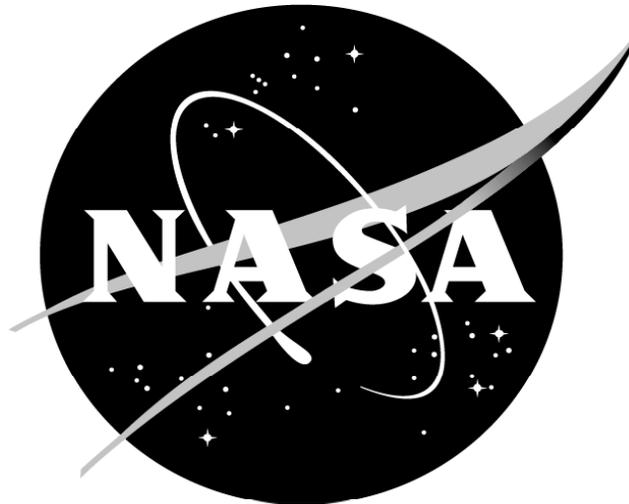


Responsible Office: Office of Small and Disadvantaged Business Utilization (Code K)  
Subject: Policy Formulation



**Office of Small and Disadvantaged Business Utilization  
(HQ/Code K)**

**Office Work Instruction**

**Policy Formulation**

Approved by: Original signed by Ralph Thomas, III, 5/18/01  
Ralph Thomas, III  
Associate Administrator for  
Office of Small and Disadvantaged Business Utilization



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## 1. Purpose

The purpose of this procedure is to document the OSDBU process to formulate policies pertinent to the Agency's responsibilities for small, small-disadvantaged, woman-owned businesses, Historically Black Colleges and Universities, and other Minority Educational Institutions.

## 2. Scope and Applicability

This OWI covers the policy formulation process in Code K to ensure compliance with the terms of applicable public laws (see Section 4.0, "References" and NPD 5000.2) and to formulate policy that addresses the OSDBU mission and responsibilities.

## 3. Definitions

- 3.1 AA. Associate Administrator.
- 3.2 Action Officer (AO). Person within Code K assigned responsibility by the AA to formulate new OSDBU policy or revise an existing policy.
- 3.3 ADS. Action Data Summary.
- 3.4 APFR. Assessing Policy Formulation Request (OSDBU Form 112). Form the AO completes to evaluate and implement policy document changes. This form can be obtained from the Code K shared drive at: Code\_k on 'hqdata2' (U:).
- 3.5 Code H. Office of Procurement.
- 3.6 Code JM. Office of Management Systems' Management Assessment Division.
- 3.7 Comments Package. Memorandum prepared by Code K that addresses comments received during the 60-day period in which external stakeholders can provide comments on the NASA FAR Supplement Regulation. The memorandum categorizes and summarizes the comments and provides responses to those categorizations and summaries.
- 3.8 FAR. Federal Acquisition Regulations.
- 3.9 FRC. Federal Records Center.
- 3.10 MBRAC. Minority Business Resource Advisory Committee.
- 3.11 NAC. NASA Advisory Council.
- 3.12 NARA. National Archives Records Administration

