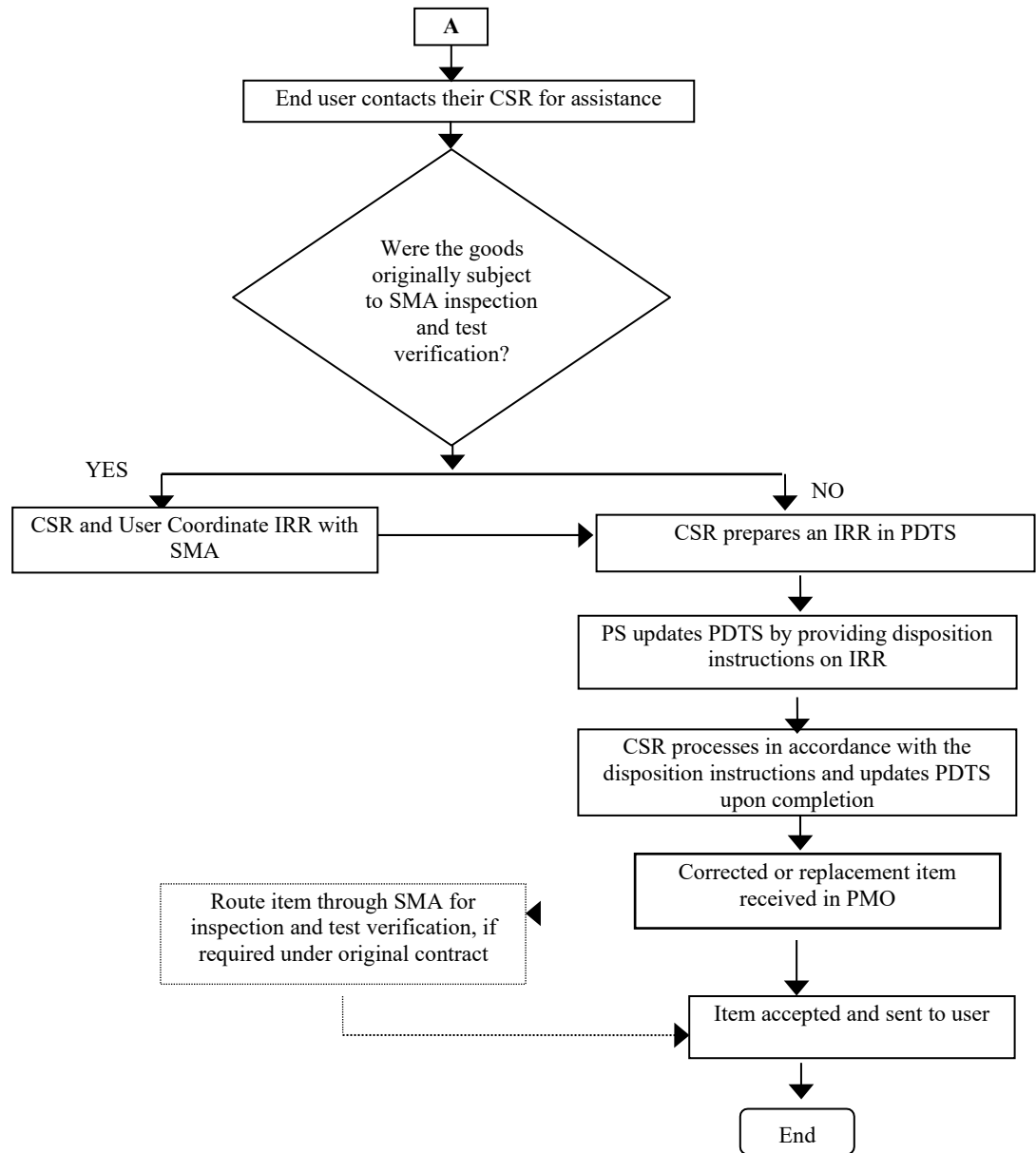
**APPENDIX H
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**APPENDIX I
RESERVED**

**APPENDIX J
FLOW DIAGRAM FOR PROCESSING an IDR, IAR, and/or IRR**





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APPENDIX K GUIDANCE – SOW CHECKLIST

- K.1 Is the SOW sufficiently specific to permit the Government to develop an independent cost estimate and the offerors to develop cost or price proposals?
- K.2 Are the specific requirements stated in such a way that offerors know exactly what is required?
- K.3 Are the sentences written so that there is no question about the offerors' obligations (i.e., "the contractor shall do this work," not, "this work will be required")?
- K.4 Are the proper reference documents shown? Are they really pertinent to the task? Fully or partially? Are they properly cited?
- K.5 Have the elements of quality assurance been fully considered for the total life of the requirement?
- K.6 Are any Federal or military specifications or standards applicable? In whole or in part? If so, are they properly cited? Have they been tailored wherever possible?
- K.7 Is the background information segregated so it is clearly distinguishable from contractor responsibilities?
- K.8 Is there a date for each item the contractor is to do or deliver? If elapsed time is used, does it specify calendar days or workdays and a reasonable starting reference date?
- K.9 Have headings been checked for format and grammatical usage? Are subheadings comparable? Is the text compatible with the title?
- K.10 Has the SOW been cleared of all extraneous wording, unnecessary references, etc.?
- K.11 Are task/line item and end item provisions mutually discrete with regard to development and test versus production activities?
- K.12 Have all requirements been reviewed to ensure consistency with the specified delivery dates?
- K.13 Have all data requirements been tasked in the statement of work that are necessary for the administrative and technical results required?
- K.14 Are all obligations of the Government carefully delineated? If Government-furnished property or information is to be provided, have the nature, condition, and availability of same been clearly stated? If test, inspection, and/or approval actions are required by the Government, have standards and a time limit been specified?

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K.15 Have all loopholes been closed? (Contractors and inspectors adhere to “the letter” of the SOW. The contractor has the option to refuse to do something that is only referred to, desired, or described as a goal.)

K.16 Is the requirement completely described? (To be legal and binding, an agreement has to be complete. Not only for reasons of legality, but for every practical application it is necessary that the details be complete. Specify “when” and “where” as well as “what.”)

K.17 Have catchall statements and ambiguous words or phrases been carefully avoided?

K.18 Does the SOW inadvertently limit competition? Are any requirements overstated to the extent that potential offerors are discouraged from bidding?

K.19 Is the requirement over-specified? (The ideal situation is to specify the results required and let the winning contractor find the best method of attainment.)

K.20 Has the work been well organized into major tasks and subtasks wherever possible?

K.21 Have all points of control been included when needed (example, submission of designs for approval, scheduling of Government test, etc.)?

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APPENDIX L GUIDANCE –TEMPLATES

This is a listing of available Templates referenced throughout the document.

L.1 Templates. (Located on the HQ Office of Procurement website:
<https://nasa.sharepoint.com/sites/procurement/SitePages/AWPT.aspx>).

- a. LSJ
- b. JOFOC
- c. NASA Technical Evaluation
- d. CPAR Input Template