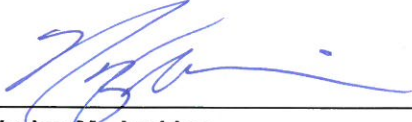


BONNEVILLE PURCHASING INSTRUCTIONS TRANSMITTAL SHEET AND INSTRUCTIONS

TRANSMITTAL 18-1

Date: February 23, 2018

Issued by Purchasing/Property Governance – CGP-7



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Head of the Contracting Activity

SUBJECT: BPI UPDATE – Revisions and Updates to Several Parts

This update to the BPI incorporates into the main body of the manual the content of Appendix 6. Appendix 6 is hereby retired with this update. This update also includes new information and procedures for contract types. Obsolete information is deleted or updated, and minor grammar corrections are made. The substantive changes are identified in the table below.

All changes in this update are effective March 1, 2018.

An online copy of the Bonneville Purchasing Instructions (BPI) is available at <http://www.bpa.gov/Doing%20Business/purchase/Pages/default.aspx> . The online BPI is a conformed copy with all changes included as of the current date and is effective until superseded.

SUMMARY OF CHANGES:

Topic	Reference	Change	Clauses
BPI Objective, Contracting Authority, PO None, and Ratifications	Part 1	<ul style="list-style-type: none">• Added 3 new guiding principles.• Incorporated language clarifying applicability of the BPI.• Relocated contracting authority and responsibilities from Part 2 to 1.8; clarified language and limitations of the use of PO None.• Relocated ratification of unauthorized commitments from Part 2 and Appendix 6A to new subpart 1.9; and provided changes to ratification authority and procedures of use.	N/A
Definitions	Part 2	Relocated definitions from Part 1 to new location for ease of use and clarification needs.	N/A

		<p>Incorporated new definitions for the following terms:</p> <ul style="list-style-type: none"> • Acquisition planning • Administrator • Bonneville • BPA • Bundling • Consolidation • Construction • Contracting officer • Contracting officer's representative • Contract specialist • Federally Recognized Tribal Government • Field Inspector • Independent government estimate • Institutions of Higher Education • Insurance • Irrevocable letter of credit • MOA/MOU • Nonprofit organization • Option • Subcontract • Subcontractor 	
Annual Certification by Bonneville Employees	3.1.3	Revised the threshold from \$3,000 to \$3,500 for P-card users.	
Administrative Matters	Part 4	Complete rewrite and revision to this part. New policy and guidance to define contract administration in terms of contract reporting, execution, distribution and contract file.	N/A
Privacy Assurance	5.1.4	Revised the clause prescription for 5-1 to exclude the clause in contracts for commercial supplies when no PII is exchanged.	<u>Revised clause and usage prescription:</u> 5-1 Privacy Assurance
Acquisition Planning, Strategy and Requisitioning	Part 6 and Appendix 6	<p>Complete rewrite and revision to this part. Appendix 6 is rescinded in its entirety.</p> <ul style="list-style-type: none"> • Added considerations for inherently governmental functions and contractor versus government performance. • Added guidance for contracting with current and federal employees. • Added consideration of purchase or lease. • Introduced bundling of 	<p><u>Relocated and Renumbered clause and revised usage prescription:</u> 6-1 Trade-In of Personal Property from 7-9</p> <p><u>Relocated and Renumbered clauses:</u> 6-2 Printing to 11-9 6-3 Information Assurance to 15-17 6-4 Vehicle Lease Payments to 11-10</p>

		<p>requirements.</p> <ul style="list-style-type: none"> Relocated personal property considerations from Part 11 to Part 6 to reflect the appropriate point in the procurement process this determination should be made. New policy for requisitioner training program. New policy and guidance for requisition development and submission requirements. New policy and guidance for liquidated damages. 	<p>6-5 Condition of Leased Vehicles to 11-11 6-6 Marking of Leased Vehicles to 11-12 6-7 Tagging of Leased Vehicles to 11-13</p> <p><u>New clause:</u> 6-2 Liquidated Damages – Supplies, Services, or Research and Development</p>
Contract Types	Part 7	<p>Complete rewrite and revision to entire part.</p> <ul style="list-style-type: none"> Includes and describes many new types of contracts that may be used in acquisitions. Provides information and guidance for selecting the appropriate contract type for the acquisition. All existing part 7 clauses have been replaced or relocated to another Part. Added provisions to allow- <ul style="list-style-type: none"> Single or multiple awards Evaluation Exclusive of Options Relocated policy and clauses for paperless purchasing to Part 14 Relocated Trade-in of Personal Property clause to Part 6 	<p><u>Deleted clauses:</u> 7-1 Contract Type 7-3 Award Fee and Payment (Fixed-Price Award-Fee) 7-4 Definite Quantity Contract: Ordering 7-5 Indefinite Quantity Contract: Ordering 7-6 Master Agreement: Basic Terms 7-7 Performance Period and Options 7-8 Option for Increased Quantity</p> <p><u>Relocated and Renumbered clauses:</u> 7-2 Price Adjustment to 7-4 7-9 Trade-In of Personal Property to 6-1 7-10 E-Commerce Marketplace Ordering to 14-20 7-13 Computer Fraud and Abuse Act to 14-21 7-14 Definitions to 14-22</p> <p><u>New provisions:</u> 7-1 Type of Contract 7-27 Single or Multiple Awards 7-28 Multiple Awards for Advisory and Assistance Services 7-31 Time-and-Materials/Labor-Hour Proposal Requirements 7-34 Evaluation Exclusive</p>