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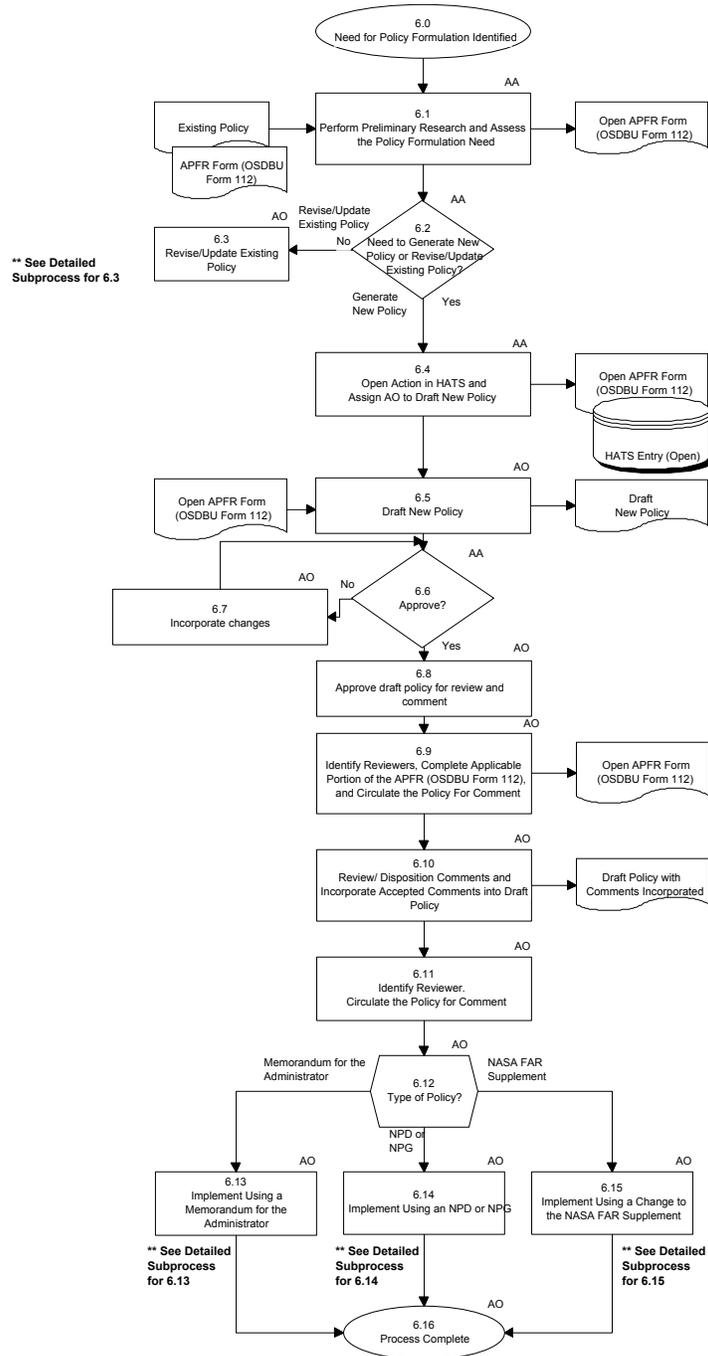
- 3.13 NPD. NASA Policy Directive signed by the Administrator.
- 3.14 NODIS. NASA On-Line Directives Information System.
- 3.15 NPG. NASA Policy Guidance signed by the Official in Charge.
- 3.16 OIC. Official in Charge.
- 3.17 OSDBU. Office of Small and Disadvantaged Business Utilization.
- 3.18 Rule. NASA FAR Supplement Regulation.
- 3.19 SDB. Small and Disadvantaged Business.

#### **4. References**

- 4.1 NPDP 1000.1 NASA Strategic Plan
- 4.2 NPDP 1000.2 NASA Strategic Management Handbook
- 4.3 NPDP 5000.2 Uniform Methodology for Determination of Small Disadvantaged Subcontracting Goals
- 4.4 Small Business Act of 1958 (Section 15), as amended
- 4.5 Public Law 95-507 (Section 221), October 26, 1978
- 4.6 Public Law 101-144, November 9, 1989
- 4.7 Public Law 101-507, November 5, 1990

