



U.S. DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
DIRECTIVES SYSTEM

Subject Number:

PRC-6

Transmittal Number:

793

Date: AUG - 2 1988

Subject: Uniform Contract Review System (Except Federal Emergency Reclamation Projects)

Approval:

Title:

Acting Director

1. **Purpose.** This directive prescribes policy, defines responsibilities, and sets forth procedures for administrative review and oversight of contract actions, as required by Department of the Interior Acquisition Regulation System (DIAR) 1401.7101-4. Additionally, this directive provides guidance regarding administrative review procedures for contract actions, as defined by Federal Acquisition Regulation (FAR) 2.101, with estimated values of \$25,000 or less and exceeding \$25,000. This directive excludes contracting for Federal Emergency Reclamation Projects as guidance for Federal emergency reclamation contracting is covered in Directive AML-4, dated 07/30/92 and Change Notice 1-2).

2. **Summary.** This directive provides for the conduct of administrative reviews of all contract actions and supporting files prior to award (pre-solicitation/pre-award) by the applicable review process in accordance with dollar thresholds stipulated herein. This directive does not replace the other contract transaction review requirements stated in DIAR 1401.7101-2, DIAR 1401.7101-3, and Parts 211 through 255 of the Departmental Manual (DM).

3. **Definitions.**

a. **Contract Review Board.** A group of individuals consisting of a Contract Review Board Chairperson (or designated alternate) and a minimum of two Contract Review Board Members. At least one Contract Review Board Member must be a Contract Specialist. The Contract Review Board Chairperson is responsible for appointing the other Contract Review Board member(s) from various technical and administrative disciplines, as appropriate. The Contract Specialist assigned the contract action may not serve as a member of the Contract Review Board.

b. Contract Review Board Chairperson. An individual at the Division Chief or equivalent Field Office level, or a Supervisory Contracting Official one level above the cognizant Contracting Officer responsible for execution of the contract. Typically, this would be the Contracting Branch or Division Chief, or as appropriate, the Chief of the Contracting Office, as defined by DIAR 1402.1. The Division Chief or equivalent is responsible for appointing an Alternate Contract Review Board Chairperson.

c. Contract Action. All types of commitments that obligate the Government, such as awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; orders, such as purchase orders, orders under Federal Supply Schedules; and, bilateral contract modifications.

d. Contract Specialist. An individual classified in the Contracting Series, GS-1102. A Contract Specialist may serve as an Independent Reviewer or as a member of the Contract Review Board; however, the Contract Specialist assigned the contract action may not serve as a member of the Contract Review Board or Independent Reviewer.

e. Contracting Officer. An individual delegated the authority to enter into, administer, and/or terminate contracts, and make related determinations and findings subject to the limitations set forth on his/her respective warrant. The cognizant Contracting Officer responsible for the execution of the contract action may not serve as a Contract Review Board Chairperson, Contract Review Board Member, or Independent Reviewer.

f. Independent Reviewer. An individual appointed by the Chief of the Contracting office, and must be at least one level above the Contracting Officer responsible for execution of the contract action. The Contract Specialist assigned the contract action may not serve as the Independent Reviewer.

g. Cognizant Reviewer. A Contracting Officer responsible for execution of a contract action \$25,000 or less.

4. Policy/Procedures.

a. Responsibilities.

(1) The Head of the Contracting Activity is responsible for:

(a) managing the office-wide contracting activity;

(b) establishing administrative review and approval requirements for all contract actions with estimated values of \$25,000 or less and exceeding \$25,000;

(c) obtaining the approval of the Director, Office of Acquisition and Property Management, Department of the Interior, for the Office of Surface Mining Reclamation and Enforcement's contract action administrative review system;

(d) identifying types and dollar amounts of the actions to be reviewed based on the volume and nature of the contracting office workload;

(e) designating stage(s) in the acquisition process when the review(s) shall be performed;

(f) establishing information required for review of the action including a review and approval form and mechanism for follow-up on correction of deficiencies noted in the review; and,

(g) providing for periodic review of procedures, and revising as required, to assure necessary controls are maintained.