			<p>of Options 7-35 Evaluation of Options Exercised at Time of Contract Award 7-36 Evaluation of Options</p> <p><u>New clauses:</u> 7-3 Economic Price Adjustment – Supplies 7-4 Economic Price Adjustment – Labor and Material 7-5 Price Redetermination – Prospective 7-7 Allowable Cost and Payment 7-8 Fixed Fee 7-9 Fixed Fee – Construction 7-10 Incentive Fee 7-11 Cost Contract – No Fee 7-12 Cost Sharing Contract – No Fee 7-15 Predetermined Indirect Cost Rates 7-16 Incentive Price Revision – Firm Target 7-18 Ordering 7-19 Order Limitations 7-20 Definite Quantity 7-22 Indefinite Quantity 7-23 Execution and Commencement of Work 7-24 Limitation of Government Liability 7-25 Contract Definitization 7-26 Payments of Allowable Costs Before Definitization 7-37 Option for Increased Quantity 7-38 Option for Increased Quantity – Separately Priced Line Item 7-39 Option to Extend Services 7-40 Option to Extend the Term of the Contract</p>
Small Business Concerns and Subcontracting Plans	8.1.3.5, 8.2, 8.3.1, 8.3.2	<ul style="list-style-type: none"> • Relocated SBA information to the roles and responsibility subsection. • Incorporated new definition and category for economically disadvantaged women-owned 	<p><u>Revised provisions and prescriptions:</u> 8-1 Supplier Diversity Program Award Representation 8-4 Subcontracting Plan</p>

		<p>small business (EDWOSB).</p> <ul style="list-style-type: none"> Revised the threshold for subcontracting efforts for all contracts from \$50,000 to \$150,000. Threshold for subcontracting plans increased from \$650,000 for supplies and services to \$700,000. Incorporated into policy the content requirements for a subcontracting plan. 	<p>Requirement</p> <p><u>Revised clause and prescriptions:</u></p> <p>8-3 Utilization of Supplier Diversity Program Categories</p> <p>8-5 Liquidated Damages – Small Business Subcontracting Plan</p>
Foreign Acquisitions, WTO GPA, and ARRA	9.1.2, 9.2.5.9, 9.4.1 9.4.2	<ul style="list-style-type: none"> Retitled Part from “Contracting with Foreign Businesses” to “Foreign Acquisitions”. Updated policy to incorporate the new designated countries of Ukraine and Moldova to the World Trade Organization Government Procurement Agreement (WTO GPA). Revised policy to clarify 9-49 is a provision and not a contract clause. Trade agreement thresholds have been revised. 	<p><u>Revised provision prescriptions:</u></p> <p>9-46 Required Use of American Iron, Steel and Other Manufactured Goods – Buy American Act – Construction Materials</p> <p>9-48 Required Use of American Iron, Steel and Other Manufactured Goods – Buy American Act – Construction Materials Under Trade Agreements</p> <p>9-49 Notice of Required Use of American, Iron, Steel and Other Manufactured Goods – Buy American Act – Construction Materials Under Trade Agreements</p>
Labor Laws	10.1.1, 10.1.5.3, 10.1.7.2, 10.1.8.3, 10.1.11, 10.1.12, 10.2.3.1.2, 10.3.4.1.3	<ul style="list-style-type: none"> Incorporated definitions for “Administration of the Wage and Hour division” and “worker”. Clarified the clause usage prescriptions to ensure compliance with labor laws. Updated policy for Child Labor Laws to comply with changes in statute. Incorporated policy and procedures to comply with Executive Order 13706, Establishing Sick Leave for Federal Contractors, dated September 7, 2015. 	<p><u>Revised prescription:</u></p> <p>10-2 Affirmative Action for Workers with Disabilities</p> <p>10-6 Notification of Employee Rights under the National Labor Relations Act</p> <p>10-18 Employment Eligibility Verification</p> <p>10-28 Minimum Wage for Federal Contracts</p> <p><u>Revised clause and prescription:</u></p> <p>10-24 Child Labor – Cooperation with Authorities and Remedies</p> <p><u>New clause:</u></p> <p>10-22 Paid Sick Leave Under Executive Order 13706</p>
Solicitation Policies	11.1.1,	Re-sequenced and repaginated	<u>Revised provision and</u>