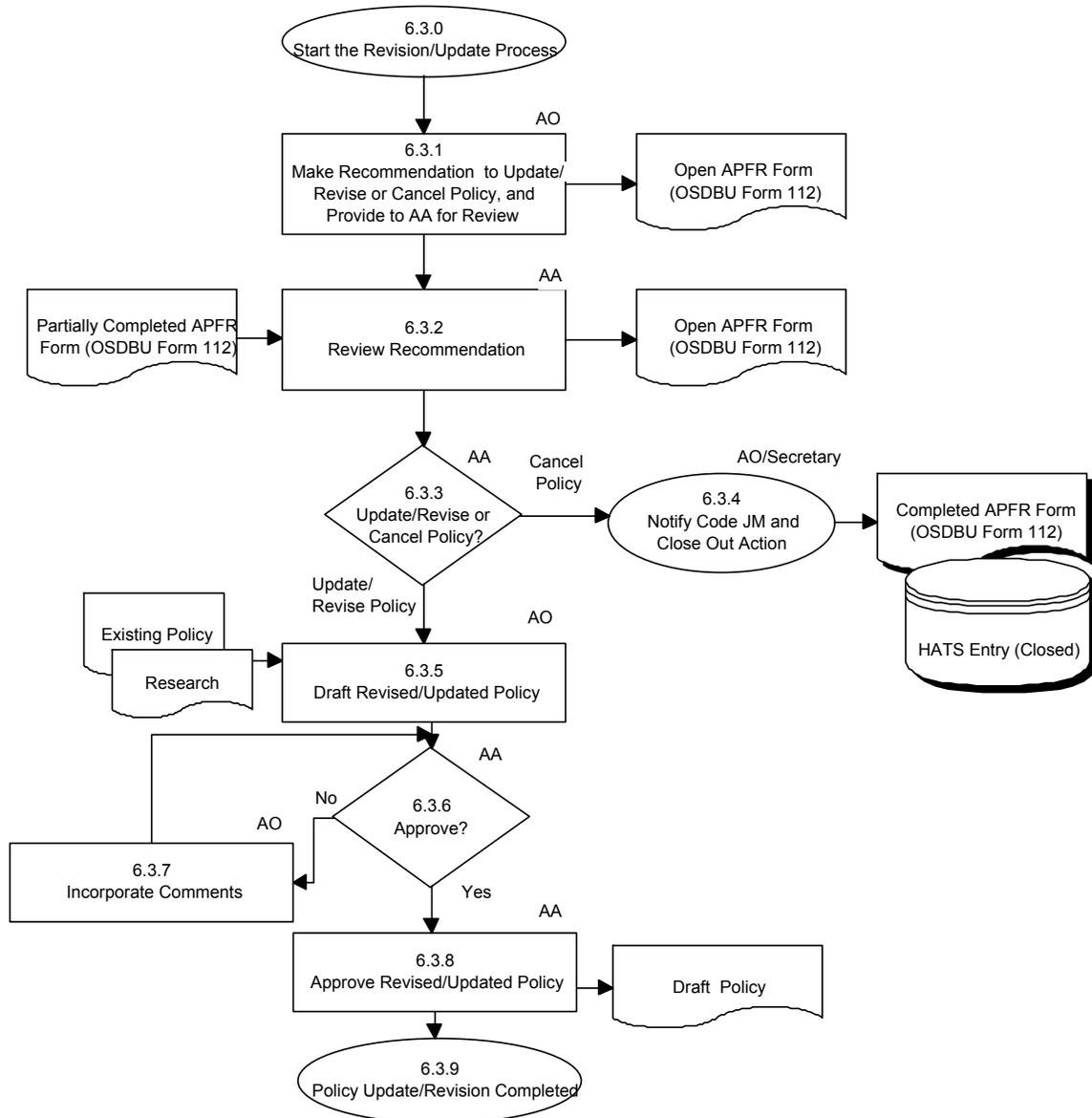
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## 5. Flowchart



