

## 8.405-3 Blanket purchase agreements (BPAs).

### (a) *Establishment.*

(1) *Ordering activities* may establish BPAs under any schedule contract to fill repetitive needs for *supplies* or services. *Ordering activities shall* establish the BPA with the schedule contractor(s) that can provide the supply or service that represents the *best value*.

(2) In addition to price (see [8.404\(d\)](#) and [8.405-4](#)), when determining *best value*, the *ordering activity may* consider, among other factors, the following:

(i) *Past performance.*

(ii) Special features of the supply or service required for effective program performance.

(iii) Trade-in considerations.

(iv) Probable life of the item selected as compared with that of a comparable item.

(v) *Warranty* considerations.

(vi) Maintenance availability.

(vii) Environmental and energy efficiency considerations.

(viii) Delivery terms.

(3)

(i) The *ordering activity contracting officer shall*, to the maximum extent practicable, give preference to establishing multiple-award BPAs, rather than establishing a single-award BPA.

(ii) No single-award BPA with an estimated value exceeding \$100 million (including any *options*), may be awarded unless the *head of the agency* determines *in writing* that-

(A) The orders expected under the BPA are so integrally related that only a single source can reasonably perform the work;

(B) The BPA provides only for firm-fixed priced orders for-

(1) *Products* with unit prices established in the BPA; or

(2) Services with prices established in the BPA for specific tasks to be performed;

(C) Only one source is qualified and capable of performing the work at a reasonable price to the Government; or

(D) It is necessary in the public interest to award the BPA to a single source for exceptional

circumstances.

(iii) The requirement for a determination for a single-award BPA greater than \$100 million is in addition to any applicable requirement for a limited-source justification at [8.405-6](#). However, the two documents *may* be combined into one document.

(iv) In determining how many multiple-award BPAs to establish or that a single-award BPA is appropriate, the *contracting officer should* consider the following factors and document the decision in the *acquisition* plan or BPA file:

(A) The scope and complexity of the requirement(s);

(B) The benefits of on-going competition and the need to periodically compare multiple technical approaches or prices;

(C) The administrative costs of BPAs; and

(D) The technical qualifications of the schedule contractor(s).

(4) BPAs *shall* address the frequency of ordering, invoicing, discounts, requirements (*e.g.*, estimated quantities, work to be performed), delivery locations, and time.

(5) When establishing multiple-award BPAs, the *ordering activity shall* specify the procedures for placing orders under the BPAs in accordance with [8.405-3\(c\)\(2\)](#).

(6) Establishment of a multi-agency BPA against a Federal Supply Schedule contract is permitted if the multi-agency BPA identifies the participating agencies and their estimated requirements at the time the BPA is established.

(7) *Minimum documentation.* The *ordering activity contracting officer shall* include in the BPA file documentation the-

(i) Schedule contracts considered, noting the contractor to which the BPA was awarded;

(ii) Description of the supply or service purchased;

(iii) Price;

(iv) Required justification for a limited-source BPA (see [8.405-6](#)), if applicable;

(v) Determination for a single-award BPA exceeding \$100 million, if applicable (see (a)(3)(ii) of this section);

(vi) Documentation supporting the decision to establish multiple-award BPAs or a single-award BPA (see (a)(3)(iv));

(vii) Evidence of compliance with paragraph (b) of this section, for competitively awarded BPAs, if applicable; and

(viii) *Basis for the award decision.* This *should* include the evaluation methodology used in selecting the contractor, the rationale for any tradeoffs in making the selection, and a price reasonableness determination for services requiring a statement of work.

(b) *Competitive procedures for establishing a BPA.* This paragraph applies to the establishment of a

BPA, in addition to applicable instructions in paragraph (a).

(1) *For supplies, and for services not requiring a statement of work.* The procedures of this paragraph apply when establishing a BPA for *supplies* and services that are listed in the schedule contract at a fixed price for the performance of a specific task, where a statement of work is not required (*e.g.*, installation, maintenance, and repair).

(i) *If the estimated value of the BPA does not exceed the simplified acquisition threshold.*

(A) *The ordering activity shall:*

(1) Consider reasonably available information about the supply or service offered under MAS contracts by surveying at least three schedule contractors through the GSA Advantage! on-line shopping service, by reviewing the catalogs or pricelists of at least three schedule contractors, or by requesting quotations from at least three schedule contractors (see [8.405-5](#)); or

(2) Document the circumstances for restricting consideration to fewer than three schedule contractors based on one of the reasons at [8.405-6\(a\)](#).