	11.1.4, 11.2, 11.3, 11.4, 11.5, 11.8, 11.9, 11.13.9, 11.15	<p>this part for greater clarity.</p> <ul style="list-style-type: none"> • Relocated policy and procedures for the Purchase of Printing and Related Supplies from Part 6 to 11.1.4. • Revised the definition and policy for purchasing utility services. • Relocated policy and procedures for the Leasing of Motor Vehicles from Part 6 to 11.3. • Removed the requirement at subpart 11.4 for annual publication of purchasing plans. • Revised subpart 11.5 to change "critical information" to "controlled unclassified information" to align with internal policies. • Revised policy and procedures for noncompetitive transactions. • Relocated policy and procedures for the Use of Commercial descriptions from Part 6 to 11.12.9. • Revised policy and procedures for management review of solicitations and awards. 	<p><u>usage prescription:</u> 11-8 Alternative to Brand Name Requirement</p> <p><u>Revised provision:</u> 11-2 Instructions to Offerors – Competitive Acquisition</p> <p><u>Relocation and Renummer clauses:</u> 11-9 Printing from 6-2 11-10 Vehicle Lease Payments from 6-4 11-11 Condition of Leased Vehicles from 6-5 11-12 Marking of Leased Vehicles from 6-6 11-13 Tagging of Leased Vehicles from 6-7</p>
Tradeoff analysis, and Requirements for documenting contracting officer decisions	12.6.2.2, 12.8	<ul style="list-style-type: none"> • Provided additional information to clarify procedures for tradeoff analysis. • Revised policy for the requirements for documenting CO decisions. 	N/A
Cost Principles	Part 13	<ul style="list-style-type: none"> • Title of this part has changed from "Cost Principles and Audit Considerations" to "Cost Principles". • Rescinds from policy 2 CFR 200, OMB Circular A-21, 2 CFR 225, OMB Circular A-87, 2CFR 230, OMB Circular A-122, OMB Circular A-133, and governing procedures. • Directions for COs to use guidance and procedures in the BFAI for all contracts with applicable cost principles and audit requirements with 	N/A

		government agencies and other organizations.	
Contract Administration, Variation in Quantity, Extensions of Contracts, Paperless Purchasing, US Flag Vessels, Indirect Cost rates and close-out; and COR Certification Program	14.1, 14.3, 14.5, 14.6, 14.10, 14.14, 14.15.3, 14.17, 14.18, 14.20, 14.21, 14.22, Appendix 14	<ul style="list-style-type: none"> Revised and updated policy for the assignment, responsibility and administration of the contract. Introduced policy regarding requirements and responsibilities of the COR. Introduced policy regarding correspondence and visits to contractor facilities. Incorporated policy and procedures for post award orientation, post award conferences and post award letters. Revised the policy and procedures for using variation in quantity in supply contracts and services and construction contracts. Revised extension of contracts to reflect the changes in policy regarding options. Relocated policy for paperless purchasing from Part 7 to new location at 14.14. Revised policy regarding the use of US Flag Vessels to align with statute. Revised policy and procedures for Indirect Cost Rates, quick-close out procedures and cognizant federal agency. Relocated the content of 14.18 for Homeland Security to Part 15. Incorporated policy for COR certification program requirement. Revised Appendix 14 in its entirety. 	<p><u>Relocated and Renumbered clauses:</u> 14-20 E-Commerce Marketplace Ordering from 7-10 14-21 Computer Fraud and Abuse Act from 7-13 14-22 Definitions from 7-14</p> <p><u>Revised clause and usage prescription:</u> 14-1 Contracting Officer's Representatives – Construction Contracts 14-2 Contract Administration Representatives 14-5 Variation in Quantity – Supply Contracts 14-6 Variation in Estimated Quantity – Service and Construction Contracts 14-7 Subcontracts 14-10 Changes – Time-and-Materials/Labor-Hour 14-16 Requirements for U.S. Flag Vessels 14-20 E-Commerce Marketplace Ordering 14-21 Computer Fraud and Abuse Act 14-22 Definitions</p> <p><u>New clause:</u> 14-15 Delivery of Excess Quantities</p>
FISMA, and Homeland Security	15.9, 15.10	<ul style="list-style-type: none"> Relocated and revised policy regarding Safeguarding Bonneville's Information and Data (FISMA) from Part 6 to subpart 15.9. Relocated the policy and procedures for Homeland Security from Part 14 to subpart 15.10. 	<p><u>Revised clause and usage prescription:</u> 15-4 Contractor Compliance with Bonneville Policies 15-16 Access to Bonneville Facilities and Computer Systems 15-17 Information Assurance</p>

			15-18 Homeland Security
Bonds and Insurance	Part 16	<p>Complete revision and reissuance of Part 16.</p> <ul style="list-style-type: none"> Revised policy to comply with requirements of 40 U.S.C. chapter 31, subchapter III. Revised and updated policy for incorporating insurance requirements into Bonneville contracts. 	<p><u>Revised clause and usage prescription:</u> 16-1 Performance and Payment Bonds</p> <p><u>Deleted clause:</u> 16-2 Insurance</p> <p><u>New clauses:</u> 16-2 Performance and Payment Bonds – Other Than Construction 16-3 Additional Bond Security 16-4 Prospective Subcontractor Requests for Bonds 16-5 Pledge of Assets 16-6 Irrevocable Letter of Credit 16-7 Work on a Government Installation 16-8 Minimum Insurance Coverage 16-9 Insurance – Liability to Third Persons 16-10 Aircraft Liability Insurance 16-11 Insurance of Leased Motor Vehicles 16-12 Self-Insurance</p>
Excusable Delays	21.5.1	Incorporated a new contract clause to address excusable delays.	<p><u>New clause:</u> 20-4 Excusable Delays</p>
Payments	22	Revise and updated contract types and nomenclature based on revisions to Part 7.	<p><u>Revised clause and usage prescription:</u> 22-2 Basis of Payment – Progress Payments Construction 22-3 Progress Payments 22-4 Basis of Payment – Time-and-Materials/Labor-Hour Contracts 22-10 Prompt Payment for Construction Contracts 22-22 Contracts for Services with Individuals</p> <p><u>Deleted clauses:</u> 22-5 Basis of Payment – Cost Reimbursement 22-6 Predetermined Final Indirect Cost Rates</p>
Service Contracts	23.1.9,	<ul style="list-style-type: none"> Added new policy regarding 	N/A