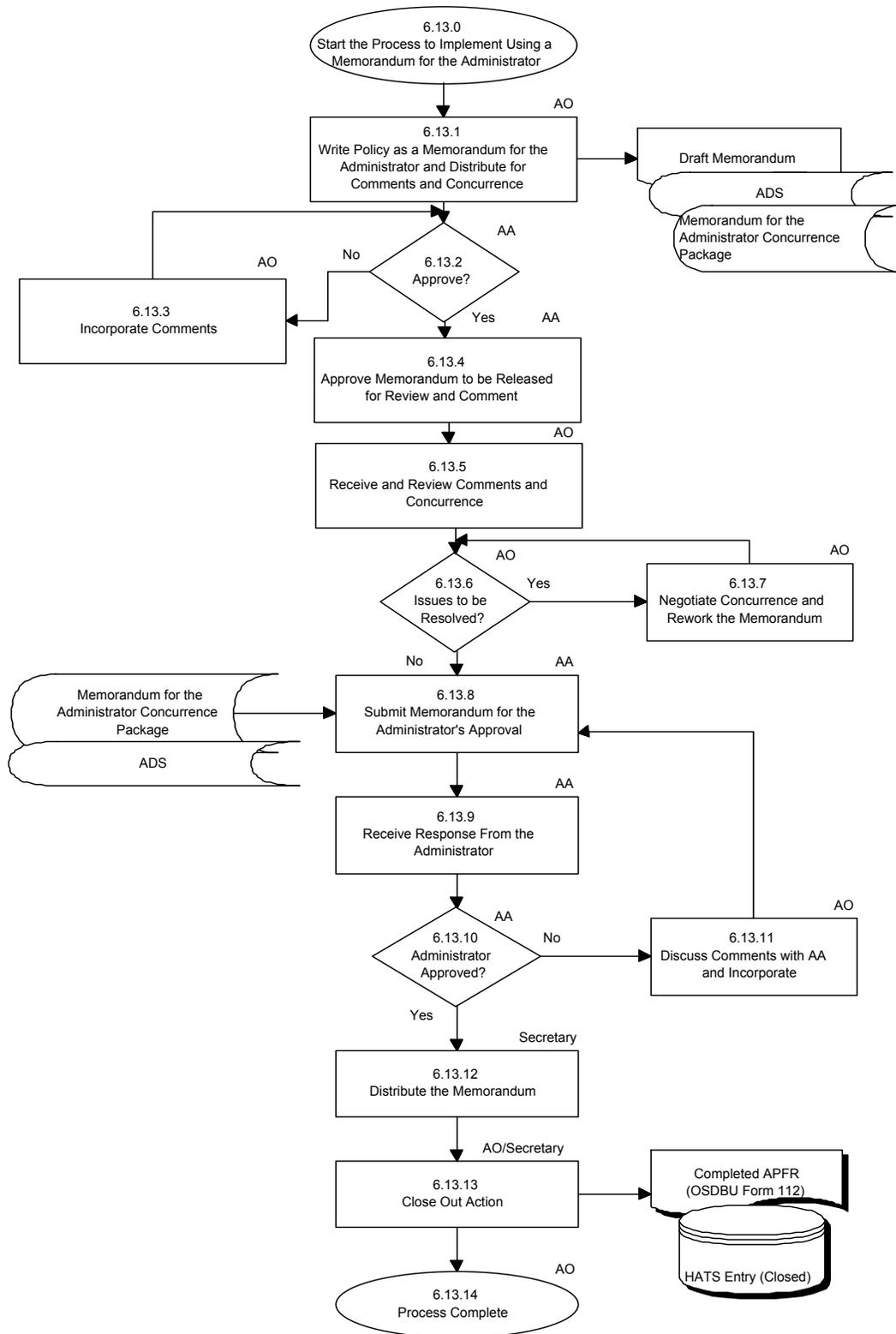
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**Flowchart – continued**



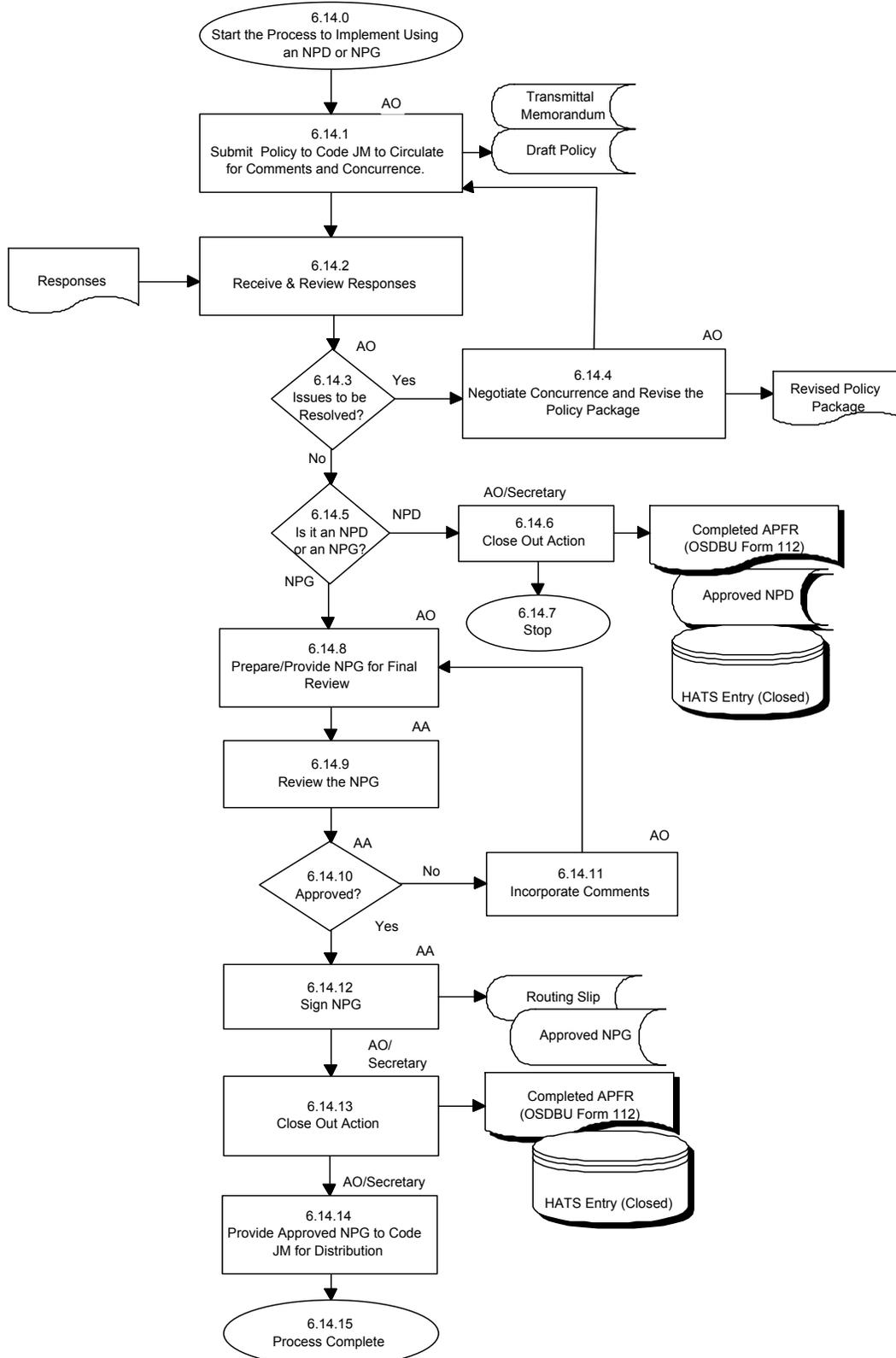
Responsible Office: Office of Small and Disadvantaged Business Utilization (Code K)  
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**Flowchart - continued**



