

EXHIBIT 1 DAO 201-41

SAMPLE FOR DECISION TO CONTRACT OUT-
ADVERTISED PROCUREMENT

[Date]

[Name]

[Address]

Subject: Notice of Determination to Contract Out [Name of Activity]

You are hereby advised that the [Name of Organization Unit] has concluded its cost comparison study pursuant to OMB Circular No. A-76 for the [Name of Activity], and has determined that the activity should be performed by contract.

The proposed contractor is [Name and address]. The contract price for the base year is [\$], for the first option year is [\$], and for the second option year is [\$]. The results of the cost comparison indicate that the estimated cost of in-house performance exceeds by [\$] the estimated cost of contracting out for a three-year period. If, after evaluation of bids and pre-award determinations of responsiveness and responsibility, the selected bidder is other than [Name of contractor], then the Cost Comparison Form will be revised. You will be notified of any such revision. No contract will be awarded until decisions on all appeals have been rendered.

Interested parties may obtain copies of the completed Cost Comparison Form with its supporting documentation and the Cost Comparison Handbook from [the contracting officer or other designated person] named below.

Directly affected parties whose interests are adversely affected by this decision may submit an administrative appeal directly to the Assistant Secretary for Administration of the Department of Commerce, whose decision shall be final. A copy of the appeal should also be mailed to the contracting officer.

Appeals must be submitted in writing and must (1) address specific line items on the Cost Comparison Form, (2) set forth the rationale for questioning these items, and (3) demonstrate that the result of the appeal may change the cost comparison decision. Each point of issue should be numbered, underlined, and followed by a supporting statement.

Unless an extension in writing is granted by the Assistant Secretary for Administration, an appeal must be received by the Assistant Secretary for Administration no later than 5:00 p.m. (local time) on [day, date]. If more time is required to submit a complete appeal, the appellant should submit a notice of intent to appeal to the Assistant Secretary for Administration. The notice of intent to appeal must be received by 5:00 p.m. (local time) on [day, date], and must contain a statement of the basis (or bases) for the appeal and the reasons why a complete appeal cannot be submitted in the specified time. If a timely notice of an intent to appeal has been submitted, the Assistant Secretary for Administration may grant the appellant an extension, not in excess of fifteen (15) working days, for submitting an appeal. An appeal received after the due date, including any extension thereof, will not be considered. Supporting documentation submitted after the due date will be considered only if deemed appropriate by the Assistant Secretary for Administration. There will be no meetings held with appellants.

The address for the Assistant Secretary for Administration is:

[Name]

Assistant Secretary for Administration

U.S. Department of Commerce

Room 5830

Herbert C. Hoover Building

Washington, D.C. 20230

Subject: A-76 Appeal

The address for the contracting officer is:

[Name]

[Address]

[If documents are to be obtained from someone other than the contracting officer, also supply the name and address of that person:

The document described above may be obtained from:]

Sincerely,

Contracting Officer

EXHIBIT 2 DAO 201-41

SAMPLE FOR DECISION TO CONTACT OUT-
NEGOTIATED PROCUREMENT

[Date]

[Name]

[Address]

Subject: Notice of Determination to Contract Out [Name of Activity]

You are hereby advised that the [Name of Organization Unit] has concluded its cost comparison study pursuant to OMB Circular No. A-76 for the [Name of Activity], and has determined that the activity should be performed by contract.

The proposed contractor is [Name and address]. The contract price for the base year is [\$], for the first option year is

[\$], and for the second option year is [\$]. The results of the cost comparison indicate that the estimated cost of in-house performance exceeds by [\$] the estimated cost of contracting out for the three-year period. Contract performance will not begin until decisions have been rendered on all appeals.

Interested parties may obtain copies of the completed Cost Comparison Form with its supporting documentation and the Cost Comparison Handbook from [the contracting officer or other designated person] named below.

Directly affected parties whose interests are adversely affected by this decision may submit an administrative appeal directly to the Assistant Secretary for Administration of the Department of Commerce, whose decision shall be final. A copy of the appeal should also be mailed to the contracting officer.

Appeals must be submitted in writing and must (1) address specific line items on the Cost Comparison Form, (2) set forth the rationale for questioning these items, and (3) demonstrate that the result of the appeal may change the cost comparison decision. Each point of issue should be numbered, underlined, and followed by a supporting statement.

Unless an extension in writing is granted by the Assistant Secretary for Administration, an appeal must be received by the Assistant Secretary for Administration no later than 5:00 p.m. (local time) on [day, date]. If more time is required to submit a complete appeal, the appellant should submit a notice of intent to appeal to the Assistant Secretary for Administration. The notice of intent to appeal must be received by 5:00 p.m. (local time) on [day, date], and must contain a statement of the basis (or bases) for the appeal and the reasons why a complete appeal cannot be submitted in the specified time. If a timely notice of an intent to appeal has been submitted, the Assistant Secretary for Administration may grant the appellant an extension, not in excess of fifteen (15) working days, for submitting an appeal. An appeal received after the due date, including any extension thereof, will not be considered. Supporting documentation submitted after the due date will be considered only if deemed appropriate by the Assistant Secretary for Administration. There will be no meetings held with appellants.

