



Additional Requirements for Acquisitions Involving Consolidation or Substantial Bundling

A Mandatory Reference for ADS Chapter 300

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I. Applicability

This mandatory reference applies to solicitations and resultant contracts performed in the United States and its outlying areas that involve bundling, substantial bundling, or consolidation. It does not apply to contracts performed entirely overseas.

II. Definitions

- A. *Bundling* – See [FAR 2.101](#).
- B. *Substantial Bundling* – See [FAR 7.107-4](#). For USAID, substantial bundling includes solicitations/contracts (including task or delivery orders) with an estimated value of \$2.5 million or greater.
- C. *Consolidation* – See [FAR 2.101](#).

III. Overview

[FAR 7.107](#) prescribes additional requirements for acquisitions involving consolidation, bundling, or substantial bundling, as these actions have the potential to impact small business participation. These additional requirements include, but are not limited to, making written determinations that consolidation or bundling is necessary and justified; quantifying the benefit versus impact of consolidation or bundling; and notifying current small business contractors, the public, and the Small Business Administration (SBA) of the Agency's intent.

IV. Written Determinations

- A. *Consolidation* – In accordance with [FAR 7.107-2](#), the Contracting Officer (CO) must obtain the approval of the Senior Procurement Executive (SPE) or Chief Acquisition Officer (CAO) via written determination for consolidations exceeding \$2 million.
- B. *Bundling* – In accordance with [FAR 7.107-3](#), the CO must obtain a written determination that bundling is necessary and justified before proceeding with a bundled requirement.

V. Notification Requirements

- A. See [FAR 7.107-5](#) for the specific requirements for:
 - Notification to current small business contractors of the intent to bundle
 - Notification to the public of the rationale for a bundled requirement
 - Notification to the public of consolidation of contract requirements

- Notification to the public of substantial bundling of contract requirements
- Notification to SBA of follow-on bundled or consolidated requirements

B. Required Actions

- COs must publish a public notice on the Governmentwide Point of Entry (SAM.gov) within seven calendar days of a determination that a planned acquisition involves substantial bundling of contract requirements or consolidation of contract requirements. The public notice must address the rationale for substantial bundling or consolidation of contract requirements per the information required at FAR 7.107-4 for substantial bundling and FAR 7.107-2 for consolidation.
- COs must wait at least seven calendar days after the public notice is published to issue a solicitation for a related procurement; the justification for substantial bundling or consolidation (*see prior action item*) must be included along with the published solicitation.

C. See [ADS 321.3.3](#) for Agency requirements for the Planner or CO to notify the Office of Small and Disadvantaged Business Utilization (OSDBU) of the intent to consolidate or bundle requirements, and to coordinate written determinations and solicitations involving consolidation or bundling with OSDBU.

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