



1. PURPOSE

The purpose of this document is to provide SPAWAR claimancy policy and guidance for the preparation and approval of Limited-Source Justifications for orders under the General Services Administration (GSA) Federal Supply Schedule (FSS) contracts as specified in [FAR 8.405-6](#).

The Limited-Sources Justification documents the determination that there are less than three GSA FSS small businesses that will satisfy the government's requirements.

Related guidance is available under [5.2.2.3.1 Limited Sources Justifications for Orders under GSA FSS Contracts](#).

2. POLICY

It is the policy of SPAWAR to promote competition for task and delivery orders among FSS contractors based on the guidance in [FAR Subpart 8.4](#) and [DFARS Subpart 208.4](#). However, SPAWAR may solicit quotations from FSS contractors on a Limited-Source basis.

SPAWAR orders solicited on a limited-source basis shall have a Limited-Source Justification prepared as provided for below. The Limited-Source Justification for orders under GSA FSS contracts as specified in [FAR 8.405-6](#) is not considered a Justification and Approval (J&A); therefore the review by counsel for legal sufficiency in [NMCARS 5206.303-90](#) is not required *but should be considered when deemed appropriate; SSC Atlantic policy requires legal review on actions >\$13.5M*.



Orders placed under FSS are exempt from the competition requirements in [FAR Part 6](#). However, ordering activities shall:

- Procure Limited-Source requirements only if the need to do so is justified in writing and approved at the levels specified in [Approval Thresholds](#); and
- Prepare Limited-Source Justifications using the information at [FAR 6.303-2](#), modified to cite that the acquisition is conducted under the authority of Section 201 of the Federal Property and Administrative Services Act of 1949 ([40 U.S.C. 501](#)).
- Justify any restriction in the consideration of schedule contractors to fewer than required in [FAR 8.405-1](#) or [8.405-2](#).

Orders under FSS contracts are not exempt from the submittal requirements of an Acquisition Plan at [DFAR 207.103](#).



Justifications shall be posted online for public inspection within 14 days or within 30 days for urgent requirements as stated in [FAR 8.405-6\(2\)](#).

3. RESPONSIBILITIES

3.1 Contracting Officer/Contract Specialist

- Documents the Limited-Source Justification following the format herein.
- Ensures that an approved Limited-Source Justification is included in the contract file prior to issuing a task or delivery order under a Federal Supply Schedule contract.
- Assigns appropriate Limited-Source Justification numbers in accordance with local procedures when applicable (see [Approval Thresholds](#) below).
- Documents via a memorandum when large business quotes are necessary for FSS procurements between the micro-purchase and simplified acquisition threshold, except when an ordering activity has approved justification limiting



sources in accordance with [FAR 8.405-6](#). The Limited Sources Justification will be provided with the [DD2579](#) prior to review and approval by the Small Business Office.



- *Post the justification to [Fedbizopps.gov](#) via [e-Commerce](#) in accordance with [FAR 8.405-6\(a\)\(2\)](#).*

3.2 Program Manager (PM)/Technical Code

Provides the Contracting Officer/Contract Specialist with any supporting information to justify procuring items without the benefit of competition.

4. PROCEDURE

4.1 Contracting Officer/Contract Specialist

- Review [Approval Thresholds](#) to determine Limited-Source Justification approval authority:

Note: After an initial Limited-Source Justification is approved, any subsequent Limited-Source Justification approval threshold shall be determined by the value of the subsequent/additional scope only, and not on the aggregate value of initially approved work and the subsequent work.

- Number the document IAW local policy in accordance with the following:

Activity	Numbering Scheme
SPAWAR HQ	Procedures for assigning and obtaining control numbers for APs, BCs, D&Fs, IAMs, J&As, contracts and solicitations may be found in SCPPM Change Notice (SCN) 99-07 . See Policy Alert 14-006 for the HQ Current FY control numbers log.
SSC-Pacific	Control numbers for all procurements may be obtained from the Electronic Procurement Log, located at N:\LOGS\Procurement Action Log.xls
SSC-Atlantic	Not Required.