The address for the Assistant Secretary for Administration is:

[Name]

Assistant Secretary for Administration

U.S. Department of Commerce

Room 5830

Herbert C. Hoover Building

Washington, D.C. 20230

Subject: A-76 Appeal

The address for the contracting officer is:

[Name]

[Address]

[If documents are to be obtained from someone other than the contracting officer, also supply the name and address of that person:

The document described above may be obtained from:]

Sincerely,

Contracting Officer

EXHIBIT 3 DAO 201-41

SAMPLE FOR DECISION TO RETAIN IN-HOUSE-
ADVERTISED PROCUREMENT

[Date]

[Name]

[Address]

Subject: Notice of Determination to Retain In-House [Name of Activity]

You are hereby advised that the [Name of Organization Unit] has concluded its cost comparison study pursuant to OMB Circular No. A-76 for the [Name of Activity], and has determined that the activity should be retained in-house.

The contractor whose bid would have been most advantageous to the Government is [Name and address]. The bid price for the base year is [\$], for the first option year is [\$], and for the second option year is [\$]. The results of the cost comparison indicate that the estimated cost of contracting out exceeds by [\$] the estimated cost of in-house performance for a three-year period.

Interested parties may obtain copies of the completed Cost Comparison Form with its supporting documentation and the Cost Comparison Handbook from [the contracting officer or other designated person] named below.

Directly affected parties whose interests are adversely affected by this decision may submit an administrative appeal directly to the Assistant Secretary for Administration of the Department of Commerce, whose decision shall be final. A copy of the appeal should also be mailed to the contracting officer.

Appeals must be submitted in writing and must (1) address specific line items on the Cost Comparison Form, (2) set forth the rationale for questioning these items, and (3) demonstrate that the result of the appeal may change the cost comparison decision. Each point of issue should be numbered, underlined, and followed by a supporting statement.

Unless an extension in writing is granted by the Assistant Secretary for Administration, an appeal must be received by the Assistant Secretary for Administration no later than 5:00 p.m. (local time) on [day, date]. If more time is required to submit a complete appeal, the appellant should submit a notice of intent to appeal to the Assistant Secretary for Administration. The notice of intent to appeal must be received by 5:00 p.m. (local time) on [day, date], and must contain a statement of the basis (or bases) for the appeal and the reasons why a complete appeal cannot be submitted in the specified time. If a timely notice of an intent to appeal has been submitted, the Assistant Secretary for

Administration may grant the appellant an extension, not in excess of fifteen (15) days, for submitting an appeal. An appeal received after the due date, including any extension thereof, will not be considered. Supporting documentation submitted after the due date will be considered only if deemed appropriate by the Assistant Secretary for Administration. There will be no meetings held with appellants.

The address for the Assistant Secretary for Administration is:

[Name]

Assistant Secretary for Administration

U.S. Department of Commerce

Room 5830

Herbert C. Hoover Building

Washington, D.C. 20230

Subject: A-76 Appeal

the address for the contracting officer is:

[Name]

[Address]

[If documents are to be obtained from someone other than the contracting officer, also supply the name and address of that person:

The document described above may be obtained from:]

Sincerely,

Contracting Officer

EXHIBIT 4 DAO 201-41

SAMPLE FOR DECISION TO RETAIN IN-HOUSE-

NEGOTIATED PROCUREMENT

[Date]

[Name]

[Address]

Subject: Notice of Determination to Retain In-House [Name of Activity]

You are hereby advised that the [Name of Organization Unit] has concluded its cost comparison study pursuant to OMB Circular No. A-76 for the [Name of Activity], and has determined that the activity should be retained in-house.

The contractor whose bid would have been most advantageous to the Government is [Name and address]. The proposal price for the base year is [\$], for the first option year is [\$], and for the second option year is [\$]. The results of the cost comparison indicate that the estimated cost of contracting out exceeds by [\$] the estimated cost of in-house performance for a three-year period.

Interested parties may obtain copies of the completed Cost Comparison Form with its supporting documentation and the Cost Comparison Handbook from [the contracting officer or other designated person] named below.

Directly affected parties whose interests are adversely affected by this decision may submit an administrative appeal directly to the Assistant Secretary for Administration of the Department of Commerce, whose decision shall be final. A copy of the appeal should also be mailed to the contracting officer.