	23.1.10, 23.3, 23.4	<p>the extension of contracts for services;</p> <ul style="list-style-type: none"> • Use of private sector temporary labor and supplemental labor language clarification; • Incorporated language for advisory and assistance services; and • Incorporated policy for dismantling, demolition or removal of improvements requirements 	
Construction Architect-Engineer Services	Part 24	<p>Revised and added new policy regarding the requirements for construction contracts. In addition, the following changes have been made to this part:</p> <ul style="list-style-type: none"> • Added new language for requirements under cost-reimbursement contracts; • Incorporated new policy language for two-phase solicitations; • Incorporated new policy language for architect-engineer services; • Expanded guidance for dismantling, demolition or removal of improvements; and • Updated provisions and contract clauses to align with current procedures, policies and statutory requirements. 	<p><u>Revised provision and usage prescription:</u> 24-10 Price Data Sheet</p> <p><u>Revised clause usage prescription:</u> 24-6 Schedules for Construction Contracts 24-20 Availability and Use of Utility Services 24-21 Road Maintenance 24-22 Use of Land for Storage and Offices 24-23 Use of Explosives 24-26 Oral Modification</p> <p><u>Revised clause and usage prescription:</u> 24-1 Dismantling and Demolition of Property 24-2 Liquidated Damages - Construction 24-3 Site Investigation and Conditions Affecting the Work 24-4 Physical Data 24-5 Preconstruction Conference 24-7 Differing Site Conditions 24-8 Layout of Work 24-9 Specifications, Drawings and Material Submittals for Construction 24-11 Working Hours - Construction 24-12 Radio Information 24-13 Material and Workmanship 24-14 Superintendence by the Contractor 24-15 Permits and Responsibilities</p>

			<p>24-16 Other Contracts 24-17 Operations and Storage Areas 24-18 Use and Possession Prior to Completion 24-19 Cleaning Up 24-24 Contractor's Daily Report 24-25 Field Contract Modification 24-27 Equipment Cost Allowances</p> <p><u>New provision:</u> 24-31 Preparation of Proposals – Construction 24-32 Magnitude of Requirement</p> <p><u>New clauses:</u> 24-28 Quantity Surveys 24-29 Work Oversight in Cost-Reimbursement Construction 24-30 Organization and Direction of the Work 24-33 Use of Equipment by the Government 24-35 Time Extensions 24-36 Site Visit – Construction 24-37 Responsibility of the Architect-Engineer Contractor 24-38 Work Oversight in Architect-Engineer Contracts 24-39 Requirements for Registration of Designers 24-40 Option for Supervision and Inspection Services 24-41 Subcontractor – Architect-Engineer Services</p>
Interagency Acquisitions	Part 25	Revised and provided new policy clarifying the use of interagency acquisitions. In addition, new language has been incorporated to clarify what is a MOA/MOU and who has the ability to enter into them.	<p><u>Deleted clauses:</u> 25-2 Payment in Arrears 25-3 Advance Payment and Financial Reports 25-4 Changes 25-5 Audit – Intergovernmental Contract 25-6 Socio-Economic Requirements 25-7 Classified Information</p>

			25-8 Publications/Presentations 25-9 Endangered Species Act Requirements 25-10 Applicable Law – State of Idaho 25-11 Disputes Resolution Process – Federal Agencies 25-13 Termination by Mutual Agreement
Micro-Purchase Program, Purchase Cards, and Authorization to Pay process	Part 26	<ul style="list-style-type: none"> Title of this part has changed from Purchase Cards to Micro-Purchase Program. New definition for split purchases added. Incorporated mandatory use requirements. Added policy to authorize P-Card use for education and training courses. Revised single purchase and monthly purchase thresholds. New span of control requirement for AOs has been incorporated. Revised and updated policy to comply with A-123, App B requirements. Incorporated into policy the authority to use the ATP for micro-purchases. 	N/A
Commercial Contracts	Part 28	Revised and updated contract types and nomenclature based on revisions to Part 7. Replaced the Clause 28-20 with clauses 28-20.1 and 28-20.2.	<u>Revised clause and usage prescription:</u> 28-1.2 Indefinite Delivery Contract – Basic Terms 28-1.3 Blanket Purchase Agreement – Basic Terms 28-1.5 Blanket Ordering Agreement – Basic Terms 28-4.2 Payment – Time-and-Materials/Labor-Hour 28-5.2 Inspection/Acceptance-Time-and-Materials/Labor Hour 28-9.2 Termination for Cause – Time-and-Materials/Labor Hour 28-10.2 Termination for Bonneville's Convenience – Time-and-Materials/Labor-Hour <u>Deleted clause:</u>

