

GSA ORDER

Subject: General Services Administration Acquisition Manual; GSAM Case 2022-G504,
Business Case Exception for Best in Class (BIC) Solutions

1. **Purpose.** This General Services Administration (GSA) order revises the General Services Administration Acquisition Manual (GSAM) to outline the process to meet the requirement for the development of a business case or analysis of alternatives (AoA) for GSA acquisitions included in governmentwide category management strategic plans approved by the Category Management Leadership Council (CMLC).
2. **Background.** On October 14, 2008, Section 865 Preventing Abuse of Interagency Contracts Public Law 110-417, was issued and required that “any multi-agency contract entered into by an executive agency be supported by a business case analysis detailing the administration of such contract, including an analysis of all direct and indirect costs to the Federal Government of awarding and administering such contract and the impact such contract will have on the ability of the Federal Government to leverage its purchasing power.”

On January 3, 2012, a final FAR rule was issued to amend FAR subpart 17.5 Interagency Acquisitions. The FAR rule added requirements for executive agencies to prepare a business case analysis for multi-agency contracts (MACs).

On March 20, 2019, OMB issued memorandum M-19-13, [Category Management: Making Smarter Use of Common Contract Solutions and Practices](#), regarding new requirements for an AoA and updated requirements for business cases for MACs.

On October 23, 2020, GSAM Case 2019-G509, Category Management and Business Case Process, was published and implemented the majority of OMB Memo M-19-13. However, GSAM Case 2019-G509 did not address mandatory source contracts or Best in Class (BIC) solutions.

Previously, the Senior Procurement Executive issued Class Deviation SPE-2015-03-06 to FAR Subpart 17.5, Interagency Acquisitions, exempting mandatory sources mandated by statute from the business case analysis requirement at FAR 17.502-1(c).

GSA is amending the GSAM to provide clarification to the acquisition workforce that the category management process satisfies the business case or AoA requirement for:

- Tier 3 (BIC) solutions including those mandated by statute, and

- Tier 2 solutions, other than GWACs, which have an approved category management strategic plan.
3. Effective date. February 16, 2022
 4. Explanation of changes. This amendment includes non-regulatory revisions to the GSAM. For full text changes of this amendment see Attachment A, GSAM Line-In/Line-Out. The following is a summary of the revisions:

Section 507.7102 Analyses of Alternatives (AoAs).

(a) *General.* Renumbered the list of actions that require an AoA and simplified the language for clarity.

- Added Tier designation to renumbered (a) 1. Tier 0 designation was for clarification.
- Added Tier designation to renumbered (a) 2. Tier 1 designation was added for clarification.
- Added Tier designation and clarifying language to renumbered (a) 3. Tier 2 was added to clearly identify Tier 2 actions not included in a governmentwide category management strategic plan approved by the Category Management Leadership Council must prepare an AoA.

(b) *Exceptions.* Added two new exceptions to the list and renumbered the list for consistency. The two new exceptions:

- Added new (b) 3. to clearly state that Tier 2 designated solutions which are included in a governmentwide category management strategic plan approved by the Category Management Leadership Council are exempt from the requirement to prepare an AoA.
- Added new (b) 4. to clearly state Tier 3 designated solutions including those mandated by statute such as the GSA AutoChoice Program and GSA City Pair Program (CPP)

(d) *Coordination.* Changed language to clarify guidance by eliminating possessive pronouns and unnecessary words.

(e) *Content.* Fixed grammatical errors and modified language to simplify guidance.

Section 507.7103 Business Case and Executive Agent Designation Requirement.

Revised title to separate out executive agent designation requirements. New title is “Business Cases for GWACs.”

(a) *General.* Unnecessary reference was excluded, and language was simplified to improve the clarity of the text.

(b) *Timeframe for development.* Removed all references to executive agent designation.

(c) *Coordination.* Removed all references to executive agent designation.

(d) *Business case content.* Shorten title to “Content” and fixed grammatical errors.

(e) *Approval.* Removed all references to executive agent designation.