Appeals must be submitted in writing and must (1) address specific line items on the Cost Comparison Form, (2) set forth the rationale for questioning these items, and (3) demonstrate that the result of the appeal may change the cost comparison decision. Each point of issue should be numbered, underlined, and followed by a supporting statement.

Unless an extension in writing is granted by the Assistant Secretary for Administration, an appeal must be received by the Assistant Secretary for Administration no later than 5:00 p.m. (local time) on [day, date]. If more time is required to submit a complete appeal, the appellant should submit a notice of intent to appeal to the Assistant Secretary for Administration. The notice of intent to appeal must be received by 5:00 p.m. (local time) on [day, date], and must contain a statement of the basis (or bases) for the appeal and the reasons why a complete appeal cannot be submitted in the specified time. If a timely notice of an intent to appeal has been submitted, the Assistant Secretary for Administration may grant the appellant an extension, not in excess of fifteen (15) days, for submitting an appeal. An appeal received after the due date, including any extension thereof, will not be considered. Supporting documentation submitted after the due date will be considered only if deemed appropriate by the Assistant Secretary for Administration. There will be no meetings held with appellants.

The address for the Assistant Secretary for Administration is:

[Name]

Assistant Secretary for Administration

U.S. Department of Commerce

Room 5830

Herbert C. Hoover Building

Washington, D.C. 20230

Subject: A-76 Appeal

The address for the contracting officer is:

[Name]

[Address]

[If documents are to be obtained from someone other than the contracting officer, also supply the name and address of that person:

The document described above may be obtained from:]

Sincerely,

Contracting Officer

EXHIBIT 5 DAO 201-41

SAMPLE FOR DECISION TO CONTRACT OUT WITHOUT A
COST COMPARISON (More than 10 FTEs)

[Date]

[Name]

[Address]

Subject: Notice of Determination to Contract Out

[Name of Activity]

You are hereby advised that the [Name of Organization Unit] has determined that the [Name of Activity] will be contracted out without comparing the cost of contracting and the cost of in-house performance. A cost comparison will not be conducted because the in-house operation has not reasonable expectation of winning the competition.

Interested parties may obtain copies of the waiver signed by the Assistant Secretary for Administration and the complete documentation justifying this waiver from the Organization Coordinator [or other designated person] named below.

Directly affected parties whose interests are adversely affected by this decision may submit an administrative appeal directly to the Deputy Secretary of the Department of Commerce, whose decision shall be final. A copy of the appeal should also be mailed to the Organization Coordinator. No contract will be awarded until decisions on all appeals have

been rendered.

Appeals must be submitted in writing and must show that the justification (1) fail to consider one or more material facts, or (2) was based on erroneous or false information. Each point of issue should be numbered, underlined, and followed by a supporting statement.

Unless an extension in writing is granted by the Deputy Secretary, an appeal must be received by the Deputy Secretary no later than 5:00 p.m. (local time) on [day, date]. If more time is required to submit a complete appeal, the appellant should submit a notice of intent to appeal to the Deputy Secretary. The notice of intent to appeal must be received by 5:00 p.m. (local time) on [day, date], and must contain a statement of the basis (or bases) for the appeal and the reasons why a complete appeal cannot be submitted in the specified time. If a timely notice of an intent to appeal has been submitted, the Deputy Secretary may grant the appellant an extension, not in excess of fifteen (15) days, for submitting an appeal. An appeal received after the due date, including any extension thereof, will not be considered. Supporting documentation submitted after the due date will be considered only if deemed appropriate by the Deputy Secretary. There will be no meetings held with appellants.

The address for the Deputy Secretary is:

[Name]

Deputy Secretary

U.S. Department of Commerce

Room 5838

Herbert C. Hoover Building

Washington, D.C. 20230

Subject: A-76 Appeal

The address for the Organization Coordinator is:

[Name]

[Address]

[If documents are to be obtained from someone other than the Organization Coordinator, also supply the name and address of that person:

The document described above may be obtained from:]

Sincerely,

Organization Coordinator

EXHIBIT 6 DAO 201-41

SAMPLE FOR DECISION TO CONTRACT OUT WITHOUT A
COST COMPARISON (10 FTEs or Less)

[Date]

[Name]

[Address]

Subject: Notice of Determination to Contract Out

[Name of Activity]

You are hereby advised that the [Name of Organization Unit] has determined that the [Name of Activity] will be contracted out without comparing the cost of contracting and the cost of in-house performance. A cost comparison will not be conducted because fair and reasonable prices can be obtained from qualified commercial sources.

Directly affected parties whose interests are adversely affected by this decision may submit an administrative appeal directly to the Assistant Secretary for Administration of the Department of Commerce, whose decision shall be final. A copy of the appeal should also be mailed to the Organization Coordinator. No contract will awarded until decisions on all appeals have been rendered.