(B) *The ordering activity shall* establish the BPA with the schedule contractor(s) that can provide the *best value*.

(ii) *If the estimated value of the BPA exceeds the simplified acquisition threshold. The ordering activity contracting officer:*

(A) *Shall* provide an RFQ that includes a description of the *supplies* to be delivered or the services to be performed and the basis upon which the selection will be made.

(B) (1) *Shall* post the RFQ on e-Buy to afford all schedule contractors offering the required *supplies* or services under the appropriate *multiple award schedule(s)* an opportunity to submit a quote; or

(2) *Shall* provide the RFQ to as many schedule contractors as practicable, consistent with *market research* appropriate to the circumstances, to reasonably ensure that quotes will be received from at least three contractors that can fulfill the requirements. When fewer than three quotes are received from schedule contractors that can fulfill the requirements, the *contracting officer shall* prepare a written determination explaining that no additional contractors capable of fulfilling the requirements could be identified despite reasonable efforts to do so. The determination *must* clearly explain efforts made to obtain quotes from at least three schedule contractors.

(C) *Shall* ensure all quotes received are fairly considered and award is made in accordance with the basis for selection in the RFQ. After seeking price reductions (see [8.405-4](#)), establish the BPA with the schedule contractor(s) that provides the *best value*.

(D) The BPA *must* be established in accordance with paragraphs (b)(1)(ii)(B) and (C) of this section, unless the requirement is waived on the basis of a justification that is prepared and approved in accordance with [8.405-6](#).

(2) *For services requiring a statement of work.* This applies when establishing a BPA that requires services priced at hourly rates, as provided by the schedule contract. The applicable services will be identified in the Federal Supply Schedule publications and the contractor's pricelists.

(i) *Statements of Work (SOWs).* The *ordering activity shall* develop a statement of work. All

Statements of Work *shall* include a description of work to be performed; location of work; period of performance; deliverable schedule; applicable performance standards; and any special requirements (e.g., security clearances, travel, and special knowledge). To the maximum extent practicable, agency requirements *shall* be performance-based statements (see subpart [37.6](#)).

(ii) *Type-of-order preference.* The *ordering activity shall* specify the order type (i.e., firm-fixed price, time-and-materials, or labor-hour) for the services identified in the statement of work. The *contracting officer should* establish firm-fixed priced orders to the maximum extent practicable. For time-and-materials and labor-hour orders, the *contracting officer shall* follow the procedures at [8.404\(h\)](#).

(iii) *Request for Quotation procedures.* The *ordering activity must* provide a RFQ, which includes the statement of work and evaluation criteria (e.g., experience and *past performance*), to schedule contractors that *offer* services that will meet the agency's needs. The RFQ *may* be posted to GSA's electronic RFQ system, e-Buy (see [8.402\(d\)](#)).

(iv) *If the estimated value of the BPA does not exceed the simplified acquisition threshold.* The *ordering activity shall* provide the RFQ (including the statement of work and evaluation criteria) to at least three schedule contractors that *offer* services that will meet the agency's needs.

(v) *If estimated value of the BPA exceeds the simplified acquisition threshold.* The *ordering activity contracting officer-*

(A) *Shall* post the RFQ on e-Buy to afford all schedule contractors offering the required *supplies* or services under the appropriate multiple-award schedule an opportunity to submit a quote; or

(B) *Shall* provide the RFQ, which includes the statement of work and evaluation criteria, to as many schedule contractors as practicable, consistent with *market research* appropriate to the circumstances, to reasonably ensure that quotes will be received from at least three contractors that can fulfill the requirements. When fewer than three quotes are received from schedule contractors that can fulfill the requirements, the *contracting officer shall* document the file. The *contracting officer shall* prepare a written determination explaining that no additional contractors capable of fulfilling the requirements could be identified despite reasonable efforts to do so. The determination *must* clearly explain efforts made to obtain quotes from at least three schedule contractors.

(vi) The *ordering activity contracting officer shall* ensure all quotes received are fairly considered and award is made in accordance with the basis for selection in the RFQ. The *ordering activity* is responsible for considering the level of effort and the mix of labor proposed to perform, and for determining that the proposed price is reasonable.

(vii) The BPA *must* be established in accordance with paragraph (b)(2)(iv) or (v), and with paragraph (b)(2)(vi) of this section, unless the requirement is waived on the basis of a justification that is prepared and approved in accordance with [8.405-6](#).