Section 507.7104 Executive Agent Designations.

Added this section to clearly separate the business case requirement from the executive agent designation.

(a) *General*. Added OMB responsibilities or requirements regarding executive agent designations to:

- Establish and operate GWACs, per 40 U.S.C. § 11302.
- Establish and operate certain other programs consistent with applicable statutory requirements.
- Submit an alternative of analysis or business case as part of the review process.

(b) *Exceptions*. Provided exception for statutes that specifically designate an executive agent, such as GSA AutoChoice Program and GSA City Pair Program.

(c) *Timeframe for development*. Provided timeline and routing procedures for development of an executive agent designation.

(d) *Coordination*. Fixed grammatical errors.

(e) *Approval*. Outlined the approval process.

5. Cancellations. This order hereby cancels SPE-2015-03-06.
6. Point of Contact. Any questions regarding this order should be directed to Johnnie McDowell, General Services Acquisition Policy Division, at gsarpolicy@gsa.gov.

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GSAM Case 2022-G502
“Business Case Exception for Best in Class (BIC) Solutions”

GSAM Text, Line-In/Line-Out

GSAM Baseline: Change 147 effective 02/02/2022

- Additions to baseline are indicated by **[bold text in brackets]**
- Deletions to baseline made by final rule are indicated by ~~strikethroughs~~
- Five asterisks (* * * * *) indicate that there are no revisions between the preceding and following sections
- Three asterisks (* * *) indicate that there are no revisions between the material shown within a subsection

Part 507 - Acquisition Planning

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507.7102 Analyses of Alternatives (AoA[s]).

(a) *General.* With exception to paragraph (b) of this section, —

— (1) ~~A~~**[a]**n AoA shall be developed for a ~~planned acquisition that is —~~

~~(1)~~ **[1]** ~~[For GSA-funded Tier 0 acquisitions o]~~ Over \$50 million, including all options and incentives~~;~~**;**~~or~~

~~(2)~~ **[2]** ~~[For GSA-funded Tier 1 acquisitions o]~~ Over \$100 million, including all options and incentives~~, and will be considered Tier 1 spending;~~ **or**~~;~~

~~(3)~~ **[3]** ~~An AoA may be required for any planned acquisition at~~ **[When establishing a new Tier 2 contract at]** any dollar value **[if the acquisition is not included in a governmentwide category management strategic plan approved by the Category Management Leadership Council at <https://hallways.cap.gsa.gov/category-management-strategic-plans>.** ~~]~~ for a Tier 2 Governmentwide acquisition contract (GWAC) or multi-agency contract other than a GWAC or Federal Supply Schedule (FSS) Blanket Purchase Agreement (BPA).

(b) *Exceptions.* An AoA is not required when the planned acquisition is for —

(1) Defense-centric spend;

(2) Agency-wide spend through FSS, **[including]** FSS BPA[s];~~and~~

[(3) Any planned acquisition considered Tier 2 spending which is included in a governmentwide category management strategic plan approved by the Category Management Leadership Council at <https://hallways.cap.gsa.gov/category-management-strategic-plans>, since the AoA requirement is satisfied through the category management process;] ~~certain other GSA IDIQ contract vehicles;~~

[(4) Any OMB designated Tier 3 solution, including those mandated by statute such as the GSA AutoChoice Program ([Pub.L. 107-217, Aug. 21, 2002](#)) and GSA City Pair Program (CPP) ([Pub. L. 96-192, Feb. 15, 1980](#)), since the AoA requirement is satisfied through the category management process;]

[(5) ~~(3)~~ The establishment of a GWAC including the next generation of an existing GWAC (but see [507.7103](#)); or

[(6) ~~(4)~~ Acquiring leasehold interests in real property (see [part 570](#)).

(c) *Timeframe for development.* An AoA shall generally be developed no less than 18-24 months prior to award. Prior to developing an AoA, the contracting officer shall follow their Service-level procedures and the process described in subpart [504.71](#) for purposes of notifying the SPE and, if applicable, scheduling an acquisition review.