			<p>28-20 Requirements Unique to Government Contracts</p> <p><u>New clauses:</u> 28-20.1 Requirements Unique to Government Contracts – Supplies 28-20.2 Requirements Unique to Government Contracts - Services</p>
Provisions and clauses	Part 35	Technical amendments and reference updates were made to provisions and clauses.	<p><u>Revised provisions:</u> 3-1 Purchasing Standards of Conduct 4-1 Taxpayer Identification Number 9-7 Buy American Act Notice 9-47 Notice of Required Use of American Iron, Steel and Other Manufactured Goods – Buy American Act – Construction Materials 11-3 Award Decision – Lowest Price Technically Acceptable 11-3.1 Reverse Auction 11-4 Award Decision – Tradeoff 11-4.1 Innovative Approaches 11-5 Inspection of Premises – Alternate I 11-6 Site Tour – Alternate I 17-21 Nondisclosure for RFO/RFQ</p> <p><u>Revised clauses:</u> 1-1 Applicable Regulations 3-2 Organizational Conflicts of Interest 3-3 Certification and Disclosure and Limitation Regarding Payments to Influence Certain Federal Transactions 3-9 Restriction on Commercial Advertising 5-2 Privacy Protection 5-3 Privacy Act 8-5 Liquidated Damages – Small Business Subcontracting Plan 9-1 Buy American Certificate</p>

			9-3 Buy American Act – Supplies 9-5 Buy American Act – Construction Materials 9-48 Required Use of American Iron, Steel and Other Manufactured Goods – Buy American Act – Construction Materials Under Trade Agreements 10-3 Service Contract Labor Standards 10-4 Fair Labor and Service Contract Standards – Price Adjustment 10-14 Approval of Wage Rates 10-27 Disputes Concerning Labor Standards 11-5 Inspection of Premises – Alternate I 12-2 Price Reduction for Inaccurate Cost or Pricing Information 12-3 Examination of Records 14-8 Changes – Fixed Price 14-9 Changes – Cost- Reimbursement 14-10 Changes – Time- and-Materials 14-14 Stop Work Order 15-3 Property Protection 15-6 Hazardous Material Identification and Material Safety Data 15-9 Energy Efficiency in Energy Consuming Products 15-12 Contractor Safety and Health 15-13 Contractor Safety and Health Requirements 15-15 Screening Requirements for Personnel Having Access to Bonneville Facilities 17-1.1 Authorization and Consent – Research, Development and Demonstration Contracts 17-1.2 Authorization and Consent – Noncommercial
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			<p>Items or Services</p> <p>17-2.2 Patent Rights – Ownership by Bonneville</p> <p>17-3 Rights in Data – Noncommercial Software</p> <p>17-4 Rights in Data – Use of Existing Work</p> <p>17-5.1 Rights in Data – Creation of New Work</p> <p>17-5.2 Rights in Data – Creation of New Work, Restricted</p> <p>17-6 Commercial Software – No Contractor License</p> <p>17-7.1 Infringement Identification – Noncommercial Software</p> <p>17-7.2 Infringement Indemnification – Patents</p> <p>17-8 Source Code Escrow – Third Party Agent</p> <p>17-9 Source Code Escrow – Bonneville as Agent</p> <p>17-10 Contractor Software – Contractor License</p> <p>17-12 Modifications to Commercial Software</p> <p>17-13 Patent and Copyright Infringement Notice</p> <p>17-14 Noncommercial Software Warranty</p> <p>17-15 Noncommercial Hardware and Equipment Warranty</p> <p>17-19 Survival of Perpetual License</p> <p>17-22 Nondisclosure during Contract Performance</p> <p>18-2 Inspection – Supplies</p> <p>18-5 Inspection and Acceptance – Construction</p> <p>18-6 Responsibility for Damage or Loss of Supplies</p> <p>18-8 Warranty – Supplies</p> <p>18-9 Warranty – Heavy Electrical Equipment</p> <p>18-10 Warranty – Tower Steel</p> <p>18-11 Warranty – Services</p> <p>18-12 Warranty – Construction</p> <p>18-13 Warranty – Small Construction Contracts</p>
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		18-14 Limitation of Liability for Latent Defects 19-1 Bonneville- Furnished/Contractor- Acquired Property 19-2 Bonneville Property Furnished "As Is" 19-3 Contractor Use of Government-Owned Vehicles 19-4 Bonneville Property to be Transferred to the Contractor 20-2 Termination for the Convenience of Bonneville 20-3 Termination for Default 21-1 Protests Against Award 21-2 Disputes 21-4 Release of Claims 22-7 Contract Ceiling Limitation 22-8 Advance Payments 22-9 Withholding 22-10 Discounts for Prompt Payment 22-11 Payment for Construction Contracts 22-12 Payment 22-13 Interest on Amounts Due Bonneville 22-14 Taxes – Indefinite Delivery Contracts 22-17 Washington State Sales and Use Tax 22-18 State of Idaho Use Tax 22-20 Electronic Funds Transfer Payment 22-21 Acceleration of Payments to Small Business Subcontractors 22-23 Contracts for Supplemental Labor 23-1 Continuity of Services 23-3 Unauthorized Reproduction or Use of Computer Software 28-1.1 Contract – Basic Terms 28-1.4 Purchase Order – Basic Terms 28-4.1 Payment – Firm- Fixed-Price 28-5.1
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			Inspection/Acceptance – Firm-Fixed-Price 28-7 Stop Work Order 28-9.1 Termination for Cause – Firm-Fixed-Price 28-10.1 Termination for Bonneville's Convenience – Firm-Fixed Price 28-14 Indemnification 28-15 Risk of Loss 28-16 Title 28-18 Assignment
Various	All	Technical amendments, organizational names, references to Bonneville policies have been updated throughout the document. These changes have no significant effect to policy.	

