

Acquisition Reform Communications Center (ARCC) Broadcasts First Program via Satellite

Interim FASA-94 Rules

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By now most of our professional acquisition workforce is aware that Congress passed and the President signed into law on October 13, 1994, the Federal Acquisition Streamlining Act (FASA) of 1994, which made fundamental changes to the federal acquisition system. Specifically, FASA requires that all acquisition changes be implemented no later than October 12, 1995. Special teams of federal employees, under the guidance of the Department of Defense and the General Services Administration (GSA), have produced rules to implement the provisions of FASA.

ARCC Presents First Broadcast

On June 28, 1995, the Acquisition Reform Communications Center (ARCC) of the Defense Acquisition

University (DAU) presented the first in a series of satellite broadcasts to distribute information on the new rules. Originating live from the Army Logistics Management College at Ft. Lee, Va., the broadcast reached over 15 thousand people. Included in the audience were contracting officers and

contracting specialists, purchasing agents, small business specialists, legal representatives, auditors, contract educators, and their industry counterparts.

The broadcast focused on several key areas: the simplified acquisition threshold; micro-purchasing; the use of the



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Col. Hayes, USA, is the Director, Acquisition Reform Communications Center (ARCC), Defense Acquisition University.

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government purchase card; simplified acquisition procedures; electronic commerce, electronic data interchange (EC/EDI); the Federal Acquisition Computer Network (FACNET); and small business set-asides. Lasting approximately 2½ hours followed by a 1½-hour question-and-answer period, the session was presented by the team leader and other experts involved in the development of the interim rules.

The following highlights were covered during the broadcast:

Simplified Acquisition Threshold/Simplified Acquisition Procedures

The FASA established the simplified acquisition threshold at \$100K and established simplified acquisition procedures for procurements up through this threshold. Procurements under the simplified acquisition threshold are exempt from 15 specific acquisition statutes and related provisions/claus-

es. Procurements exceeding the micro-purchase threshold (\$2500) but not exceeding \$100K are reserved for small business concerns. It was emphasized during the broadcast that the simplified acquisition threshold (\$100K) does not equal simplified acquisition procedures. In other words, a contracting office does not automatically have the authority to use simplified acquisition procedures for acquisitions up through \$100K. In order to have this authority, the contracting office must be interim FACNET-certified.

Electronic Contracting/Electronic Data Interchange (EC/EDI) — FACNET

The FACNET is the government electronic commerce/electronic data interchange systems architecture for the acquisition of supplies and services that provides electronic data interchange of acquisition information. Accordingly, FACNET will provide

contracting offices the electronic data interchange capability to post widespread notices of contracting opportunities, to issue solicitations to receive quotes, to permit industry access to notices and solicitations, and to permit industry to submit quotations. Once a contracting office is interim FACNET-certified, it may use simplified acquisition procedures at the simplified acquisition threshold

The broadcast focused on the simplified acquisition threshold, micro-publishing, the government credit card, simplified acquisition procedures, EC/EDI, FACNET and small business set-asides.



PREPARING FOR THE FIRST ARCC SATELLITE BROADCAST ON JUNE 28, 1995, FROM LEFT: VICTORIA MOSS, GSA, TEAM LEADER OF THE FASA SMALL BUSINESS TEAM; COL. KEVIN O'BRIEN, USAF, MEMBER [LEGAL] OF THE SIMPLIFIED ACQUISITION PROCEDURES/FACNET TEAM; DIANA MAYKOWSKYK, TEAM LEADER OF THE FASA SIMPLIFIED ACQUISITION PROCEDURES/FACNET TEAM; DAVID DRABKIN, OFFICE OF THE DEPUTY UNDER SECRETARY OF DEFENSE FOR ACQUISITION REFORM; MARY ACKERMAN, STATE DEPARTMENT, MEMBER OF THE FASA SIMPLIFIED ACQUISITION PROCEDURES/FACNET TEAM; THOMAS J. DOLAN, JR., VISITING PROFESSOR, DSMC, AND BROADCAST MODERATOR; MARY LOU BENZEL, GSA, DIRECTOR OF CUSTOMER/VENDOR RELATIONS, SERVICE ACQUISITION CENTER, FEDERAL SUPPLY SERVICE. SEATED: LARRY LERER, DEFENSE ACQUISITION UNIVERSITY, BROADCAST DIRECTOR. BEHIND CAMERA: COL. SHAROLYN HAYES, USA, DIRECTOR OF THE ACQUISITION REFORM COMMUNICATIONS CENTER (ARCC).

(\$100K). The requirement to post contract notices or publish in the *Commerce Business Daily* does not apply to contract actions that are processed via FACNET. The DoD Electronic Commerce Office is presently distributing information on the interim FACNET certification procedures.



