



Procurement Alert Notice

Fall 2003

Volume 8, Number 3

from **BUSINESS MANAGEMENT RESEARCH ASSOCIATES,**
INC.

1973

2003

PRESIDENT'S MESSAGE

On August 23rd we had our 11th Annual In-Service Training and more than 20 faculty members attended. It was coupled with our 30th Anniversary celebration. We featured three noteworthy and interesting speakers: Lyle Eesley of Defense Acquisition University, Herbert Quigley of University of the District of Columbia, and Cathy Garman of the Contract Services Association of America. An additional treat was an inspirational talk by Roy Jefferson, a former star player for the Pittsburgh Steelers, Baltimore Colts, and Washington Redskins.

Lyle Eesley, the Director for Contracting, Curricula Development & Support Center at DAU, was our first speaker. Lyle updated us on DAU's program. Of particular interest to the staff was DAU's experience with entering the field of distance learning. He reported that their experience is very similar to ours here at BMRA.

Lyle's talk was followed by a luncheon catered by Roy Jefferson, a former star for the Pittsburgh Steelers, Baltimore Colts and last but not least, the Washington Redskins. Roy spoke about his early childhood and how his upbringing and education helped him achieve success. Of much interest to all of us was his continued effort to bring educational opportunities to children who do not have the opportunities that many of us had. Roy was originally scheduled to talk at our dinner, but at the last minute the Washington Redskins invited (insisted) that he come to their football game that evening and sign autographs. They wanted Roy to be present at the game since they were playing the Baltimore Ravens (who replaced the Baltimore Colts).

After an excellent lunch, Dr. Herbert G. Quigley, Dean and Professor, School of Business and Public Administration, UDC, spoke. His talk on "Trends in Business Education" was both entertaining and informative. He discussed some classroom issues that should concern us, including skills that the students must have, the participation by the students, and—a most important topic for the university and the student—accreditation of the course or program in which they are enrolled. He emphasized that the ethical failures in some large companies that have come to light recently show the importance of stressing ethics in business courses.

Our last guest speaker of the day was Cathleen D. Garman, Vice President of Public Policy for CSA. Cathy talked about one of the most important acquisition initiatives that have reached the hill since the days of FASA: the Services Acquisition Reform

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Act (SARA). SARA was an initiative that originated from members of CSA, who felt there is a need for more standardization and statutory rules for government agencies that are contracting for services. Cathy authored much of SARA. SARA addresses multiple deficiencies plaguing government acquisition today. It will allow us to put the tools needed to access commercial services and technology in the hands of a trained workforce. This workforce will have the discretion necessary to choose the best value for the government and be held accountable for those choices.

Following our guest speakers, some of BMRA's staff members spoke. Our Director of Distance Learning, Anne Palmer Johnson, briefed us on our successful online learning program for DHHS Project Officers. Anne pointed out some of the planned enhancements to the course that will benefit both students and instructors. Three instructors who participated in the Distance Learning program last year added their comments. Anne encouraged others to become members of the distance learning instructional team.

Following Anne, BMRA's Vice President of Education and Training, Mary Ackerman, described some of her plans for focusing on faculty needs. One goal will be to ensure new information is provided to them in a timely manner.

Next, we heard from Nancy Travis, who is now our Director of Marketing. Nancy has been in this position for more than a year, but she continued to fill many course administration functions. Now that Gabriella Santamaria ("Gaby") has joined us full time, Nancy will be able to spend more of her time on marketing. Nancy described how she schedules instructors and encouraged faculty members to tell us of their availability as early as possible. She said that this year we are going to use an electronic scheduling system for both instructors and people who want to enroll in our courses.

Our last staff speaker was our Executive Vice President, Michael Miller. Mike discussed upcoming BMRA initiatives and new contracts recently awarded to BMRA. He encouraged all faculty members to help us recruit new faculty members. He stressed the value of using computers in the classroom and encouraged instructors to learn more about using them as a teaching tool.

The day culminated with a reception and a buffet dinner honoring the founder of BMRA, Donald E. Sowle. Don was delighted with the progress that BMRA has made over the years and praised the faculty and staff that made it all possible. Many faculty and staff spouses joined us for the reception and dinner. We received many compliments on our new office space. It had been only a few weeks since our move and many people were seeing it for the first time.