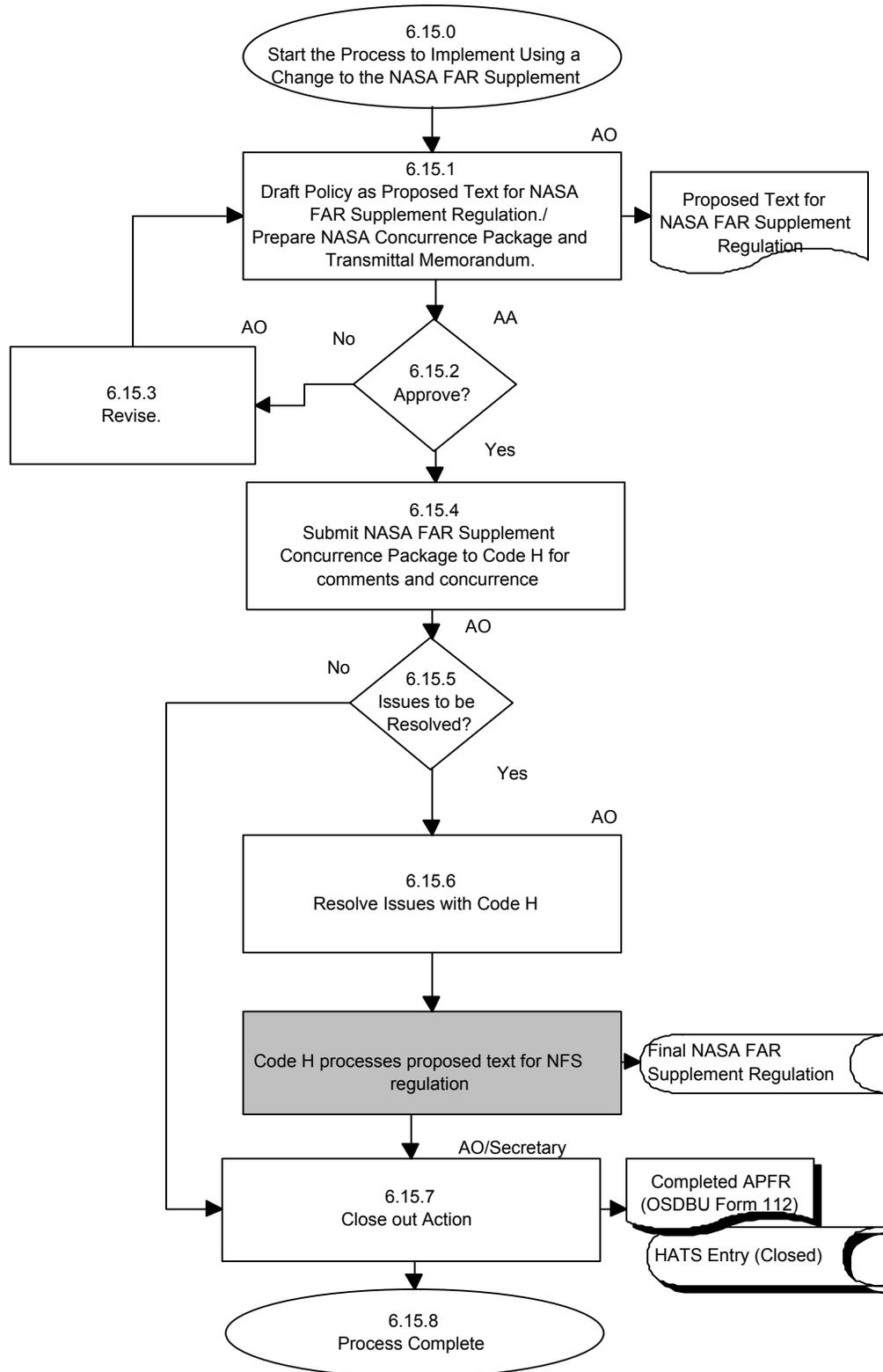
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**Flowchart - continued**