Details of Substantive Changes and Instructions of use:

- (1) Contracting officers should abide by all changes issued under this update. All solicitations and contracts issued after the effective date of this transmittal shall comply with the requirements of this update unless otherwise directed below.
- (2) **Contracting Authority.** Contracting authority was relocated from Part 2 to subpart 1.8 for ease of use. The authority language was revised to ensure contracting officers understand the limits of their delegated authority and the types of contractual commitments they may enter into on behalf of Bonneville Power Administration.
 - (1) Revised the authority to allow the Learning and Workforce Development Office (NHT) from \$25,000 to \$50,000 to make purchases for commercial education and training courses utilizing purchase cards. This office does not have the authority to enter into contracts. Any need for contracts shall be reserved only for warranted contracting personnel.
 - (2) Clarified policy of using purchase cards and convenience checks. Purchase cards are now listed as the preferred method for making purchases under the micro-purchase threshold (see Part 26 revised policy). Also, added clarification that purchase cardholders with or without convenience check authority does not constitute PO None authority.
- (3) **PO Nones.** Policy has been revised to provide greater clarification as to the use and authority of the PO None. The PO None process is supplemental to the contracting process, and shall only be used when contracts, the purchase card, or the ATP process are not practical and be used only as a last resort for purchasing needs. Policy has removed contracting officer authority to use and/or approve PO Nones. For field purchases, the policy has been clarified to ensure these are only utilized for emergency.
- (4) **Ratifications.** Policy and procedures for ratifying unauthorized commitments was relocated from Part 2 to subpart 1.9. Guidance on ratifications from Appendix 6A was also incorporated into this subpart as the appendix is retired with this update. This update adds the Director of Contracts and Strategic Sourcing's authority to ratify actions up to \$150,000. The contracting officer's authority has not changed. New guidance and procedures have been incorporated to assist contracting officers in processing ratifications.
- (5) **Definitions.** Parts 1 and 2 were reformatted to provide a clear and concise space for definitions which govern the entire BPI. Part 2 will house any definition of terms which are covered in multiple parts of the BPI. The use of the term COTR has been revised to COR with this update.

- (6) **Contract clauses.** New policy has been incorporated to identify provisions versus clauses with this update. This is to provide greater clarity to contracting officers and to reduce the number of findings of provisions being included in awarded contracts. New requirement has been added for all CO-created clauses to be reviewed by OGC and approved by the HCA.
- (7) **Contracting Officer's Signature.** Policy has been incorporated at subsection 4.3.1 to define the requirements of a signature. Contracting officer's shall not use the typed signature or symbol usage (i.e., /s/ or /(CO initials and date)/) when binding Bonneville to contracts, subsequent modifications, and supporting documents.
- (8) **Contract Files.** Policy has been added to establish guidance and procedures for establishing, maintaining and disposing of contract files. The new language was added to address multiple findings of incomplete or missing contract file documentation. The list of items was created to give personnel greater awareness of documentation that is required to be in the contract file. Language was also included to ensure the COR files are part of the contract file.
- (9) **Acquisition Planning, Strategy and Requisitioning.** Part 6 was completely revised and is reissued in its entirety with this update. Policy and guidance was created to capture what items shall be considered during the acquisition planning stage and development of the requisition. The requirement for a requisition training program has been implemented with this update to the BPI. Information previously located in Appendix 6A was incorporated into this revised part and updated based on current acquisition efforts and streamlining initiatives. Appendix 6A is retired.
- (10) **Contract Types.** Part 7 is revised and reissued in its entirety with this update. This revision provides further information and guidance to contracting officers for selecting the appropriate contract type for the acquisition. New contract types have been introduced with guidance and procedures for their application.
- (11) **Sole Source Contracts for Women-Owned Small Business.** BPI implements policy granting contracting officers the authority to award sole source contracts to economically disadvantaged women-owned small business (EDWOSB) and to women-owned small business (WOSB) concerns. This policy is to align with Public Law 113-291.
- (12) **Subcontracting Plans.** Policy revised the threshold of \$50,000 to \$150,000 for mandating subcontracting efforts in contracts. In addition, policy was revised to identify the required contents, forms, and submittal requirements for subcontracting plans. All new awards issued after the effective date of this policy update shall comply with the revised requirements.
- (13) **Trade Agreements** – BPI policy incorporates Ukraine and Moldova as new designated countries under the World Trade Organization Government Procurement Agreement (WTO GPA) and revised the trade agreement thresholds.
- (14) **Paid Sick Leave Under Executive Order 13706.** The BPI implements Executive Order 13706, signed by President Barack Obama on September 7, 2015. EO 13706 requires certain parties that contract with the Federal Government to provide their employees with up to 7 days (56 hours) of paid sick leave annually, including paid leave allowing for family care; it explains that providing access to paid sick leave will improve the health and performance of employees of Federal contractors and bring their benefits packages in line with model employees, ensuring that Federal contractors remain competitive employers and generating savings and quality improvements that will lead to improved economy and efficiency in Government procurement. The BPI defines terms used in the regulatory text, describes the categories of contracts and employees the Order covers and excludes from coverage, sets forth requirements and restrictions governing the accrual and use of paid sick leave, and prohibits interference with or discrimination for the exercise of rights under the Executive Order. It also describes the obligations of Bonneville, the Department of Labor, and contractors under the Executive Order, and it establishes the standards and procedures for complaints, investigations, remedies and administrative enforcement proceedings related to alleged violations of the Order.

