



# Guide for Successful Headquarters Procurement Strategy Meetings (PSMs)

(Revision May 2009)

Acquisition planning should begin as soon as the need for a service or product is identified. The acquisition plan must address all technical, business, management, and other significant considerations necessary to support the acquisition. For major acquisitions subject to the Master Buy Plan (MBP) that require NASA Headquarters approval, a Procurement Strategy Meeting (PSM) shall be used instead of a written plan.

This Guide is to be used in conjunction with the Federal Acquisition Regulation (FAR) [7.105](#) and the NASA FAR Supplement (NFS) [1807.170](#) in support of Headquarters PSMs.

<sup>1</sup>Centers are also strongly encouraged to consider the information provided in this guide for Center-level PSMs.

## Background

The entire acquisition planning process works more smoothly when coordination among the cognizant parties occurs early and often. The PSM is intended to be an interactive process with all participants thoroughly reviewing the proposed strategy so that it results in a creative and common sense approach which will satisfy the customer and ultimately the NASA mission. A number of Headquarters (HQ) offices participate in the development of acquisition strategy. They include the Office of Procurement, Mission Directorates, Office of the General Counsel, Office of Small Business Programs, Office of the Chief Financial Officer, and other Mission Support offices as appropriate.

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The FAR requires that agencies perform acquisition planning on all procurements and allows the agency head to "establish criteria and thresholds at which increasingly greater detail and formality in the planning process is required as the acquisition becomes more complex and costly, specifying those cases in which a written plan shall be prepared." As a part of earlier streamlining efforts, NASA HQ determined that PSMs are the preferred way to document

acquisition planning for major procurements. This guide is intended to help Center procurement personnel understand the process and procedures for a NASA HQ PSM.

## Schedule

A HQ PSM is appropriate for any new acquisition submitted under MBP procedures. HQ has the authority to select the acquisition for a HQ PSM or delegate the acquisition to the Center for acquisition planning. Questions concerning the PSM process should be addressed to the HQ Program Operations Division Analyst assigned to the Center. A listing of analysts is located on the NASA HQ Procurement Library (<http://ec.msfc.nasa.gov/hq/library/org/progopsdiv.html>).

The PSM should be held as early in the acquisition process as possible, and well in advance of solicitation issuance. Effective Center coordination with the cognizant HQ Office of Procurement, Program Operations Division analyst and early submission of preliminary presentation charts will enable HQ PSM participants the opportunity to review the charts and provide feedback so that any issues can be resolved prior to the PSM. If this does not occur, some issues may not be addressed sufficiently during the PSM, or issues may surface after the PSM that could require a significant amount of coordination and effort to resolve. When this occurs, the synergy is usually lost and the issues may take time to resolve because of the many participants involved in the PSM process. In particular, the PSM schedule should account for coordination time and efforts with the Office of Small Business Programs and Office of Chief Information Officer to answer and resolve respective Small Business issues and Information Technology considerations. These issues must be addressed **prior to the PSM**. Resolution of the issues and considerations or any resulting action items must be summarized in the PSM charts.

In order to properly staff the PSM at HQ, Power Point charts must be provided to the Program Operations Division analyst via Entrust encrypted e-mail at least two weeks prior to the scheduled meeting. Be advised that fancy color graphic backgrounds are difficult to read when charts are printed in black and white. The analyst shall distribute copies of the PSM charts to the appropriate Headquarters staff.

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## Location

The Office of Procurement, Program Operations Division is the focal point at Headquarters for MBP and PSM procedures. The responsible Program Operations Division analyst works with the Center and HQ personnel to set the time and location of the meeting and notifies all the potential Headquarters attendees.

When an acquisition is selected under the MBP, the PSM is normally accomplished as an in-person briefing at NASA HQ in Washington, DC.

## Attendees

The PSM will be attended by the key Center personnel and NASA Headquarters personnel that have cognizance over and responsibility for the requirement. A representative list of attendees includes:

### HEADQUARTERS:

- Office of Procurement
- Mission Directorate/Program
- Office of Program Analysis and Evaluation
- Office of the Chief Engineer
- Office of the Chief Information Officer
- Office of Safety and Mission Assurance
- Office of the Chief Financial Officer
- Office of External Relations
- Office of General Counsel
- Office of Infrastructure and Administration (Property, Facilities and Environmental)
- Office of Security and Program Protection
- Office of Small Business Programs

### CENTER:

- Project Office
- Procurement Office

The Assistant Administrator for Procurement (or designee) serves as the Chairperson and approving official for the PSM.