Responsible Office: Office of Small and Disadvantaged Business Utilization (Code K)  
 Subject: Policy Formulation

**Flowchart-continued**



Responsible Office: Office of Small and Disadvantaged Business Utilization (Code K)  
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## 6. Procedure

<u>Step</u>	<u>Actionee</u>	<u>Action</u>
6.0		Identify the need for policy formulation. This need may result from a request or inquiry from Congress, the Administration, or external stakeholders (e.g., MBRAC, SDBs, large businesses, trade associations). OSDBU staff may identify the need for policy formulation by reviewing papers, press releases, observing that an existing policy document is expiring, or otherwise observing a problem.
6.1	AA	Assess the need for policy formulation by opening an "Assessing Policy Formulation Request" (APFR) form (OSDBU Form 112). Review related existing policy (listed in NODIS). Use the APFR form (OSDBU Form 112) and the review of the related existing policy to determine if the need for policy formulation would be best satisfied by modifying existing policy, or by generating new policy.
6.2	AA	If new policy is to be generated, go to Step 6.4. If existing policy is to be revised/updated, go to Step 6.3.
6.3	AO	Revise/update the existing policy. This process is shown in sub-flow 6.3 in this OWI.
6.3.0	AO	Start the revision/update process.
6.3.1	AO	Make recommendation whether to update/revise, or cancel policy. This determination is made based on the AO's professional knowledge and experience. Note issue to be defined and reason for recommendation on the open APFR (OSDBU Form 112). Include additional materials and information necessary to support the recommendation.
6.3.2	AA	Review the recommendations provided by the AO. Decide whether to update/revise or cancel the policy. This determination is made based on the AA's professional knowledge and experience and the policy cancellation's impact on the issue described in APFR (OSDBU Form 112). Document the decision on the open APFR (OSDBU Form 112).
6.3.3	AA	If the policy is to be cancelled, go to Step 6.3.4. If the policy is to be revised/updated, go to Step 6.3.5.
6.3.4	AO/ Secretary	Notify Code JM to cancel policy, and close out action. Complete the APFR (OSDBU Form 112), and provide closed APFR (OSDBU Form 112) form to AA's Secretary to file. Enter the closed status of the action into HATS.