(2) Headquarters Assistant Director, Administrative Services and Assistant Directors, Eastern Support Center and Western Support Center shall ensure compliance with this directive.

(3) Chief, Division of Management Services, Headquarters, is responsible for:

(a) serving as Contract Review Board Chairperson when contract actions exceed \$500,000;

(b) designating an experienced person in contractual and procurement matters as Alternate Contract Review Board Chairperson, as appropriate, when contract actions exceed \$500,000;

(c) designating Contract Review Board Chairpersons, as appropriate,

(d) ensuring compliance with this directive, as appropriate; and,

(e) monitoring and revising this directive as required.

(4) Chiefs, Administrative Services Division, Eastern and Western Support Centers, are responsible for:

(a) serving as Contract Review Board Chairperson when contract actions exceed \$500,000;

(b) designating an experienced person in contractual and procurement matters as Alternate Contract Review Board Chairperson, as appropriate, when contract actions exceed \$500,000;

(c) designating Contract Review Board Chairpersons, as appropriate;

(d) monitoring the implementation of this directive, as appropriate;

(e) recommending revisions to this directive, as appropriate and upon request; and,

(f) ensuring compliance with this directive, as appropriate.

(5) Contract Review Board Chairperson is responsible for:

(a) appointing Contract Review Board members based on recommendations from Supervisory Contracting Official or cognizant Contracting Officer;

(b) establishing and presiding over the Contract Review Board;

(c) acting as liaison between the Contract Review Board and cognizant Contracting Officer;

(d) resolving issues within the Contract Review Board and consolidating comments and recommendations;

(e) preparing written documentation of findings and providing them to the cognizant Contracting Officer to be considered and incorporated as part of the official contract file; and,

(e) completing Review Checklist (Appendix 1) Review Board Report (Appendix 2).

(6) Independent Reviewer or Alternate is responsible for the review of contract actions valued between \$25,001 and \$500,000. The Independent Reviewer, who shall not under any circumstances, be the contract action's cognizant Contracting Officer, or cognizant Contract Specialist, will complete Review Checklist (Appendix 1) and Independent Reviewer Report (Appendix 3) of this directive.

(7) Contract Review Board Members are responsible for:

(a) reviewing and examining contract actions with estimated values exceeding \$500,000 and any other supporting documentation;

(b) completing Review Checklist (Appendix 1), as appropriate, and making checklist a part of the Contract Review Board report;

(c) completing Report Memorandum (Appendix 4), as appropriate;

(d) ensuring that contract actions and supporting documentation are in accordance with all applicable regulations, policies, and procedures (i.e., FAR, DIAR, DM, Federal Information Resources Management Regulation, etc.);

(e) providing advice to the Contract Review Board Chairperson, as appropriate; and,

(f) preparing written documentation of findings and recommendations to be submitted to the Contract Review Board Chairperson, as appropriate.

(8) Contract Specialist (assigned the contract action) is responsible for:

(a) furnishing the contract action and supporting file to the Contract Review Board Chairperson or Independent Reviewer as well as any other information requested during the conduct of the review;

(b) presenting an oral briefing to the Contract Review Board Chairperson or Independent Reviewer upon request;

(c) apprising the cognizant technical personnel of the date, time, and location of the briefing, when required by the Contract Review Board Chairperson or Independent Reviewer; and,

(d) executing the recommendations of the Contract Review Board or Independent Reviewer as considered appropriate by the cognizant Contracting Officer.

(9) Supervisory Contracting Official is responsible for:

(a) serving as an Independent Reviewer or Contract Review Board Chairperson, as appropriate or when appointed;

(b) serving as a member of the Contract Review Board, as appropriate;

(c) recommending a Contract Specialist to serve as a Board member;

(d) recommending a technical/administrative person experienced in contractual and procurement matters to serve as a Board member;

(e) correcting and resolving noted deficiencies in the submitted report(s), as appropriate; and,

(f) documenting resolution of recommendations, as required.