- (1) Contracting officers shall include the clause 10-22, Paid Sick Leave Under Executive Order 13706, in all new solicitations and contracts that include the clause 10-3, Service Contract Labor Standards, or 10-7, Construction Wage Rate Requirements, where work is to be performed, in whole or in part, inside the United States. This clause shall not be used in solicitations and contracts with Indian tribes.
 - (2) For any contract awarded on or after January 1, 2017, contracting officers shall include the clause in bilateral modifications extending the contract when such modifications are individually or cumulatively longer than six months. The requirements do not apply to any contract issued on or before December 31, 2016.
 - (3) Contracting officers shall include the clause in existing indefinite-delivery indefinite-quantity (formerly known as master contract/agreement) contracts, if the remaining ordering period extends at least six months and the amount of remaining work or number of orders expected is substantial.
- (15) **Utility services.** A revised definition for utility services has been made. The change is to clarify the commercial services of high-speed internet, cable television, telephone services, and refuse removal are not to be considered utility services. These services are available in the commercial marketplace, with multiple sources available, to which Bonneville should acquire through competitive acquisitions. Revised policy to clarify the authority of program personnel the authority to arrange for and acquire utility services using the PO None process.
- (16) **Noncompetitive Transactions.** New policy and guidance has been added at subpart 11.9 addressing the application of non-competitive transactions. This update revises requirements for non-competitive justifications and required approvals. Non-competitive transactions shall now fall into one of the 4 categories (1) only one responsible source, (2) unusual and compelling urgency, (3) expert services, or (4) authorized or required by statute or uncodified enactments. Each of the categories has policies for use and procedures the contracting officer shall follow in documenting their decision.
- (17) **Management Reviews.** Policy has been revised to require Level III certification (BPA-C or FAC-C) in contracting versus a warrant for higher-level management reviews on solicitations and contracts. Organizational titles were also updated in this section for determination of mission critical procurements. Lastly, policy has been incorporated to mandate contracting officers shall address all deficiencies noted in the review prior to the issuance of the solicitation and/or award. The review and subsequent responses are now mandated to be filed in the official contract file.
- (18) **Changes to the tradeoff analysis.** Policy has been revised for clarification purposes the procedures for a CO to use a tradeoff analysis. This section in policy was recognized to be ambiguous and its operational treatment was inconsistent. To address this issue, new language was incorporated to clarify that only when the technical evaluation results in the lowest-priced offer having the highest technical ratings, a CO does not have to perform a tradeoff analysis. However, a CO is still required to document the technical evaluation and determination of the lowest-price in the DAD.
- (19) **Documenting award decisions.** Policy has been revised at subpart 12.8 to clarify the requirements documenting the contracting officer's award decision and the general formats (1) Document of Award Decision (DAD), (2) Record of Modification (ROM), and (3) Memorandum for Record (MFR) that are to be used. The table previously found in the subpart has been deleted in favor of the new policy in Part 4. Contracting officers are required to sign and date all award decisions to confirm the determination that prices are reasonable and the award is in the best interest of Bonneville. When a DAD or ROM is not required, the CO shall ensure the official file contains evidence of the obtained pricing. Policy language was added that the use of a ROM is required for any action changing the terms and conditions, including price of the contract unless a MFR is utilized or the modification is an administrative change and the change is described in the modification itself. The requirement to use a MFR has been added when a DAD or ROM is not utilized.