To those who could not attend, I can only echo the consensus of the attendees: "This was the best in-service program that I have attended." I look forward to seeing all of you at our next in-service training, which will be held in August of 2004.

John C. Lynch
President

MARY'S MESSAGE TO INSTRUCTORS

I have finally been able to read many end-of-course reports, and they have reinforced my belief that BMRA did not achieve three decades of success in the training arena by accident. Instructors have been the BMRA ambassadors who made the company what it is today. The evaluations are overwhelmingly positive and clearly reflect the high level of commitment each of you brings to your classes. As a result of your dedication, BMRA continues to win more contracts and our market share continues to grow.

Meeting those of you who attended this year's in-service event was my pleasure. I look forward to meeting those of you who were unable to attend. As we related at the event, we are actively seeking more instructors to keep up with the demand for courses. Some of you are teaching nearly full-time, and we don't want to completely wear you out! Please refer potential instructors to our website, www.bmra.com.

The federal acquisition world has undergone tremendous change over the past decade. The acquisition workforce hasn't yet transitioned to the new, more flexible way of doing business today. We have an obligation to help them make this shift. How can we, as instructors, keep up with seemingly continual change? One of the most valuable tools for keeping abreast of acquisition changes and to improve training skills is the Internet. A recent find is



<http://www.wifcon.com>. This site, "Where in Federal Contracting" includes current news in federal contracting, FAR Cases, protest information, a well-used "chat" room, and many other useful features. Take a tour. I think you'll find it interesting. Another extremely prolific site is <http://www.refdesk.com>. It is an excellent resource for just about anything.

In closing, consider this as my invitation to all of you. Drop me a line or call me at any time to give suggestions for improvements to our courseware and procedures or just to chat. My e-mail address is mackerman@bmra.com. My phone number is (703) 691-0868.

STYLES LEAVES OMB

Angela Styles left the Office of Federal Procurement Policy on September 15th. She is leaving her post as Administrator to return to private law practice. She has received both praise and criticism in her role for administering the administration's competitive sourcing efforts.

She will be noted for her efforts to bring the Government's acquisition system and processes into the 21st century. Unfortunately, her efforts were often opposed by government employee unions and Congress. Most noteworthy of this opposition was an amendment to the FY04 Transportation, Treasury and Independent Agencies Appropriation Bill that was passed by the House. It vetoed the administration's competitive sourcing agenda.

As of this writing a new Administrator has not been named.

BMRA AUTOMATES SCHEDULING

Late this summer BMRA began automating its course scheduling, student registration, and instructor assignment. Our goal is to enhance our course administration system and to maximize the use of our web based computerized environment.

Over our 30 years, we have taught more than 100,000 students. We have more than 50 instructors who present courses at more than 40 locations on a monthly basis. The extent and complexity of our education and training program obliged us to look at better and more efficient methods to administer our program. Most of our instructors have signed on to

receive information and assignments by means of computer-based media. Of course, we will continue to support those who have requested support through non-computerized channels.

AMENDMENT TO DOD FY04 APPROPRIATION BILL

Senator Ted Kennedy's amendment to the FY DOD Appropriation bill will impact small businesses' ability to win Government services contracts. The amendment requires that in order for the private sector to win, they must beat the Government's bid by 10%, or \$1 million, whichever is less. The revisions to Circular A-76 mandate this cost differential for all large FTEs (over 65), but it was eliminated for the smaller, streamlined competitions. The amendment also requires that government defense employees must always bid, even when the private sector is clearly superior.

Small businesses seldom would be interested in FTE of 65 and over, but programs of less than 65 are great opportunities to win government contracts. The consequence of the Kennedy amendment is that many small businesses would not be bidding since it stacks the deck against small businesses.

In this instance the unions have successfully campaigned against A-76. I urge all of you that are not in agreement with Mr. Kennedy to write to your senator and tell him or her why you believe the amendment is poor.

As a footnote to Senator Kennedy's amendment, in late September Senators Thomas (Wyoming) and Voinovich (Ohio) submitted an amendment to a bill that requires the Department of Interior to disclose to Congress results achieved from its competitive sourcing activities. In another vote, the Senate rejected legislation by Nevada's Senator Reid that would have prohibited funding altogether for competitive sourcing within the Department of the Interior.