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- 6.3.5 AO Revise/update the policy based on the old version of the policy, and the research performed in Step 6.1. Coordinate with AA.
- 6.3.6 AA Determine whether to approve the revised/updated policy. If approval is given, go to Step 6.3.8. If approval is not given, go to Step 6.3.7. The determination to approve the updated/revised policy is made based on the AA's professional knowledge and judgment and its responsiveness to the issue the policy is to address.
- 6.3.7 AO Incorporate AA's comments, and resubmit for AA's review (return to Step 6.3.6)
- 6.3.8 AA Approve the updated/revised policy by signing ADS/112.
- 6.3.9 AO Process complete. Go to Step 6.6.
- 6.4 AA Assign an AO to draft a new policy. This determination is made based on areas of staff program responsibility and availability. Note the AO assignment, date, and HATS Action Number on the open APFR (OSDBU Form 112). Enter the open action in HATS.
- 6.5 AO Draft the new policy to be responsive to the issue defined/described in the open APFR (OSDBU Form 112). Coordinate with AA.
- 6.6 AA Determine whether to approve draft new policy to release for review and comment. If approval is given, go to Step 6.8. If approval is not given, go to Step 6.7. The determination to approve the draft new policy to release for review and comment is based on the AA's professional knowledge and judgment and its responsiveness to the issue the policy is to address.
- 6.7 AO Incorporate AA's comments, and resubmit for AA's review (return to Step 6.6).
- 6.8 Approve draft new policy for review and comment.
- 6.9 AO Determine whether the policy should be an NPD, an NPG, a memorandum from the Administrator, or a NASA FAR Supplement. This determination is made based on (1) whether the policy should be signed by the Administrator or the OIC, (2) the method and form in which the policy is to be published and distributed, and (3) the method/form of that policy's publication/distribution's responsiveness to the issue identified in the open APFR (OSDBU Form 112). The Administrator signs NPDs and memoranda from the Administrator. The OIC signs NPGs. Note the determination/rationale on the open APFR (OSDBU

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- Form 112). Coordinate with the AA.
- 6.10 AO Review/Disposition Comments. Incorporate accepted comments into the draft policy.
- 6.11 AO Identify individuals who should review the draft policy. Reviewers are identified based on topic and specifics of the policy. Reviewers should include, but are not limited to, NASA Headquarters Codes, Centers, and external stakeholders that may be affected by the policy, and the NASA Headquarters Codes required for review and concurrence.
- 6.12 AO If the policy is a Memorandum for the Administrator to sign, go to Step 6.13. If the policy is an NPD or NPG, go to Step 6.14. If the policy is a change to the NASA FAR Supplement, go to Step 6.15.
- 6.13 AO Implement using a Memorandum for the Administrator to sign. This process is shown in sub-flow 6.13 of this OWI.
- 6.13.0 Start the process to implement the policy using a Memorandum for the Administrator to sign.
- 6.13.1 AO Write policy as a memorandum for the Administrator to be responsive to the issue identified in the APFR (OSDBU Form 112). Coordinate with the AA. Distribute hardcopy for comments and concurrence per the ADS.
- 6.13.2 AA Determine whether to approve memorandum. If memorandum is approved, go to Step 6.13.4. If memorandum is not approved, go to Step 6.13.3.
- 6.13.3 AA Incorporate AA's changes, and resubmit for review (return to Step 6.13.2). Approval is given based on AA's professional knowledge and judgment and the memorandum's responsiveness to the issue the policy is to address.
- 6.13.4 AA Sign ADS
- 6.13.5 AO Receive and review comments and concurrence.
- 6.13.6 AO If there are issues to be resolved (resulting from comments from the reviewers), go to Step 6.13.7. If there are no issues to be resolved, go to Step 6.13.8
- 6.13.7 AO Negotiate concurrence. Disposition comments, negotiate changes, and notify commentors of comments' disposition. Revise the memorandum based on the negotiated concurrence. Coordinate with the AA.
- 6.13.8 AA Submit the memorandum for the Administrator's approval.
- 6.13.9 AA Receive a memo with the Administrator's response to

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- the policy memorandum.
- 6.13.10 AA If the Administrator approves, go to Step 6.13.12. If the Administrator does not approve, go to Step 6.13.11.
- 6.13.11 AO Discuss Administrator comments with AA and incorporate (return to Step 6.13.8)
- 6.13.12 Secretary Distribute to Enterprises and cognizant offices and file signed original memorandum.
- 6.13.13 AO/  
Secretary Close out action. The AO completes the APFR (OSDBU Form 112) and the ADS. The Secretary files the completed APFR (OSDBU Form 112) and enters the closed status of the action into HATS.
- 6.13.14 AO Process complete.
- 6.14 AO Implement using an NPD or NPG. This process is shown in sub-flow 6.14 in this OWI.
- 6.14.0 Start the process to implement the policy using an NPD or NPG.
- 6.14.1 AO Submit policy to Code JM to circulate for comments and concurrence.
- 6.14.2 AO Receive and review responses.
- 6.14.3 AO If there are issues to be resolved (resulting from comments from the reviewers), go to Step 6.14.4. If there are no issues to be resolved, go to Step 6.14.5.
- 6.14.4 AO Negotiate concurrence. Disposition comments, negotiate changes, and notify commentors of comments' disposition. Coordinate with the AA. Revise the policy package based on the negotiated concurrence.
- 6.14.5 AO If the policy is an NPD, go to Step 6.14.6. If the policy is an NPG, go to Step 6.14.8
- 6.14.6 AO/  
Secretary Close out action. The AO completes the APFR (OSDBU Form 112). The Secretary files the completed APFR (OSDBU Form 112) form and enters the closed status of the action into HATS.
- 6.14.7 AO End the process.
- 6.14.8 AO Prepare/provide NPG for AA's final review.
- 6.14.9 AA Review NPG to determine whether to approve NPG. This decision is made based on the AA's professional experience and judgment, and the NPG's responsiveness to the issue identified in APFR (OSDBU Form 112).
- 6.14.10 AA If the NPG is approved, go to Step 6.14.12. If NPG is