- (20) **Contract Administration.** Part 14 was substantially updated to incorporate key policy requirements from Appendix 14A. Policy has incorporated language to identify the roles of the contracting officer, contract specialist, contracting officer's representative and field inspector. Policies and procedures for the functions of contract administration have been expanded and clarified which functions may be delegated by the CO. Policy has been incorporated to emphasize the requirement of documentation the COR is responsible for, and that the COR file shall be provided to the CO upon closeout.
- (21) **Postaward orientation.** Policy and procedures for the post award orientation of contractors and subcontractors has been expanded with the rescindment of Appendix 14A. A postaward orientation is required for every non-commercial contract award, except for orders when an orientation was held at the higher contract level. The CO has the ability to determine the format in which the postaward orientation is conducted. Procedures for using the conference or letter format have been provided.
- (22) **Variation in quantity.** Policy has been revised to provide CO's with guidance in determining when to allow for variation in quantity in their contracts. The procedures for supplies and equipment have been separated from those under service and construction contracts. Three new clauses have been introduced and shall be used when authorizing a variation in quantity in Bonneville contracts.
- (23) **Extensions to contract.** Policy has been revised regarding unilateral and bilateral extensions to reflect the procedures with the use of options. Unilateral extensions shall only be used with pre-priced options. Bilateral extensions are used for un-priced options, and negotiations with the contractor. Policy has been incorporated to address the need to extend expired contracts. If a contract does not provide for options (via the inclusion of an appropriate contract clause in Part 7), a CO may only negotiate a bilateral extension to the contract for unusual and compelling reasons. A CO shall follow the procedures under 11.9.2 when this condition exists.
- (24) **COR Certification Program.** Policy has been revised to incorporate the requirement for Contracting Officer Representative certification program and mandated training requirements. This requirement was previously addressed in Appendix 14A; however, the content and program requirements have been expanded and incorporated into the main body of the policy document. The Director of Contracts and Strategic Sourcing is directed to establish and administer the program in accordance with the new policy and procedures.
- (25) **Bonds.** Policy was revised to align with the requirements of 40 U.S.C. chapter 31, subchapter III, Bonds (formerly known as the Miller Act). The ability for CO's to waive performance and payment bonds in construction contracts has been eliminated. Any construction contract exceeding \$150,000 shall have the requirement unless using cost-reimbursement contracts. Currently, Bonneville does not have any waiver to the bonding requirement and therefore will comply with the requirements. A CO has the option to include bonds or alternative payment protections for construction contracts greater than \$35,000 and less than \$150,000. Bonds shall not be required for any construction contract less than \$35,000.
- (1) Policy and procedures have been provided for other than construction contracts. In general, a CO shall not require bonds outside construction contracts unless otherwise provided for in the revised policy.
 - (2) Standardized forms for performance and payment bonds have been incorporated for use.
 - (3) Procedures for handling sureties have also been included.
- (26) **Insurance.** Policy has been amended regarding insurance requirements on Bonneville contracts to align with risk management. Insurance requirements are required to be adequate, just and reasonable. They should be predicated on potential loss or damage, not necessarily the value of the contract. COs shall include insurance requirements in contracts performed on Bonneville, or another Government agency's property and when Government property is involved. The CO may elect to include insurance requirements where Bonneville elects to assume the risks of the contractor where ordinary commercial insurance is inadequate for the needs of the work. Whenever insurance is

required for the contract, the CO shall also include the minimum insurance coverage required for the work performed.

(27) **Service contracts.** The following policy changes have been made to Part 23 to assist contracting officers in executing service contracts:

- (1) Extension of services procedure has been included to align with the new policy regarding options in Bonneville contracts. COs now have the ability, if the conditions warrant the need, to extend service contracts 6 months beyond the period of performance without obtaining an HCA waiver.
- (2) Incorporated new language allowing for COs to enter into contracts with temporary help.
- (3) Policy incorporated advisory and assistance services guidance and procedures to align with federal guidance and statutes. Expert and consulting services are identified as a component of advisory and assistance services.
- (4) Expanded guidance for dismantling, demolition or removal of improvements. This new policy was created to help COs in determining if the work is construction or services.

(28) **Construction.** Part 24 was revised and updated to align with statutory and Bonneville requirements. Separate clauses for use under cost-reimbursement contracts have been created to differentiate from fixed-price contracts. Policy and guidance for utilizing two-phase design-build solicitations has been incorporated. In addition, expanded policy and guidance for dismantling, demolition or removal of improvements has been included.

(29) **Architect-Engineer Services.** New policy has been incorporated at subpart 24.6 for procedures and guidance with architect-engineer (A-E) services. COs will find new mandatory clauses for use in all new solicitations and contracts for A-E services.

(30) **Interagency acquisitions.** Part 25 was revised in its entirety. The revised policy is to promote the use of Interagency Agreements (IAAs) over the use of Intergovernmental Contracts (IGCs). This change is to improve efficiencies with other Federal, State and local government entities. IGC specific clauses have been eliminated from policy and contracting officers shall follow the new requirement to select the appropriate contract type and use appropriate related clauses (i.e., fixed-type or cost-reimbursement) as appropriate for the acquisition.

(31) **Micro-Purchase Program.** Policy has been revised when making purchases up to the micro-purchase threshold, the following priorities should be placed on any purchases under the micro-purchase limits:

- (1) Purchase card,
- (2) ATP, and
- (3) Convenience Check.

(32) **Purchase cards.** Policy has been revised to mandate the use of the P-Card for ordering and paying for standard, commercially available COTS items under the micro-purchase threshold; and for services up to \$2,500.

- (1) Purchases for professional services are authorized up to \$10,000; only after written determination is made by a CO that the Service Contract Labor Standards do not apply.
- (2) The monthly purchase limit of \$50,000 has been rescinded. Instead, policy mandates the monthly purchase threshold shall be established based on organizational budgets and prudent purchasing needs. The requirement for HCA review and approval of these monthly limits has also been rescinded.
- (3) Purchases for training and education courses. Policy has been included to authorize cardholders in the NHT organization to up to \$50,000 single-purchase limits for training and education courses.
- (4) Policy has been updated to reflect requirements to comply with A-123, Appendix B, including implementing a span of control requirement with the limitation of 15 cardholders, or 500 transactions per month, to each Approving Official.

(33)**Authorization to Pay (ATP) process.** Policy has incorporated new language in Part 26 to implement the ATP process. The ATP process is considered part of the micro-purchase program, and is to be used only after confirming the use of the purchase card is not practical.

