MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION AND PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DIRECTOR, DEFENSE COMMISSARY AGENCY
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY
DIRECTOR, NATIONAL SECURITY AGENCY
DIRECTOR, DEFENSE HEALTH AGENCY
DIRECTOR, WASHINGTON HEADQUARTERS SERVICES

SUBJECT: Compliance with the DoD Strategic Sustainability Performance Plan,
Sub Goal 7.1 - 95% of Procurements Conducted Sustainably

This memorandum continues the requirement established in the Department of Defense (DoD) Strategic Sustainability Performance Plan (SSPP) to ensure compliance with Sub-Goal 7.1 -- 95% of Procurement Conducted Sustainably. The sub-goal requires that 95% of contract actions for applicable products and services, meeting DoD performance requirements, must adhere to the principles of sustainability by containing energy-efficient (Energy Star or Federal Energy Management Program-designated), water-efficient, bio-based, environmentally preferable, non-ozone depleting, recycled content, and/or are non-toxic or less-toxic alternatives. The sub-goal applies to products and services including task and delivery orders, but excluding the acquisition of weapon systems and their components and spare parts.

To demonstrate compliance with the DoD SSPP, Sub Goal 7.1, Defense Procurement and Acquisition Policy (DPAP) is continuing the data collection and review process established in the prior compliance reviews. Request that Departments and Agencies identify above each review a sample of 100 applicable contract actions with a value greater than $3,000 from FY 2016, first and second quarters, and report if the contract actions include requirements for sustainable products and services.

The pool of 100 contracts actions selected shall include procurements in which green/sustainable products and services can be supplied or used in accordance with the attached instructions, review template, and recommended product service codes. The reviewer shall identify for each selected contract action which of the following designated categories apply:
- USDA-designated Biobased/BioPreferred
- FEMP-designated Energy Efficient Low Standby Power products/appliance
- IT related Energy Star Energy products/appliance
- EPEAT-registered products
- CPG/Recycled Content Products
- WaterSense or other water efficient products
- Environmentally Preferred Products
- Products containing Non-(or lower) Ozone Depleting Substances (i.e., SNAP)
- Products with no or low toxic or hazardous constituents (i.e., non-VOC paint)
- Other (if required)

The Council on Environmental Quality within the Executive Office of the President requested our review emphasize contract actions for USDA Biobased/BioPreferred products, FEMP-designated low standby power products/appliances, and IT related Energy Star products/appliances to the greatest extent practicable. Please complete the review and submit your report using the attached template format by June 22, 2016.

Additional information on Sustainable Procurement can be found at the OMB website, [http://www.whitehouse.gov/omb/procurement_index_green/](http://www.whitehouse.gov/omb/procurement_index_green/); and in DoD’s Green Procurement Program, [http://www.acq.osd.mil/dpap/cpic/cp/docs/USA001967-08-DPAP.pdf](http://www.acq.osd.mil/dpap/cpic/cp/docs/USA001967-08-DPAP.pdf), which provides a comprehensive strategy for implementing environmentally preferred practices while sustaining the overall mission.

My point of contact for this action is Mr. Larry McLaury, who may be reached at larry.j.mclaury2.civ@mail.mil or 703-697-6710.

Claire M. Grady
Director, Defense Procurement
and Acquisition Policy

Attachments:
As stated
Instructions: 2016 Sustainable Acquisition Report / Contract Reviews

How to use the template:

- The reporting template has been separated into tabs:
  1. General Instructions
  2. Review Template – to document reviews of individual contract actions. (instructions for this template are included below)
  3. Recommended PSCs – list of Product Service Codes (PSCs) to focus reviews on acquisitions likely to have sustainability requirements

- Agencies must fill out the Review Templates.

- Under “Brief Description of Contract Action,” Agencies should at least identify which category of contract was reviewed (ex. construction, cleaning services, etc.). It should also indicate the type of contract action reviewed (new contract award, BPA, task order, etc.)

- Agencies must submit results using the workbook provided, with a summary tab that is preformatted to standardize submissions.

Guidelines on conducting reviews:

- Contract actions selected for the review should be limited to those involving the purchase of products or services that would likely include the use of products that are subject to federal statutory, regulatory, and/or executive order sustainability requirements (referred to as “eligible” contract actions). Contracts for products or services that are not subject to any sustainability requirements should not be included in the report or calculations of compliance.

- Components must review at least 5% of eligible contract actions in each quarter, but no fewer than 50 individual contract actions per quarter, unless otherwise approved by OMB.