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- not approved, go to Step 6.14.11.
- 6.14.11 AO Incorporate comments. Return to Step 6.14.8
- 6.14.12 AA Sign the NPG.
- 6.14.13 AO/  
Secretary Close out action. The AO completes the APFR (OSDBU Form 112). The Secretary files the completed APFR (OSDBU Form 112) form and enters the closed status of the action into HATS.
- 6.14.14 Secretary Provide approved NPG to Code JM for distribution.
- 6.14.15 AO Process complete.
- 6.15 AO Implement using a change to the NASA FAR Supplement. This process is shown in sub-flow 6.15 in this OWI.
- 6.15.0 Start the process to implement the policy using a change to the NASA FAR Supplement.
- 6.15.1 AO Draft policy as proposed text for NASA FAR Supplement Regulation to be responsive to the issue identified in APFR (OSDBU Form 112), and precedents established in case law and/or policy initiatives. Prepare NASA FAR Supplement concurrence package and concurrence package transmittal memorandum.
- 6.15.2 AA Determine whether to approve NASA FAR Supplement concurrence package transmittal memorandum and NASA FAR Supplement Regulation text. If yes, sign transmittal memorandum, and proceed to Step 6.15.4. If no, go to Step 6.15.3. This decision to approve the transmittal memorandum and text is based on the AA's professional knowledge and experience and the text's responsiveness to the issue identified in the APFR (OSDBU Form 112).
- 6.15.3 AO Revise transmittal memorandum and/or text to incorporate AA's comments, and return to Step 6.15.1.
- 6.15.4 AO Submit approved NASA FAR Supplement concurrence package (hardcopy) to Code H to circulate for comments and concurrence.
- 6.15.5 AO If there are issues to be resolved (resulting from comments from the reviewers), go to Step 6.15.6. If there are no issues to be resolved, go to Step 6.15.7.
- 6.15.6 AO Resolve issues with Code H.
- 6.15.7 AO/  
Secretary Close out action. The AO completes the APFR (OSDBU Form 112). The Secretary files the completed APFR (OSDBU Form 112) form and enters the closed status of the action into HATS.

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6.15.8 AO Process complete.

6.16 AO Process complete.

**7. Quality Records**

Record Identification	Owner	Location	Record Media: Electronic or Hard Copy	Schedule Number and Item Number (NPG 1441.1)	Retention/Disposition
HATS Entry (Open)	Correspondence Control Office	HATS Database	Electronic	Schedule 1, Item 78.C	Destroy or delete when no longer needed
Completed APFR (OSDBU Form 112)	Code K	Code K Files	Hard Copy	Schedule 1, Item 12A	Remove from related records and destroy or delete when work is completed or when no longer needed for operating purposes. Retire to FRC when 5 years old. Transfer to NARA in 5 year blocks when 20 years old.
Approved NPD	Code K	Code JM	Electronic	Schedule 1, Item 22	Permanent. Retire to FRC when five years old in 5-year blocks. Transfer to NARA when 10 years old.
Proposed Text for NASA FAR Supplement Regulation Text	Code K	Code K Files	Hard Copy	Schedule 1, Item 25	Remove from related records and destroy or delete when work is completed or when no longer needed for operating purposes
HATS Entry (Closed)	Correspondence Control Office	HATS Database	Electronic	Schedule 1, Item 78.C	Destroy or delete when no longer needed