The responsible Headquarters Program Operations Division procurement analyst serves as the PSM coordinator. As coordinator, the analyst schedules the meeting, develops draft and final PSM minutes containing all relevant PSM discussion action items, and coordinates the closure of all action items.

*Because the PSM involves source selection sensitive information, the HQ PSM coordinator (and responsible Center personnel) should take special care to ensure that each invitee understands the procedures regarding the nondisclosure and protection of sensitive data.*

## Format

[FAR 7.105](#) and [NFS 1807.105](#) specify the content of acquisition plans. Since approved PSM substitutes for a formal written acquisition plan, the PSM should cover all the items that would normally be included in a written acquisition plan (albeit in chart/presentation form). The presentation charts should essentially be broken down into three sections, using the FAR as a guide.

*NOTE: As stated in the NFS, the PSM is not a requirements definition meeting. Therefore, sections (1) and (2) should be limited. The majority of the briefing should be dedicated to the*

### ACQUISITION STRATEGY/BUSINESS APPROACH (3).

#### **(1) BACKGROUND/HISTORY/PROGRAM DIRECTION**

Brief explanation of where have we been and how did we get here.

#### **Suggested Charts**

- PROSPECTIVE BIDDERS/OFFERORS (*NOTE: In addition to the "Source Selection Sensitive Information, the first chart must include the following statement: Anyone with a potential conflict of interest is requested to leave at this time."*)
- STATEMENT OF NEED FOR ITEM OR SERVICE
- BACKGROUND/RECENT HISTORY OF THE ACQUISITION RELATIONSHIP OF EFFORT TO OTHER CONTRACTS/PROGRAMS CONTRACTOR VERSUS GOVERNMENT PERFORMANCE
- RESPONSIBLE TECHNICAL AND PROCUREMENT OFFICE PERSONNEL

#### **(2) DESCRIPTION OF REQUIREMENT/SOW/TECHNICAL APPROACH**

Concise description of what we are acquiring.

#### **Suggested Charts**

- SCOPE OF WORK
- MAJOR DELIVERABLES/DESCRIPTION OF SERVICES PERIOD OF PERFORMANCE/DELIVERY SCHEDULE INCLUDING ANY OPTIONS
- BUDGET AND FUNDING SUMMARY BY FISCAL YEAR (i.e. contract year, full cost dollars, program reserve %, and life cycle cost)

#### **(3) ACQUISITION STRATEGY/BUSINESS APPROACH**

Explain the proposed approach to acquiring the product/service including the alternatives that have been considered, and the pros and cons of each. Explain how each procurement tenet was considered and addressed. The Procurement Tenets are located on the NASA HQ Procurement Library at <http://ec.msfc.nasa.gov/hq/library/tenets.html>.

#### **Suggested Charts**

- CONTRACT TYPE
- FEE/PROFIT/INCENTIVE ARRANGEMENT
- PBA and LOE CONSIDERATIONS
- PROCUREMENT INITIATIVES AND CURRENT ISSUES (i.e. Strategic Sourcing, R-BAM, EVM, etc.)
- PROCUREMENT TENETS
- RISK AND RISK MITIGATION
  - SAFETY CONSIDERATIONS
  - SECURITY CONSIDERATIONS
  - FOREIGN SOURCES