GENERAL INFORMATION

For further information on Interim FASA-94 Rules,
contact your Service/Agency representative:

ARMY

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COAST GUARD

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For further technical information
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TECHNICAL INFORMATION

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ELECTRONIC CONTRACTING/FACNET

Help Desk/Hotline 1-800 334-3414
GSA Advantage - 'On-line Shopping Service'
Help Desk/Hotline (703) 305-7359

FEDERAL GOVERNMENT PURCHASE CARD (IMPAC)

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FEDERAL GOVERNMENT (CIVILIAN AGENCIES)

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Industry participants were advised that they must register with the Centralized Contractor Registration Office in Columbus, Ohio, in order to do business with the government electronically. They were advised that further information on EC/EDI could be obtained by contracting the EC/EDI hot line at 1-800-EDI-3414.

Micro-Purchases

Included in this section of the broadcast was information on the new micro-purchase threshold, which has been established at \$2500. The interim rule on micro-purchasing was published on December 15, 1994, and was effective on the date of publication. Micro-purchases are not required to be set aside for small business concerns and are exempt from the Buy American Act. The government-wide Commercial Purchase Card is the preferred method for micro-purchases. In using the purchase card, one must comply with FAR Part 8, Required Sources of Supply. Finally, individuals who are delegated micro-purchase authority and who are unlikely to exceed \$20K in any 12-month period are not considered procurement officials for purposes of the Procurement Integrity Act.

Small Business

Set-asides

The FASA reserved acquisitions between \$2500 and \$100K for small businesses. An acquisition must be set aside if there are two or more small businesses that can meet the government's needs and are competitive with market prices with regard to quality and delivery. Detailed information on small business reservations was covered during the broadcast.

Government Purchase Card

The session on the Government Purchase Card included several topics of interest under FASA. Current statistics were presented that showed a significant increase in the use of the card since the passage of FASA in October of 1994. The history of the program was discussed as well as the benefits and controls embedded into the program as part of the contract between

GSA and Rocky Mountain BankCard Systems. Discussion of the development of agency internal procedures as well as comprehensive purchase card training were also presented. Current restrictions were addressed along with the requirement to first check mandatory source of supply items before using the card to purchase on the open market. The GSA's acceptance of the purchase card at its Customer Supply Centers was also mentioned.

FASA Broadcast — A Team Effort

Putting a FASA broadcast together is a team effort. That team is made up of DoD (Army, Navy, Air Force, Defense Logistics Agency), the many civilian agencies of the federal government, our industry partners, schools, and communication facilities that make all the uplinks, downlinks, and keep us on-line. Lest we forget, another vital link is all the people who make the changes happen. From the leaders and members of the individual FASA teams come the "new" rules.

Getting Started

The first step is getting a rule(s) ready for publication. Once the team agrees on what the changes should be; argues, discusses, and resolves the

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issues internally (as an example, within the Simplified Acquisition Procedures/FACNET team); then the "proposed" rules are put out for public comment...usually 30-60 days. The team reconvenes, reviews, and prepares responses to *all* the comments. If necessary, the rules are rewritten taking into account the public comments. The rules are then sent back to agencies for re-comment. Once agreed upon, the rules are sent to the Federal Procurement Council for review and approval. Once approved, the rules are sent to the Office of Management and Budget for review; and finally, the rules are sent to the Office of the Federal Register, National Archives and Records Administration, for formatting and publishing.

Future Broadcasts

The publication of a rule in the *Federal Register* is the driver behind putting a broadcast together, and serves you, the audience, in two ways: keeping you informed, and providing initial training. As new rules are published in the *Federal Register*, the DUSD(AR)/DAU/ARCC will conduct additional future satellite broadcasts on the rules covering the FASA 94. The ARCC expects to issue information on the time and date for these broadcasts as they are finalized.

ARCC CONTINUES GETTING THE WORD OUT

The Defense Acquisition University's Acquisition Reform Communications Center (ARCC), headed by Col. Sharolyn I. Hayes, USA, continues its mission to communicate fundamental changes in the federal acquisition system. Pictured: FASA-94 team members rehearse at the Department of Agriculture in Washington, D.C., for their August 23, 1995 satellite broadcast to the professional acquisition workforce. From left: Mr. John Galbraith, FASA-94 Team Leader, Contract Finance/Payment; Mr. Craig Hodge, FASA-94 Team Leader, Protest and Disputes; Lt.



Rider, FASA-94 Team Leader, Contract Award; Mr. Clarence Belton, FASA-94 Team Leader, Cost Principles; Mr. Al Winston, FASA-94 Team Leader, Truth in Negotiations Act (TINA).

Col. Julius Rothlein, USA, FASA-94 Team Leader, Ethics; Mr. Robert Sebald, Counsel for FASA 94, Special Contracting Methods Team; Mr. Daniel Tucciarone, FASA-94 Team Leader, Audit; Mr. David Drabkin, ODUSD(AR), Program Manager for Implementation of FASA-94; Col. Larry Trowel, USAF, FASA-94 Team Leader, Commercial Contracting; Ms. Melissa