



DEPARTMENT OF THE ARMY

U.S. Army Corps of Engineers
WASHINGTON, D.C. 20314-1000

REPLY TO
ATTENTION OF:

CEPR-P (715)

30 JUL 1997

MEMORANDUM FOR COMMANDERS/DIRECTORS, USACE COMMANDS, ATTN:
DIRECTORS/CHIEFS OF CONTRACTING

SUBJECT: PARC Instruction Letter 97-4. Backstop Contracting by the Pacific Ocean Division (POD) at the End of the Fiscal Year

1. The Chief of Engineers has directed a plan be developed to use the strategic location of POD to effect end-of-fiscal-year contracting throughout USACE. The purpose of this PARC Instruction is to implement the Chief's direction.
2. In extraordinary situations where a USACE district, which has issued a solicitation, received and evaluated bids, and is prepared to award a contract, determines that it is unlikely that it will be able to obligate a reimbursable customer's funds before the end of a fiscal year when the customer's funds will expire, POD acting through its Honolulu District may award the contract for the district. Once the contract is awarded, POD will immediately issue a modification to return complete contracting authority back to the serviced district.
3. Accurate and complete contract documentation (except funds) will be forwarded to arrive at POD for review normally no less than five working days prior to the end of the fiscal year. The contract package will be complete and ready for the contracting officer's signature. A complete package will include: the contract (sections 00010 (SF1442 and proposal / bid schedule), 00600 (representations and certifications), and the indexes only for sections 00700 (contract clauses) and 00800 (special contract requirements); legal sufficiency review; abstract of offers / bid abstract; determination and findings and justification and approval documents (if any); renegotiation objective memorandum / price negotiation memorandum (negotiated requirements); Government estimate (sealed bidding requirements); bid bond; preaward survey; subcontracting plan approval document (if applicable) and district point of contact.
4. Funding for the pending contract will be accomplished as follows:
 - a. In cases where the customer (e.g., Aberdeen, Fort Bragg, etc.) has not already provided the funds to the serviced district (i.e. the CONUS-based FOA), the serviced district will instruct the customer to send its reimbursable order (MIPR) directly to POD. This order will include the value of the contract plus, for those orders citing FY97 military operation and maintenance funds, all estimated costs to be incurred by POD for the award and management of the contract BY THE SERVICED DISTRICT over the life of the contract. For those orders citing other than FY97 military operation and maintenance funds, the order will only include the value of the

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contract plus any costs to be incurred by POD prior to 2400 hours, 30 September, Hawaii time. POD must formally accept this order from the customer prior to 2400 hours, 30 September, as gauged by the customer's time zone.

b. In the above cases where the customer is citing FY 97 military operation and maintenance funds, the customer must also furnish the supporting district a MIPR to cover all S&A and in-house expenses to be incurred by the serviced district for the duration of the project. This order must be received and accepted, and the estimated S&A and in-house expenses must be obligated, by the serviced district prior to 2400 hours, 30 September, as gauged by the customer's time zone.

c. In cases where the customer has already provided the funds to the serviced district, the serviced district will MIPR funds to POD. The MIPR will include the value of the contract plus the associated POD costs, the amount of which to be determined as stated in paragraph 4a above. POD must accept this order from the serviced district prior to 2400 hours, 30 September, as gauged by the serviced district's time zone. Additionally in these cases, the serviced district will obligate before 2400 hours, 30 September, as gauged by the serviced district's time zone. EITHER that portion of the order received from the customer pertaining to the amount of the S&A and in-house costs expected to be incurred by the serviced district over the life of the contract (in cases where FY97 military operation and maintenance funds are cited), OR, all S&A and in-house costs to be incurred by the serviced district prior to 2400 hours, 30 September, as gauged by the serviced district's time zone (in cases where other than FY97 military operation and maintenance funds are cited).

d. Prior to 2400 hours, 30 September, Hawaii time, POD will award the contract and obligate the entire value of the contract. POD will also obligate all pertinent POD in-house costs as described above, prior to this time.

e. In cases where other than FY97 military operation and maintenance funds have been cited on the orders placed, the customer must be advised by the serviced district, prior to opening business on 1 October, that the projected expenses to be incurred for S&A and other in-house activities must be funded immediately with the new year's appropriations.

f. POD will inform the contractor that the serviced district will process all billings and payments associated with the contract.

g. POD and the serviced district will establish transactions by others (TBO) and other reimbursable procedures to accommodate the accounting and reporting of contract payments by the serviced district.

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h. All MIPR's will be accepted on a reimbursable basis, not on a direct-citation-of-funds basis.

5. Respective responsibilities of POD and the serviced district include the following:

a. POD will award the contract using its own procurement instrument identification number and process the DD350 report.

b. The award letter will be prepared by POD on their letterhead.

c. POD will prepare the public announcement (for awards over \$5 million) and synopsise the award in the commerce business daily.

d. Written notice to the unsuccessful offerors will be prepared and sent out by the serviced district, within three days after the date of contract award.

6. In the event that an agency bid protest is filed in connection with a contract awarded by POD under this instruction, the matter will be forwarded to the Chief Counsel (Attn: CECC-C) for decision in accordance with EFARS 33.103. The contracting officer's report in response to the protest will be a joint effort between POD and the serviced district. In the event that a GAO protest is filed in connection with the acquisition, the protest shall be processed by the serviced district with the assistance of POD, as necessary.

7. A POC at the supported district will need to be readily available up to the point of award at POD in case last minute questions or issues arise.

8. POC is Dave Petersen, 202-761-8647.

FOR THE COMMANDER:



BUNNATIVE H. GREENHOUSE

Principal Assistant Responsible

for Contracting