Appeals must be submitted in writing and must show that fair and reasonable prices cannot be obtained from qualified commercial sources. Each point of issue should be numbered, underlined, and followed by a supporting statement.

Unless an extension in writing is granted by the Assistant Secretary for Administration, an appeal must be received by the Assistant Secretary for Administration no later than 5:00 p.m. (local time) on [day, date]. If more time is required to submit a complete appeal, the appellant should submit a notice of intent to appeal to the Assistant Secretary for Administration. The notice of intent to appeal must e received by 5:00 p.m. (local time) on [day, date], and must contain a statement of the basis (or bases) for the appeal and the reasons why a complete appeal cannot be submitted in the specified time. If a timely notice of an intent to appeal has been submitted, the Assistant Secretary for Administration may grant the appellant an extension, not in excess of fifteen (15) days, for submitting an appeal. An appeal received after the due date, including any extension thereof, will not be considered. Supporting documentation submitted

after the due date will be considered only if deemed appropriate by the Assistant Secretary for Administration. There will be no meetings held with appellants.

The address for the Assistant Secretary for Administration is:

[Name]

Assistant Secretary for Administration

U.S. Department of Commerce

Room 5830

Herbert C. Hoover Building

Washington, D.C. 20230

Subject: A-76 Appeal

The address for the Organization Coordinator is:

[Name]

[Address]

Sincerely,

Organization Coordinator

EXHIBIT 7 DAO 201-41

Department of Commerce

Organization Unit _____ Location of Activity _____

Activity Identifier # _____

Name of Activity _____

COST COMPARISON FORM

In-House vs. Contract Performance						
Performance Periods						
In-House Performance Costs	1 st	2 nd	3 rd	Add'l	Total	Reference
1. Personnel Cost						
2. Material & Supply Cost						
3. Other Specifically Attributable Costs						

4. Overhead Cost						
5. Additional Costs						
6. Total In-House Costs						
Contract Performance Costs						
7. Contract Price						
8. Contract Administration						
9. Additional Costs						
10. Out-time Conversion Costs						
11. Gain or Loss on Disposal						
12. Federal Income Tax (Deduct)						
13. Total Contract Costs	()	()	()	()	()	

EXHIBIT 8 DAO 201-41

Department of Commerce

Organization Unit _____ Location of Activity _____

Activity Identifier # _____ Name of Activity _____

COST COMPARISON FORM

Expansions, New Requirements and Conversion To In-House Performance (ENRC)						
<u>Performance Periods</u>						
<u>In-House Performance Costs</u>	1 st	2 nd	3 rd	Add'l	Total	Reference
1. Personnel Cost						
2. Material & Supply Cost						
3. Other Specifically Attributable Costs						

4. Overhead Cost					
5. Cost of Capital					
6. One-Time Conversion Cost (ENRC)					
7. Additonal Costs	_____	_____	_____	_____	_____
8. Total In-house Costs					
<u>Contract Performance Costs</u>					
9. Contract Price					
10. Contract Administration					
11. Additional Costs					
12. Out-time Contract Conversion Costs					
13. Gain or Loss on Disposal/of Assets (Expansion)	()	()	()	()	()
14. Federal Income Tax (Deduct)	_____	_____	_____	_____	_____
15. Total Contract Costs					

Decision

16. Conversion Differential (For Expansions, note net difference, Chapter V, E) _____

17. Total (Line 8 & 16) _____

18. Cost Comparisons (Line 17 minus Line 15) _____

Do the cost comparison calculation only for the total column. Positive result on Line 18 supports decision to accomplish function by contract.

19. Cost Comparison Decision (check block) // Accomplish In-House // Accomplish by Contract

	Name/Title Organization	Signature	Date
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In House Estimate Prepared By:

In-House Estimate Reviewed By:

Cost Comparison Accomplished By:

Cost Comparison Reviewed By:
Cost Comparison Decision Approved By:

EXHIBIT 9 DAO 201-41

NAME OF OPERATING UNIT

QUARTERLY STATUS REPORT ON A-76 REVIEW - QUARTER 198

NUMBER AND NAME OF ACTIVITY

MILESTONES	Scheduled Completion Date	Revised Completion Date*	Actual Completion Date
<ol style="list-style-type: none"> 1. Principal Reviewer appointed, 2. Notice published in <u>Federal Register</u>. 3. Affected employees notified (if in-house). 4. Contracting Officer assigned. 5. Management Study completed. 6. Statement to Work completed and approved. 7. CD-45 transmitted to Contracting Officer. 8. Independent Review completed. 9. In-house "bid" submitted to Contracting Officer. 10. Forms signed by approving authority. 11. Affected parties notified of results. 12. Contract awarded or solicitation canceled. <p>*Explanation for revised dates must be attached.</p>			