(d) *Coordination.* The contracting officer shall coordinate with ~~their~~ **[the]** applicable Service-level acquisition policy organization, ~~the applicable~~ category manager(s), and the OSDBU in developing the AoA.

(e) *Content.* An AoA sample is available on the Category Management, AoAs & Business Cases **[topic]** page on the GSA Acquisition Portal at <https://insite.gsa.gov/acquisitionportal> and ~~maybe~~ **[may be]** used for developing an AoA. ~~At a minimum,~~ **[Each]** AoA shall include **[, at a minimum,]** the following information:

* * *

(12) Name(s) of key point[s] of contacts for the planned acquisition.

(f) *Approval.* The SPE is the designated agency approving authority for AoAs.

507.7103 Business Case[s] and ~~Executive Agent Designation Requirements~~ [for GWACs].

(a) *General.* ~~Per 40 U.S.C. § 11302, OMB issues an executive agent designation to a federal agency to establish and operate a Governmentwide Acquisition Contract (GWAC). OMB requires a business case as part of their executive agent designation review process. A business case is required for the establishment of a new~~

[Governmentwide Acquisition Contract (GWAC) (see definition at FAR 2.101)]
~~GWAC~~ including the next generation of an existing GWAC.

(b) *Timeframe for development.* A business case ~~and executive agent designation~~ shall generally be developed no less than 18-24 months prior to award (see FAR 17.502-1(b) for additional details). Prior to developing a business case ~~and executive agent designation~~, the contracting officer shall follow their Service-level procedures and the process in subpart [504.71](#) for purposes of notifying the SPE and, if applicable, scheduling an acquisition review.

(c) *Coordination.* The contracting officer shall coordinate with ~~their~~ **[the]** applicable Service-level acquisition policy organization, ~~the applicable category manager(s), and the OSDBU~~ when developing a business case ~~and executive agent designation~~.

(d) ~~Business case e[C]ontent.~~ A GWAC Business Case Analysis sample is available on the Category Management, AoAs & Business Cases page on the GSA Acquisition Portal at <https://insite.gsa.gov/acquisitionportal> and ~~maybe~~ **[may be]** used for developing a **[the respective]** business case. ~~At a minimum,~~ **[Each business case]** AoA shall include **[, at a minimum,]** the following information:

* * *

(11) Name(s) of key point[s] of contacts for the planned acquisition.

(e) *Approval.* The SPE is the designated agency approving authority for business cases. ~~OMB approves executive agent designations. The Administrator must sign off on an executive agent designation prior to its submission to OMB.~~

[507.7104 Executive Agent Designations.

(a) General.

(1) OMB issues executive agent designations to Federal agencies to establish and operate GWACs, per 40 U.S.C. § 11302.

(2) OMB may issue executive agent designations to Federal agencies to establish and operate certain other programs consistent with applicable statutory requirements.

(3) OMB requires an alternative of analysis (see 507.7102) or business case (see 507.7103) as part of their executive agent designation review process.

(b) *Exceptions.* Any statute that designates an executive agent does not require a request to OMB, including the GSA AutoChoice Program ([Pub.L. 107-217, Aug. 21, 2002](#)) and GSA City Pair Program (CPP) ([Pub. L. 96-192, Feb. 15, 1980](#)).

(c) *Timeframe for development.* An executive agent designation shall generally be developed no less than 18-24 months prior to award (see FAR 17.502-1(b) for additional details). Prior to developing an executive agent designation request, the contracting officer shall follow their Service-level procedures and the process in subpart [504.71](#) for purposes of notifying the SPE and, if applicable, scheduling an acquisition review.

(d) *Coordination.* The contracting officer shall coordinate with the Service-level acquisition policy organization, the category manager(s), and OSDBU when developing an executive agent designation request.

(e) *Approval.* OMB approves executive agent designations. The Administrator must approve an executive agent designation request prior to its submission to OMB.]

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