16 CHARGED IN CHICAGO GSA CORRUPTION PROBE

The General Services Administration (GSA) Inspector General, GSA Assistant Attorney General, and the FBI announced that five former officials with the GSA in Chicago and nine GSA contractors were



charged with bribery and false claims in connection with GSA contracts at the Dirksen Federal courthouse in Chicago, Illinois.

Charges include receiving cash, supplies, equipment, and other things of value from GSA contractors in return for favorable treatment in the award of GSA contracts from 1995 and 2001. The investigation in this instance highlights GSA's ongoing commitment to insuring that criminal conduct in federal contracts is detected, aggressively investigated and vigorously prosecuted.

Sometimes it seems that no matter how much we stress ethical conduct by those involved in government contracting; there are a few public officials who will breach the public trust bestowed on them. When instructors are discussing ethical conduct in the classroom, they should remind students of the serious nature and responsibility of their job and that criminal activity will not be tolerated, as exemplified by this recent situation.

WHAT IS A SOO?

A statement of objective (SOO) is a highly effective tool in conducting Performance Based Service Acquisitions (PBSAs). It is a type of a work statement, which includes a summary of key goals and/or outcomes desired. The SOO allows competitors to propose their solutions, including performance standards and a quality assurance surveillance plan based upon commercial business practices.

DOD ENCOURAGES USE OF PERFORMANCE BASED ACQUISITION

Recently the Acting Under Secretary of Defense for Acquisition Technology and Logistics issued a memorandum for Secretaries of the Military Departments, Senior Acquisition Executives and Directors of the Defense Agencies. It stated "the Department needs to continue to increase the use of performance based service acquisitions because such acquisitions provide significant benefits to the government. By specifying our objectives, we allow contractors the latitude to determine the best way to achieve the objectives without constraints on how to achieve them."

In FY 2002, the Department awarded over 20% of its service requirements using performance based specifications. The Department aims to award 50% of contract actions and dollars using performance-based specifications by Fiscal Year 2005.

DoD's interim goals for performance based acquisition are FY 2003: 25%; and FY 2004: 35%.

Measurement against these goals will be based solely on the percentage of contract dollars awarded using PBSA. Certain services and have been excluded when computing the percentage of contract dollars as having low opportunities to achieve these goals.

The memo went on to say "a key component for increasing the use of PBSA is to ensure that requirements personnel understand how to prepare performance based specifications. To that end, 50% of all personnel who prepare statements of work for service contracts must receive appropriate training on preparing performance based statements of work by September 30, 2004. The remainder must receive appropriate training by September 30, 2005."

Note to our readers. The use of "PBSA" (Performance Based Service(s) Acquisition) in lieu of "PBSC" (Performance Based Service(s) Contracting) is becoming more common in government circles.

FAC 01-15 RELEASED

Federal Acquisition Circular (FAC) 2001-15 became effective August 25th. It included the following items.

Item I—Elimination of Standard Form 129, Solicitation Mailing List Application. Removes the requirement for contracting offices to establish and maintain manual (paper-based) solicitation mailing lists and the need to use the Standard Form (SF) 129.

Item II—Energy-Efficient Standby Power Devices. Provides guidance on energy-efficient standby power devices and clarifies requirements for the purchase of recovered material. Government contracting and technical personnel will need to ensure that proposed acquisitions comply with the Government preference for energy-efficient products.

Item III—Electronic Listing of Acquisition Vehicles Available For Use By More Than One Agency. Provides the regulatory underpinning for the operation and use of an online directory to facilitate greater awareness of contracts available for multiple agency use. The rule *adds a new Subpart 5.6, Publicizing Multi-Agency Use Contracts.*



Item IV—Compensation Cost Principle. Amends the FAR to revise the “compensation for personal services” cost principle by removing unnecessary and duplicative language and restructuring it.

Item V—Leadership in Environmental Management. Provides policies and procedures for obtaining contractor information so that agencies can implement environmental management systems and complete facility compliance audits.

Item VI—Selling Cost Principle. Amends the FAR to revise the “selling costs” cost principle by restructuring the paragraphs and removing unnecessary and duplicative language to increase clarity. The rule does not change the allowability of selling costs.

Item VII—Section 508 Micropurchase Exception Sunset Provision. Extends the Electronic and Information Technology (Section 508) micropurchase exception to October 1, 2004.