(10) Cognizant Contracting Officer is responsible for:

(a) obtaining Office of the Solicitor's review of prospective contract actions with estimated values exceeding \$100,000;

(b) correcting and resolving all noted deficiencies and areas or items of questionable acceptability;

- (c) completing Contracting Officer's Report (Appendix 5); and,
- (d) executing the contract action.

b. Procedures.

(1) Scope/Function. Administrative reviews of contract actions are mandatory for all small purchases and contract actions with estimated values of \$25,000 or less and exceeding \$25,000 and shall comply with the FAR, the DIAR, and office-wide policies/procedures.

Independent contract reviews, or reviews by Contract Review Board action, are advisory in nature, the objectives of which are: 1) to review contract actions prior to award; 2) report any noted deficiencies to the cognizant Contracting Officer; and, 3) offer recommendations for corrective actions or means of resolution.

Contract actions shall not be released to contractors for signature until all items addressed by the administrative review process have been resolved by the cognizant Contracting Officer. Contract action review shall entail the following as outlined by dollar threshold and Appendix 6:

(a) \$25,000 or less: At the discretion of the Cognizant Contracting Officer, complete the applicable small purchase checklist prior to release of the contract action to the contractor.

(b) \$25,001 through \$500,000: An Independent Review will be performed on all prospective contract actions with estimated values between \$25,001 and \$500,000. Contract actions with estimated values exceeding \$100,000 require a review by the Office of the Solicitor.

(c) Values Exceeding \$500,000: Review by a Contract Review Board and the Office of the Solicitor will be required for all prospective contract actions with estimated values exceeding \$500,000.

(2) Instructions for the Conduct of Review.

(a) The Contract Review Board Chairperson or Independent Reviewer may request, as appropriate, the participation of specialists in various technical and administrative disciplines. Specialists who participate in the review process provide advice used in developing a basis for any resultant findings and recommendations made by the Contract

Review Board Chairperson or Independent Reviewer.

(b) Due to the diversity of contract actions involved and the dynamic nature of the acquisition process, the method for conducting reviews or specific time tables is not prescribed. Discretionary judgment is permitted in determining the significant areas for consideration. However, reviews shall be completed within three working days or a specific time table as agreed by Board Chairperson or Independent Reviewer and cognizant Contracting Officer. The Contract Specialist (Contracting Officer, peer Contract Specialist) review includes the completion of appropriate checklists.

(c) The integrity throughout the acquisition process of items identified and/or discussed in support files is significant to every contract action. Therefore, reviewer(s) shall: 1) treat these items with special care and consider their effect on the proposed contract instrument; 2) examine documents that make up the support file so findings and conclusions reported are in consonance with the contents of the contract instrument; and, 3) make sure documents are within the intent of the guidelines and constraints set forth in the FAR, DIAR, other applicable legal and administrative procedures and policies.

(3) Documenting Reports.

(a) For review uniformity, Appendices 1-5 are provided and reports must conform to this established format.

(b) The Contract Review Board or Independent Reviewer shall develop a written report (Appendices 1-4, as applicable). These reports shall treat each substantive area or item of consideration in such a manner as to identify the present or potential problems and/or deficiencies. The report shall also discuss findings and recommendations of the Contract Review Board or Independent Reviewer and their effect on the proposed contract action. While unanimity of the recommendations is desirable and should prevail, opposing views involving items of importance shall also be addressed. The Contract Review Board Chairperson or Independent Reviewer shall be responsible for the consolidated submission to the cognizant Contracting Officer within three working days or as agreed by Board Chairperson or Independent Reviewer and cognizant Contracting Officer.

(c) The cognizant Contracting Officer shall consider all recommendations made by the Contract Review Board or Independent Reviewer. The cognizant Contracting Officer shall prepare a written report (Appendix 5) addressing the considerations given to the recommendations submitted. This report shall be documented as part of the official contract file.