- Agencies may narrow the focus of their reviews to specific PSCs to help identify eligible contracts, then take a 5% sample.

- Agencies should randomly select eligible contract actions for the review, rather than select contracts because that are already known to be compliant.

- Contract actions can be reviewed either at the headquarters level, by operating entities, or by regional offices; however all personnel conducting the review must follow the same general rules and guidelines as the others within the department (where applicable) and agency.
Attachment

- The Department will consolidate the data and submit one worksheet with Department-wide results.

- For agencies with a large number of contracts, a dollar threshold may be set for contract actions to be reviewed. Agencies should target contract actions with a higher dollar value.

- Types of contract actions that may be reviewed include:
  - New contracts issued in the previous two quarters
  - Solicitations for new contracts, even if the expected award will be in subsequent quarter
  - Modifications to existing contracts to add sustainability requirements
  - Orders placed against BPAs or other agreements
  - Indefinite Delivery Indefinite Quantity (IDIQ) contracts or orders
  - Task orders under existing multi-year contracts
  - Other types of contract actions prioritized by the agency

- In setting parameters for the review, please place particular emphasis to target actions that are likely to be subject to requirements for Energy Star certified/FEMP-designated products and USDA Biobased/ BioPreferred products (the latter comprising service contracts for construction and renovations, operations and maintenance, food services, vehicle maintenance, and janitorial services).

- In order to focus on products and services most relevant to sustainable purchasing requirements, OMB recommends focusing reviews on the PSCs indicated on Tab 3) “Recommended PSCs”; however, agencies may determine that other PSCs that are relevant to sustainable procurement at their agency should be included. If an agency is looking at PSCs other than those on the recommended list, please provide a reason for inclusion.

Determining Compliance:

- For each applicable sustainability requirement, including language in the Statement of Work (SOW), Statement of Objectives (SOO), or Performance Work Statement (PWS) in addition to the applicable FAR clauses¹ is a best practice; however, either SOW/SOO/PWS language or clauses are sufficient for contract compliance.

- Note that the language or FAR clause must directly require the delivery or use of sustainable products. For example:
  - If an agency is acquiring biobased products through a service or construction contract, FAR clause 52.223-2 alone (i.e., without SOW/SOO language) would be sufficient to show compliance.
  - However, if an agency is acquiring biobased products through a supplies only contract, specification of biobased products in the SOW/SOO would be needed to show compliance (because FAR clause 52.223-2 does not apply). If a supplies contract includes minor services, then the contract would need either biobased criteria in the SOW/SOO or FAR clause 52.223-2.

¹ or for those agencies not covered by the FAR, equivalent agency-specific clause
Including only FAR provision 52.223-1 – *Biobased Product Certification* is not sufficient for compliance, regardless of the type of contract (supplies only, service, or construction).

**Instructions for Tab 2:**

This template is preprogrammed to automatically update the “compliant” column based on selections in each column.

- **Column B:** Enter a contract number or other identifier used by the agency
- **Column C:** Enter the type of action and a brief description of the category (see examples)
- **Columns D:** Enter 1, 2, 3, or 4 to reflect the quarter
- **Column E:** Enter the selection made for this contract action in the Federal Procurement Data System Next Generation (FPDS-NG) for Field 8L- Recovered Materials/Sustainability (no answer is required from agencies not subject to the FAR)
- **Column F:** Enter the selection made for this contract action in FPDS-NG for Field 8K- Use of EPA Designated Products (no answer is required from agencies not subject to the FAR)
- **Columns H-O:** Sustainable attributes/criteria (See E.O. implementing instructions for further details on these criteria). In each column, indicate whether the applicable criteria are included or not:
  - Y (yes) – required criteria were included in the contract, or an exception has been justified and documented
  - N (no) - a required sustainability element was not included, and no exception was documented
  - N/A (not applicable) - the criteria are not applicable to the product or service being procured

Further details:

- First determine which sustainable attributes in Columns H-O are applicable. As previously noted, "applicable" means that the acquisition includes products or services which are to federal statutory, regulatory, and/or executive order sustainability requirements.
- If your agency does not have a template or policy specifying which sustainable attributes are required for your contract, you can query the Green Procurement Compilation at https://sftool.gov/greenprocurement to determine which sustainable attributes (if any) listed in columns H-O are required for the product(s) or service(s) covered by your contract action.
- If one or more sustainable attributes are applicable, review the contract action to see whether it meets the requirement for including sustainability criteria. If Yes, enter "Y" for those sustainable categories.
  - Note: For agencies not subject to the FAR, equivalent agency-specific clauses that apply the indicated E.O. 13693 criteria can be used instead of the FAR clauses listed in the Definitions/Requirements.
- If an exception to sustainability requirements has been documented for one of the reasons below, you should also enter "Y" under that attribute:
  - Product or service cannot be acquired competitively within a reasonable performance schedule.
- Product or service cannot be acquired that meets reasonable performance requirements.
- Product or service cannot be acquired at a reasonable price.