- RISK OF UNAUTHORIZED TECHNOLOGY TRANSFER, AND EXPORT CONTROL PROGRAM
- RESOURCE RISK
- COMPETITION
- SOURCE SELECTION APPROACH
- GOVERNMENT PROPERTY AND LOGISTICS CONSIDERATIONS
- ENVIRONMENTAL CONSIDERATIONS
- MAKE OR BUY
  - Must address Available for New Work ( $\frac{2}{\infty}$  AFNW)
- OTHER CONSIDERATIONS REQUIRED TO BE ADDRESSED BY THE FAR AND NFS
- DEVIATIONS (Coordination with the Program Operations Division analyst is required *prior* to PSM if Center intends to request approval of deviation(s) as part of the PSM process. See NFS 1807.103.(d) (v))
- UNUSUAL/SPECIAL CLAUSES
- CONTRACT ADMINISTRATION APPROACH (i.e. Contractor or Government responsibility for all aspects of contract administration supported with narrative chart)
- SMALL BUSINESS PROGRAMS CONSIDERATIONS (Set-Asides, Goals, Bundling, Market Surveys, etc.)
  - Small Business Issues must be addressed with OSBP before PSM - see [Attachment 1](#)
- INFORMATION TECHNOLOGY CONSIDERATIONS - must be addressed with CIO before PSM - see [Attachment 2](#)
- DESCRIPTION OF EFFORTS TO ENCOURAGE INDUSTRY PARTICIPATION (draft solicitations, presolicitation conferences, etc.)
- PROCUREMENT SCHEDULE

All PSMs are unique; thus, notwithstanding information that is required, the charts identified above are suggestive. Final charts should be reviewed against the FAR and NFS to ensure that all required topics and issues are covered for the specific acquisition to be presented.

## Master Buy Plan

The Headquarters approach is to leave all future (post PSM) MBP milestones "TBD" if a HQ PSM is to be held. The exchange of information & discussion of issues at the PSM will enable the AA for Procurement to make an informed decision regarding selection/delegation of future actions/milestones. The selection/delegation decision for the future actions/milestones shall be included in the approved PSM minutes.

## Documentation

The Center is responsible for providing PSM charts to the Headquarters analyst at least two weeks prior to the PSM presentation. PSM charts sent to the analyst via Entrust encrypted e-mail are the formal documentation of the Center's acquisition strategy, and, as such, shall be sufficiently detailed to clearly state the center's approach. The charts should use "plain English" and if acronyms are used they must be defined in the charts or in an appendix.

As previously indicated, the FAR and the NFS specify the content of acquisition plans and all

of the items should be addressed. For ease of presentation, those items that are not applicable in the instant acquisition may be summarized on one chart.

The purpose of the PSM minutes is to document the issues, discussions and action items that occur during the PSM. The minutes are not intended to augment omissions in the PSM charts regarding the Center acquisition strategy. The PSM Coordinator (Program Operations Division Analyst) prepares draft minutes and circulates the minutes to all major participants for comments/clarifications. The PSM coordinator resolves any comments and obtains the approval of the PSM Chairperson. The approved minutes are then forwarded to the Center for inclusion in the official contract file. If any action items are assigned at the PSM, the Coordinator is also be responsible for ensuring that the items are resolved by the responsible office and closed.

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## End Notes

<sup>1</sup>Centers must include the information provided in this guide that applies to Center-level PSMs (e.g., Information Technology Considerations; Small Business issues, Available for New Work, FAR, NFS, requirements, etc.).

<sup>2</sup>AFNW - Ref. **NPD 3010.1A par. 1c.(2)(e)**. Procurement Strategy Meetings (PSMs) shall ensure that potential performance of the work by civil servants at each center and across centers has been vetted through Center Senior Leadership and sponsoring Mission Directorate(s) and documented in the "Make or Buy" decision.

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## Attachment 1

### Small Business Considerations for PSMs

Applicability: All procurement strategies shall address (1) the small business considerations listed below and, (2) the requirements of NPD 5000.2A for determining small business and sub-categories of small business (Small Disadvantaged Business (SDB), Woman-Owned Small Business (WOSB), Historically Underutilized Business Zones (HUBZone), Veteran-Owned Small Business (VOSB), Service Disabled Veteran-Owned Small Business (SDVOSB), and Historically Black Colleges / Minority Institutions (HBCU/MI)) subcontracting goals for inclusion in solicitations. These requirements shall be addressed by the contracting officer in coordination with the OSBP and Center Small Business Specialist. The contracting officer is advised to provide sufficient notification to the OSBP and Small Business Specialist of the PSM and allow for sufficient lead time to ensure that requirements 1 and 2 above are addressed ***in advance of the PSM***. The Center contracting officer shall be responsible for obtaining and maintaining signature or e-mail approval from the OSBP demonstrating that requirements 1 and 2 above have been met. For the PSM, the Center shall include a chart

summarizing its responses to the requirements and include a statement on what was approved by OSBP. As applicable, summarize any issues that were not met to the satisfaction of OSBP and require further action (identify action items). Detailed Center responses to the small business considerations listed below and the NPD 5000.2A requirements shall be included in the PSM as back-up charts to the aforementioned summary chart.