5. **Reporting Requirements.** None
6. **Effect on Other Documents.** None
7. **References.**
 - a. Department of the Interior Acquisition Regulation (DIAR) System, 48 CFR, Part 1401.7101-4(a)(b)
 - b. Federal Acquisition Regulation, 48 CFR
 - c. Departmental Manual (DM)
 - d. DIAR 1401.7101-2
 - e. DIAR 1401.7101-3
 - f. DIAR 1401.7101-4
 - g. DIAR 1402.1
 - h. Federal Information Resources Management Regulation
8. **Effective Date.** Upon Issuance
9. **Contact.** Division of Management Services,
(202) 343-3009, FTS (202) 343-3009.
10. **Keywords.** Contract Review Board
Independent Reviewer
Contract Actions
11. **Appendices.**

Appendix 1	Review Checklist
Appendix 2	Independent Reviewer Report
Appendix 3	Contract Review Board Report
Appendix 4	Report Memorandum
Appendix 5	Contracting Officer's Report
Appendix 6	Matrix

**REVIEW CHECKLIST
APPENDIX 1**

ACTION NO.: _____ **DATE:** _____

CONTRACT SPECIALIST: _____

ACTION	ACCEPTED	NOT ACCEPTED	N/A	COMMENTS/REF
DI-1 Requisition SOW/Specs	[]	[]	[]	[]
Noncompetitive Justification	[]	[]	[]	[]
Approvals/Clearances	[]	[]	[]	[]
Advisory Assistance	[]	[]	[]	[]
ADP	[]	[]	[]	[]
DI-1886 Review Form	[]	[]	[]	[]
Nonpersonal Services Determination	[]	[]	[]	[]
Wage Determination	[]	[]	[]	[]
Other Determinations	[]	[]	[]	[]
Source List	[]	[]	[]	[]
CBD Synopsis	[]	[]	[]	[]
General Provisions	[]	[]	[]	[]
Other Provisions	[]	[]	[]	[]
Certification & Disclosure	[]	[]	[]	[]
Solicitation Issue Date	[]	[]	[]	[]
Opening/Closing Dates	[]	[]	[]	[]
Pre-Negotiation memo	[]	[]	[]	[]
Technical Evaluation	[]	[]	[]	[]
Cost/Price Analysis	[]	[]	[]	[]
Field Pricing Support	[]	[]	[]	[]
Weighted Guidelines	[]	[]	[]	[]
Competitive Range Determination	[]	[]	[]	[]
Source Selection	[]	[]	[]	[]
Negotiations	[]	[]	[]	[]
Request for BAFO's	[]	[]	[]	[]
Receipt of BAFO's	[]	[]	[]	[]
EEO Compliance	[]	[]	[]	[]
Responsibility Determination	[]	[]	[]	[]
Disclosure Form	[]	[]	[]	[]
Legal Review	[]	[]	[]	[]
Contract Review	[]	[]	[]	[]
Resolution of Deficiencies	[]	[]	[]	[]
Target Award Date	[]	[]	[]	[]

**CONTRACT REVIEW BOARD REPORT
APPENDIX 2**

ACTION NO.:	SPECIALIST:
SCHEDULED AWARD DATE:	CONTRACTING OFFICER:
REVIEW NO.:	DATE:
TYPE OF REVIEW ACTION:	ESTIMATED VALUE:
TYPE OF CONTRACT:	ACTIVITY:
REQUIREMENT:	
CHAIRPERSON:	BOARD MEMBER (CONT SPEC):
CHAIRPERSON TITLE:	BOARD MEMBER (TECH/ADMIN):
CHAIRPERSON SIGNATURE:	BOARD MEMBER (TECH/ADMIN):
COMMENTS: IF MORE SPACE IS NEEDED, ATTACH SEPARATE SHEETS HERETO.	