- If an applicable contract action does not meet the sustainable attribute definition for an applicable category and no exception has been documented, enter "N".
- If the criteria are not applicable to the product or service, enter "N/A."
- The "Compliant" column (Column G) will automatically update. If all criteria are marked Y or N/A - indicating that all relevant requirements were met - this column will show compliant. If any criteria are marked N - indicating that a required sustainability element was not included, and no exception was documented - this column will show noncompliant. Leaving cells blank will result in an incomplete.
<table>
<thead>
<tr>
<th>Agency Procurement Indicators</th>
<th>Brief Description of Contract Action</th>
<th>Quarter</th>
<th>FPDS Field 81: Recovered Materials/ Sustainability</th>
<th>FPDS Field 82: Use of CFL Designated Products</th>
<th>Compliant Based on Manual Review?</th>
<th>Recovered Materials/ Recycled Content (FPDS Field 80)</th>
<th>EISA Distributed Products</th>
<th>SBA Alternatives to Ozone Depleting Substances and High Global Warming Potential HFCs / SNAP</th>
<th>Environmentally Preferable</th>
<th>EPA Safe Choice</th>
<th>EPA SmartWay</th>
<th>Comments (Optional)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Definitions / Requirements</strong></td>
<td>Identify which fiscal year quarter the contract was awarded in</td>
<td>Enter the selection made for this contract action in the Federal Procurement Data System field 41.</td>
<td>Enter the selection made for this contract action in the Federal Procurement Data System field 41.</td>
<td>NOTE: This column indicates automatically. Contract Action is compliant if it includes a &quot;Y&quot; or &quot;N/A&quot; for each sustainable attribute. Column E, I: Contract includes FAR Clause 52.223-14 on Energy Star certified/ EPAct designated products.</td>
<td>Contact includes FAR Clause 52.223-14 on Energy Star certified/ EPAct designated products.</td>
<td>Contact includes FAR Clause 52.223-9 on language requiring EPAct designated products.</td>
<td>Contact includes FAR Clause 52.223-9 on language requiring EPAct designated products.</td>
<td>Contract includes language requiring alternate to Ozone Depleting Substances and High Global Warming Potential HFCs/SNAP.</td>
<td>Contract includes any of the following sustainable attributes that are applicable: contract procurement - language requiring EPA Safe Choice (formerly: EPA Design for the Environment) labeled products - language requiring sustainable standard/policy that is not managed by the Federal government. This includes FAR Clause 52.223-12, 52.223-14, 52.223-16 - language requiring EPA registered products - language requiring product having no or low toxicity/ Hazardous components - language requiring environmentally preferable products or services as defined by 40 Part 2.</td>
<td>Contract includes language requiring EPA Safe Choice products.</td>
<td>Contracts include language requiring EPA Safe Choice products.</td>
<td>Agencies can include any additional comments as need arises to explain the contract review.</td>
</tr>
<tr>
<td><strong>EXAMPLE</strong></td>
<td>VA-DPS 12-09-012 [Sample Compliant Contract]</td>
<td>New Contract Award</td>
<td>Power and attention for 4th floor office</td>
<td>2</td>
<td>Bid Award</td>
<td>Meets Requirements</td>
<td>Y</td>
<td>N/A</td>
<td>Y</td>
<td>N/A</td>
<td>Y</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>EXAMPLE</strong></td>
<td>VA-DPS 12-09-020 [Sample Non-Compliant Contract]</td>
<td>Task Order</td>
<td>Supply of waste for office space and industrial cleaning solution</td>
<td>3</td>
<td>Environmentally Preferable</td>
<td>Not Required</td>
<td>N</td>
<td>N</td>
<td>N/A</td>
<td>N/A</td>
<td>Y</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>EXAMPLE</strong></td>
<td>VA-DPS 12-09-030 [Sample Non-Compliant Contract]</td>
<td>If RFA/12-335-04</td>
<td>RFA computer products and installation</td>
<td>2</td>
<td>FAR 52.223-4 &amp; 52.223-6</td>
<td>Not Required</td>
<td>NO</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
Recommended PSCs to Focus Reviews

