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# Acquisition Planning for Indefinite Delivery Indefinite Quantity Contracts and Task Orders

A Mandatory Reference for ADS Chapter 302

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## **Initiation of Acquisition Planning**

This mandatory reference supplements the policy and guidance in ADS Chapter 302 and ADS 300 for Operating Units (OUs) and Contracting Officers (COs) regarding acquisition planning. This is not additional to the Individual Acquisition Plans, but provides considerations and requirements for appropriately documenting the rationale in IAPs to support the use of Indefinite Delivery Indefinite Quantity Contracts (IDIQs) and Task Orders.

In general, OUs must develop an IDIQ Statement of Work (SOW) that describes the scope, nature, complexity, and purpose of the specific<sup>1</sup> technical services and/or supplies that the Agency will require under the contract. SOWs must not be so broad that they become ambiguous, allowing indiscriminate issuance of Task Orders not clearly within the scope or purpose of the IDIQ. The premise is that the supplies or services remain the same and only the quantities and deliveries will be determined at a future time.

The OU and the CO must analyze the scope of a planned IDIQ to determine the likely period of performance for Task Orders to be issued under the IDIQ. The period of performance for task orders and any extended period of performance allowed within the terms of the IDIQ, beyond the basic ordering period of the IDIQ, must be the minimum necessary to achieve the objective(s) of the IDIQ (see the relevant section on IDIQs in [ADS 302.3](#) for policy regarding the maximum period of performance).

The Operating Units, in coordination with the cognizant CO, may request approval for any exceptions to the policies and procedures at (2)b. below from the Senior Procurement Executive (SPE).

### **(1) The Scope and Basis for Use of an IDIQ or Task Order**

#### **a. IDIQ vs. Stand-alone award(s)**

IDIQs are used to acquire specific recurring supplies and/or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award. IDIQs are not intended to be the tool/mechanism of first choice for implementing projects/activities that, in principle, could successfully accomplish development objectives through one or more independent awards or through the use of partner country systems. (See [ADS Chapter 220, Use of Reliable Partner Country Systems for Direct Management and Implementation of Assistance](#), for guidance on using partner country systems). The same considerations apply to Task Orders – they should not be used to implement large-scale long-term development

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<sup>1</sup> Although the Operating Unit has the flexibility to use a broad statement of work, it should not be so vague that it fails to describe the general purpose of the contract or that subsequent task orders could be challenged as being outside the scope of the contract. The requirement that task orders be within scope is critical since protests can be filed on the grounds that the order increases the scope, period, or maximum value of the contract.

projects/activities. If adequate resources for the development, negotiation, and administration of a needed activity exist within Missions/OUs, the Mission must consider soliciting one or more stand-alone competitive awards to meet its programmatic needs, even if an appropriate IDIQ is available.

OUs must assess projects to determine whether a variety of stand-alone activities or Regional/Bureau/Mission-wide IDIQs could achieve the objectives equally as well as an Agency-wide IDIQ.

- b. At the end of the IDIQ period or earlier, as part of the Acquisition and Assistance (A&A) strategy in the Project Appraisal Document (PAD) (see [ADS 201.3.15.4](#)), the OU and CO must address any possible ways in which the OU will be able to shift from IDIQs or use of existing IDIQs to some other mode of implementation, including (in no particular order of preference) stand-alone contracts, the use of partner country systems, direct awards to local organizations, or small business opportunities.

For follow-on IDIQs, sole source extensions of existing IDIQs, or new IDIQs planned in Washington, Operating Units must canvas field missions to ascertain potential future use. As a required element of any proposed follow-on IDIQ or extension, OUs must assess program requirements being performed under existing IDIQs during the third year of implementation (or as soon thereafter as feasible). OUs must initiate planned follow on procurements (IDIQ or otherwise) during the third year of an existing IDIQ's implementation.

## **(2) IAP Requirements for Use of IDIQs and Task Orders**

The Planner (as defined in [ADS Chapter 300](#)) for a proposed acquisition must prepare a written Individual Acquisition Plan (IAP) for IDIQs/IQCs and Task Orders. The Planner must work with the CO to ensure the plan for each proposed acquisition complies with the requirements in [ADS 300](#). OUs must provide a supporting rationale as set forth below for proposed use of an IDIQ to be incorporated into the IAP. When properly supported by the OU and approved in the IAP, IDIQs may be solicited to provide supplies/services on a

- Mission-specific,
- Multi-Regional,
- Functional or Technical Sector,
- Bureau-wide/Independent Office, or
- Regional basis.

- a. The rationale must
  - i. State the requested IDIQ period of performance and total maximum ceiling of the planned award; and



Washington ends, or host countries are able to assume the responsibility, or the IDIQ no longer demonstrates operational efficiency or best value.

**iv. Resource Constraints**

OUs must provide the rationale supporting use of sector support IDIQs to meet technical assistance and sector support requirements in an area or set of countries because the technical and contracting staff available is insufficient to permit the timely development and/or implementation management of numerous

For such IDIQs, the using Mission or Bureau must show that there is no available technical and contracting staff to permit the timely award of this work under a stand-alone procurement.

**v. Commodity Procurement**

OUs must specify the quantifiable and demonstrable economies of scale or responsive timing of delivery for commodity procurement to be achieved through an IDIQ. The rationale must include:

- An analysis of the need for the specific commodities to be procured; and
- A statement on the extent of economies of scale/efficiency that can be achieved in the specific area being addressed.

The Agency preference is for use of fixed price instruments when purchasing commodities. Providing for use of other than fixed price Task Orders under an IDIQ must be justified by the OU and documented in the file by the CO (see [ADS 302](#)).