- Address issues related with FAR 7.107 and NFS subpart 1819.7
  - A statement as to whether the contract is bundled or not
  - Provide information of the previous contract ... what was added or subtracted ... and if the work was performed by a SB why it isn't bundled
  - Explain the impact to Small Business dollars either plus or minus
  - Address Multiple Award approach vs. Single Award ( FAR 16.5) and how it would affect SB
- Present the current contracts' negotiated Small Business goals and the Actuals accomplished on both a Subcontracted dollar basis and on a TOTAL Contract dollar basis
  - The same for any new / different work being added or removed from the contract
- What type of work the Small Businesses are currently performing on the contract
- Provide information on the type of market surveys that were conducted and the analysis of the data
  - What supported the decision to make it full and open or a small business set-a-side
- How Small Business will be structured in the RFP
  - SB points under mission suitability
    - Small Business utilization clauses
    - Section L & M Clauses
    - Section H Clauses
- Where / How Small Business past performance will be addressed
  - Will there be any award fee / incentive fee / or other type of fee paid to the contractor and how Small Business performance will be involved
- The role of the Small Business Specialist during the source board
  - Who will actually review the proposals

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## Attachment 2

### Acquisition Plan Standard Template for INFORMATION TECHNOLOGY (IT) CONSIDERATIONS

**Purpose:** To ensure procurements are consistent with NASA's IT strategy and to gain approval of the proposed approach for meeting Agency and Center IT policy and requirements.

**Applicability:** All Procurement Strategy Meetings (PSMs) and written acquisition plans for procurements greater than \$10M shall address IT considerations to the satisfaction of the Office of Chief Information Officer (OCIO) of the Center responsible for the procurement, and to the satisfaction of the NASA OCIO for Master-Buy level procurements selected for Headquarters oversight. The IT considerations shall be addressed by the Center in coordination with the OCIO *in advance of the PSM*. For the PSM, the Center shall include a summary chart indicating which IT considerations were met to the satisfaction of the OCIO and include as applicable any IT considerations that were not met to the satisfaction of the OCIO and require further action (identify action items). The considerations listed below with Center responses shall be included in the PSM as a back-up chart to the summary chart and included in written (non-PSM) acquisition plans. The template shall include the name and signature of the approving OCIO official or may include an e-mail stating approval from the OCIO official.

**Scope:** PSM charts shall address the following areas:

- **IT Scope:** Scope of any information technology (IT) or IT services to be provided under this contract, including highly specialized IT (e.g. application development, networks, communications, etc)
- **New Development:** Description of any development, modernization or enhancement (DME) of IT systems under this contract and estimated magnitude (labor, hardware, software)
- **Governance:** For new development, recommendation of how Governing Body (e.g., Agency/Mission Directorate PMC, Agency/Center IT PMB) oversight, as required by NPR 7120.5, NPR 7120.7, and NPR 7120.8, of the DME effort will be accomplished.
- **Non-Duplication:** Description of any efforts made or planned to prevent the development of IT services that already exist within the Agency (e.g., search of the Enterprise Architecture Service Catalog, coordination with Center or Agency CIO, etc.)
- **Government Provided IT Services:** If on-site or near-site contractor performance, how will IT services (local area network, desktops, data storage, phones, etc) be provided if not Government furnished?
- **IT Requirements Assurance:** If IT services are not provided by the local CIO organization or an Agency-wide IT contract, describe the planned measures and structures that will ensure all IT policy and standards requirements will be met (e.g. certification and accreditation of systems, federal desktop core configurations, IT security plans, IT investment reporting, etc)
- **Information Type and Rights:** Type of information to be processed (Classified, SBU, non-sensitive, etc) by systems under the contract. Also address rights to information and data.
- **Privacy:** Any privacy data to be processed and plan for Privacy Act System of Records Notification
- **Waivers:** Any waivers to IT policy that will be requested.



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