12 - Fire Control Equipment
23 - Ground Vehicles, Motor Vehicles, Trailers, Cycles
26 - Tires and Tubes
36 - Special Industry Machinery
41 - Refrigeration, Air Conditioning Equip.
42 - Fire Fighting, Rescue, and Safety Equipment
43 - Pumps and Compressors
45 - Plumbing, Heating, and Sanitation Equipment
56 - Construction and Building Materials
62 - Lighting Fixtures and Lamps
68 - Chemicals and Chemical Products
70 - ADP Equipment Software, Supplies, Equipment
71 - Furniture
72 - Household/Commercial Furnishings and Appliances
73 - Food Preparation and Serving Equipment
74 - Office Machines
75 - Office Supplies and Devices
79 - Cleaning Equipment and Supplies
80 - Brushes, Paints, Sealers, and Adhesives
81 - Containers, Packaging, and Packing Supplies
85 - Toiletries
87 - Agricultural Supplies
91 - Fuels, Lubricants, Oils, and Waxes
C - Architect and Engineering - Construction
E - Purchase of Structures and Facilities
J - Maintenance, Repair, and Rebuilding of Equipment
M - Operation of Government Owned Facilities
N - Installation of Equipment
R - Professional, Administrative and Management Support
S - Utilities and Housekeeping Services
T - Photographic, Mapping, Printing, and Publications
V - Transportation, Travel and Relocation
Y - Construction of Structures and Facilities
Z - Maintenance, Repair or Alteration of Real Property
Other PSCs - if your agency chooses to include these PSCs in the review, please include explanation / justification

10 - Weapons
11 - Nuclear Ordinance
13 - Ammunition and Explosives
14 - Guided Missiles
15 - Aircraft and Airframe Structural Components
16 - Aircraft Components and Accessories
17 - Aircraft Launching/Landing/Ground Handling Equip.
18 - Space Vehicles
19 - Ships, Small Craft, Pontoons, and Floating Docks
20 - Ship and Marine Equipment
22 - Railway Equipment
24 - Tractors
25 - Vehicular Equipment Components
28 - Engines, Turbines, and Components
29 - Engine Accessories
30 - Mechanical Power Transmission Equipment
31 - Bearings
32 - Woodworking Machinery and Equipment
34 - Metalworking Machinery
35 - Service and Trade Equipment
37 - Agricultural Machinery and Equipment
38 - Construction, Mining, Excavating, Highway Maintenance
39 - Materials Handling Equipment
40 - Rope, Cable, Chain, and Fittings
44 - Furnace/Steam Plant/Drying Equip., Nuclear Reactors
46 - Water Purification and Sewage Treatment Equipment
47 - Pipe, Tubing, Hose, Fittings
48 - Valves
49 - Maintenance and Repair Shop Equipment
51 - Hand Tools
52 - Measuring Tools
53 - Hardware and Abrasives
54 - Prefabricated Structures and Scaffolding
55 - Lumber, Millwork, Plywood, and Veneer
58 - Communications, Detection and Coherent Radiation
59 - Electrical and Electronic Equipment Components
60 - Fiber Optics Materials and Components
61 - Electric Wire, and Power and Distribution Equipment
63 - Alarm, Signal, and Detection Systems
65 - Medical, Dental, and Veterinary Equipment
66 - Instruments and Laboratory Equipment
67 - Photographic Equipment
69 - Training Aids and Devices
76 - Books, Maps, and Other Publications
77 - Musical Instruments
78 - Recreational and Athletic Equipment
83 - Textiles/Leather/Furs/Apparel/Shoes/Tents/Flags
84 - Clothing, Individual Equipment, and Insignia
88 - Live Animals
89 - Subsistence (Food)
93 - Nonmetallic Fabricated Materials
94 - Nonmetallic Crude Materials
95 - Metal Bars, Sheets, and Shapes
96 - Ores, Minerals, and Their Primary Products
99 - Miscellaneous

A - Research and Development
B - Special Studies and Analyses - Not R&D
D - Automatic Data Processing and Telecommunication
F - Natural Resources and Conservation
G - Social Services
H - Quality Control, Testing, and Inspection
K - Modification of Equipment
L - Technical Representative
P - Salvage Services
Q - Medical Services
U - Education and Training
W - Lease or Rental of Equipment
X - Lease or Rental of Facilities