- Obtains input from the PM/Technical Code to support the rationale for the Limited-Source Justification.

Document *each* Limited-Source Justification, which require the same *type of* information and format as *in* a J&A (see [Justification and Approval \(J&A\)](#)).

- SSC Atlantic:** See [Toolbox](#) for revised Limited-Source Justification Format for Acquisitions under GSA FSS Contracts.
- SSC Pacific:** In an effort to promote standardization and ensure adequate documentation, the [Business Memorandum for GSA Delivery Orders](#) is mandatory for all GSA delivery order actions.
- If **ASN(RD&A)¹ Approval** is required:
 - **Contracting Officer/Contract Specialist** shall fully develop content per [FAR 6.303-2](#), [DFARS 206.302-1](#) and especially [NMCARS 5206.303-2](#). Assume the reader is unfamiliar with the program.
 - In addition, review the following ASN(RD&A) Acquisition and Business Management (ABM) memos for additional content requirements:

¹ ASN(RD&A) is the Navy Senior Procurement Executive (NSPE) as per [DFARS 201.101](#)



- o Detailed information on the areas of concern and information requirements for these justifications can be found in an [ABM Policy Memo](#) dated March 27, 2002.
- o Amplifying information can be found in [ABM Policy Memo](#) dated Sept 05, 2002.
- **Contracting Officer/Contract Specialist** ensures each justification has a forwarding  [GSA Business Memorandum](#) signed by **SPAWAR 2.0/2.0A**.
- Limited-Source Justifications over **\$13.5M** initiated by field activities shall be forwarded to **SPAWAR HQ Code 2.3A** at HQ_Contracts_Policy@navy.mil in sufficient time for routing and coordination.



4.2 Posting Requirements

Agencies shall make justification documents available for public inspection: within 14 days of contract award ([FAR 8.405-6\(a\)\(2\)\(i\)](#)); within 30 days if the J&A is for unusual and compelling urgency ([FAR 8.405-6\(a\)\(2\)\(ii\)](#))

4.2.1 SCREENING OF JUSTIFICATION DOCUMENTATION FOR PROPRIETARY DATA

- Before making the justifications available for public inspection, contracting officers shall carefully screen all justifications for contractor proprietary data, references and citations, removing all such data, as necessary to protect proprietary information ([FAR 8.405-6\(a\)\(2\)\(iii\)](#)).
- Contracting officers shall also redact all names, signatures, and phone numbers of Government Officials.
- Contracting officers shall also be guided by the exemptions to disclosure of information contained in the Freedom of Information Act (5 U.S.C. 552) and the prohibitions against disclosure in [FAR Subpart 24.2](#) in determining whether other data should be removed. The Justification should be sent via encrypted e-mail as a PDF file to the Command FOIA officer to review and redact using ADOBE software.
- All postings prepared for public disclosure shall be reviewed by the PAO prior to posting.

5. APPROVAL THRESHOLDS



Dollar Threshold (x)	Approval Authority
$x \geq \$93M$	ASN(RD&A) via DASN(AP)
$\$13.5M \leq x < \$93M$	SPAWAR 2.0 or HCA (SES/Flag Only)
$\$700K \leq x < \$13.5M$	Competition Advocate (SPAWAR 2.0/2.0A, SSC Atlantic Code 2.0, SSC Pacific Code 2.0)
$\$3,500 \leq x < \$700K$	Contracting Officer

6. TOOLBOX

6.1 General

1.  [GSA FSS Sole Source Justification](#)
2.  [GSA FSS Limited-Sources Justification](#)
3.  [GSA Business Memorandum](#)
4.  [GSA Order Checklist \(Optional\)](#)
5.  [Justification and Approval \(J&A\) SCPPM](#)



6.2 SSC Atlantic

1.  [GSA FSS Sole Source Justification](#)

7. CHANGE HISTORY

Updated material is highlighted by *purple text* and an Alert/New  icon.

Date	Description of Changes
November 2015	Updated format, reorganized content, and updated links. In addition, updated thresholds and added posting requirement for limited source justifications.
July 2011	Last version created in old format. Links corrected Feb 2013.