(viii) The *ordering activity contracting officer shall* establish the BPA with the schedule contractor(s) that represents the *best value* (see [8.404\(d\)](#) and [8.405-4](#)).

(3) After award, *ordering activities should* provide timely notification to unsuccessful *offerors*. If an unsuccessful *offeror* requests information on an award that was based on factors other than price alone, a brief explanation of the basis for the award decision *shall* be provided.

(c) *Ordering from BPAs.* The procedures in this paragraph (c) are not required for BPAs established on or before May 16, 2011. However, *ordering activities* are encouraged to use the procedures for

such BPAs.

(1) *Single-award BPA*. If the *ordering activity* establishes a single-award BPA, authorized users *may* place the order directly under the established BPA when the need for the supply or service arises.

(2) *Multiple-award BPAs*.

(i) Orders at or below the *micro-purchase threshold*. The *ordering activity* *may* place orders at or below the *micro-purchase threshold* with any BPA holder that can meet the agency needs. The *ordering activity* *should* attempt to distribute any such orders among the BPA holders.

(ii) Orders exceeding the *micro-purchase threshold* but not exceeding the *simplified acquisition threshold*.

(A) The *ordering activity* *must* provide each multiple-award BPA holder a fair opportunity to be considered for each order exceeding the *micro-purchase threshold*, but not exceeding the *simplified acquisition threshold* unless one of the exceptions at [8.405-6\(a\)\(1\)\(i\)](#) applies.

(B) The *ordering activity* need not contact each of the multiple-award BPA holders before placing an order if information is available to ensure that each BPA holder is provided a fair opportunity to be considered for each order.

(C) The *ordering activity contracting officer* *shall* document the circumstances when restricting consideration to less than all multiple-award BPA holders offering the required *supplies* and services.

(iii) Orders exceeding the *simplified acquisition threshold*.

(A) The *ordering activity* *shall* place an order in accordance with paragraphs (c)(2)(iii)(A)(1), (2) and (3) of this paragraph, unless the requirement is waived on the basis of a justification that is prepared and approved in accordance with [8.405-6](#). The *ordering activity* *shall*-

(1) Provide an RFQ to all BPA holders offering the required *supplies* or services under the multiple-award BPAs, to include a description of the *supplies* to be delivered or the services to be performed and the basis upon which the selection will be made;

(2) Afford all BPA holders responding to the RFQ an opportunity to submit a quote; and

(3) Fairly consider all responses received and make award in accordance with the selection procedures.

(B) The *ordering activity* *shall* document evidence of compliance with these procedures and the basis for the award decision.

(3) *BPAs for hourly-rate services*. If the BPA is for hourly-rate services, the *ordering activity* *shall* develop a statement of work for each order covered by the BPA. *Ordering activities* *should* place these orders on a firm-fixed price basis to the maximum extent practicable. For time-and-materials and labor-hour orders, the *contracting officer* *shall* follow the procedures at [8.404\(h\)](#). All orders under the BPA *shall* specify a price for the performance of the tasks identified in the statement of work. The *ordering activity* is responsible for considering the level of effort and the mix of labor proposed to perform a specific task being ordered, and for determining that the total price is

reasonable through appropriate analysis techniques, and documenting the file accordingly.

(d) *Duration of BPAs.*

(1) Multiple-award BPAs generally *should* not exceed five years in length, but *may* do so to meet program requirements.

(2) A single-award BPA *shall* not exceed one year. It *may* have up to four one-year *options*. See paragraph (e) of this section for requirements associated with *option* exercise.

(3) Contractors *may* be awarded BPAs that extend beyond the current term of their GSA Schedule contract, so long as there are *option* periods in their GSA Schedule contract that, if exercised, will cover the BPA's period of performance.

(e) *Review of BPAs.*

(1) The *ordering activity contracting officer* shall review the BPA and determine *in writing*, at least once a year (*e.g.*, at *option* exercise), whether-

(i) The schedule contract, upon which the BPA was established, is still in effect;

(ii) The BPA still represents the *best value* (see [8.404\(d\)](#)); and

(iii) Estimated quantities/amounts have been exceeded and additional price reductions can be obtained.

(2) The determination *shall* be included in the BPA file documentation.

**Parent topic:** [8.405 Ordering procedures for Federal Supply Schedules.](#)