1. APPROVED AS SUBMITTED: Yes No

 2. APPROVED CONDITIONALLY: Yes No
 Conditions for Approval:

 3. DISAPPROVED: Yes No
 Reasons for Disapproval:

 4. FINDINGS:

 5. CONCLUSIONS:

 6. RECOMMENDATIONS:
-

INDEPENDENT REVIEWER REPORT
APPENDIX 3

ACTION NO.: _____ SPECIALIST: _____

SCHEDULED AWARD DATE: _____ CONTRACTING OFFICER: _____

REVIEW NO.: _____ DATE: _____

TYPE OF REVIEW ACTION: _____ ESTIMATED VALUE: _____

TYPE OF CONTRACT: _____ ACTIVITY: _____

REQUIREMENT: _____

INDEPENDENT REVIEWER: _____ PANEL MEMBER (CONT SPEC): _____

REVIEWER TITLE: _____ PANEL MEMBER: _____

REVIEWER SIGNATURE: _____ PANEL MEMBER: _____

COMMENTS: IF MORE SPACE IS NEEDED, ATTACH SEPARATE SHEETS
HERETO.

1. APPROVED AS SUBMITTED: Yes No

2. APPROVED CONDITIONALLY: Yes No
 Conditions for Approval:

3. DISAPPROVED: Yes No
 Reasons for Disapproval:

4. FINDINGS:

5. CONCLUSIONS:

6. RECOMMENDATIONS:

REPORT MEMORANDUM
APPENDIX 4

ACTION NO. : SPECIALIST:

REVIEW NO. : DATE:

REVIEWER:

REVIEWER TITLE:

REVIEWER SIGNATURE:

1. EXCEPTIONS TO REVIEW FINDINGS: Yes No

 2. AREAS OF EXCEPTION:

 3. REASONS FOR EXCEPTIONS:

 4. FINDINGS:

 5. CONCLUSIONS:

 6. RECOMMENDATIONS:
-

COGNIZANT CONTRACTING OFFICER'S REPORT
APPENDIX 5

ACTION NO. : _____ SPECIALIST: _____

REVIEW NO. : _____ DATE: _____

CONTRACTING OFFICER: _____

CONTRACTING OFFICER SIGNATURE: _____

1. ACCEPTANCE OF REVIEW FINDINGS: Yes No

2. CONTRACT ACTION/SUPPORTING
DOCUMENTATION TO BE REVISED
IN ACCORDANCE WITH FINDINGS: Yes No

3. EXCEPTIONS TO REVIEW FINDINGS: Yes No

4. REASONS FOR EXCEPTIONS:

5. CONTRACT ACTION/SUPPORTING
DOCUMENTATION TO BE REVISED
IN ACCORDANCE WITH EXCEPTIONS: Yes No

6. CONCLUSIONS:

7. RECOMMENDATIONS:

MATRIX
APPENDIX 6

THRESHOLD	REVIEW BY	ACTION(S)
\$25,000 or Less	Cognizant Contracting Officer	<ul style="list-style-type: none"> - At discretion of cognizant Contracting Officer and in accordance with FAR, Department or Bureauwide small purchase policies/procedures and applicable checklists, release contract actions for execution.
\$25,001 to \$500,000	Independent Reviewer	<ul style="list-style-type: none"> - An Independent Reviewer is appointed by the Contracting Officer at one level above. - As appropriate, the Independent Reviewer may establish a panel to assist in the review. - Complete Review Checklist (Appendix 1). - Complete Independent Reviewer Report of Findings and Recommendations; forward to Contracting Officer for consideration (Appendices 2-4). - Cognizant Contracting Officer reviews findings and recommendations as submitted and completes the Contracting Officer's Report (Appendix 5). - All documentation becomes part of the official contract file.

THRESHOLD	REVIEW BY	ACTION(S)
Over \$500,000	Contract Review Board	<ul style="list-style-type: none"> - Contract Review Board Chairperson is one level above the Contracting Officer responsible for execution of the contract; Division Chief or equivalent Field Operations level. - As appropriate, the Chairperson appoints the other members of the Board, consisting of at least one Contract Specialist (not assigned contract action responsibility), and subject matter expert. - Complete Review Checklist (Appendix 1). - Complete Contract Review Board Report of Findings and Recommendations; forward to Contracting Officer for consideration (Appendices 2-4). - Cognizant Contracting Officer reviews findings and recommendations as submitted and completes the Contracting Officer's Report (Appendix 5). - All documentation becomes part of the official contract file.