Item VIII—Technical Amendments.

FAC 01-16 RELEASED

FAC 2001-16 was released October 1, 2003. It amended the FAR as follows.

Item I—Central Contractor Registration. Amends the FAR to require contractor registration in the Central Contractor Registration (CCR) database prior to award of any contract, basic agreement, basic ordering agreement, or blanket purchase agreement on or after October 1, 2003. *In addition, the rule requires contracting officers to modify existing contracts whose period of performance extends beyond December 31, 2003, to require contractors to register in the CCR database by December 31, 2003.*

Item II—Electronic Commerce in Federal Procurement. Eliminates the preference for electronic commerce within Federal agencies to be conducted on the Federal Acquisition Computer Network (FACNET) computer architecture and allows solicitation notices to be published via a single Governmentwide point of entry on the Internet.

Item III—Unique Contract and Order Identifier Numbers. Requires each reporting agency to assign a unique procurement instrument identifier (PIID) for every contract, purchase order, BOA, Basic Agreement, and BPA reported to the Federal Procurement Data System; and to have in place, no later than October 1, 2003, a process that will ensure that each PIID reported to FPDS is unique, Governmentwide, and will remain so for at least 20 years from the date of contract award.

Item IV—Procurements for Defense Against or Recovery From Terrorism or Nuclear, Biological, Chemical or Radiological Attack; and Temporary

Emergency Procurement Authority. Increases the amount of the micro-purchase threshold and the simplified acquisition threshold and provides expanded access to streamlined procedures for procurements of supplies or services that are to be used to facilitate defense against or recovery from terrorism or nuclear, biological, chemical, or radiological attack.

This final rule also adds the querying of commercial databases that provide information relevant to the agency acquisition as a technique for conducting market research.

Item V—Notification of Overpayment, Contract Financing Payments. Requires the contractor to notify the contracting officer if the Government overpays when making an invoice payment or a contract financing payment.

Item VI—Caribbean Basin Country—Dominican Republic. Reinstates the treatment of certain products of the Dominican Republic as eligible products under acquisitions subject to the Trade Agreements Act. .

Item VII—Prohibited Sources. Removes Serbia, the Taliban-controlled regions of Afghanistan, and Iraq from the list of prohibited sources and points the contracting officer to lists of entities and individuals subject to economic sanctions that are available at <http://www.epls.gov/TerList1.html>.

Item VIII—Economic Planning, Employee Morale, and Travel Cost Principles. Revises three cost principles to restructure the paragraphs and remove unnecessary language to increase clarity and readability. The rule does not change the allowability of costs.

Item IX—Technical Amendments

INSTRUCTOR SCHEDULES

By the time you receive this PAN, instructors should have received their schedules for the next few months. We try to schedule as far in advance as possible. If you haven't heard from us or have questions about the schedule, please don't hesitate to call Gaby or Nancy at (703) 691-0868.

HOLIDAY NOTES

It seems so far away, but our annual Holiday party is less than 60 days away. It is scheduled for Friday December 12. Mark your calendar to attend now. More information will be sent to you in the weeks ahead.

Of more immediate interest, the BMRA office will operate with minimal staff on November 11 (Veteran's Day).



HHS INCLEMENT WEATHER POLICY

In the event of inclement weather conditions, students must follow the Office of Personnel Management (OPM) decision covering all federal employees as announced over local radio and television stations and at <http://www.opm.gov>. Students may be permitted to arrive late or be dismissed early based on OPM direction.

If the Federal Government is *open, with a liberal leave policy*, classes will continue as scheduled. If a student does not report to class when the government is under a liberal leave policy, the student will be recorded as absent.

If the Federal Government is *closed*, HHS' inclement weather policy for Acquisition and Project Officer training courses applies as listed below.

2-Day and 3-Day Courses: If the Federal Government is closed on any one day of a 2-day or 3-day course due to inclement weather, the day missed will be made up the following day. For example, if a class is scheduled from Monday through Wednesday,

and Wednesday's class is cancelled due to inclement weather, the class for Wednesday will be conducted the following open government day. The instructor will inform the class as to the course status (location, time, etc.). If the Federal Government is closed for more than one day of a 2-day or 3-day course, the course will be cancelled and rescheduled for a later date.

4-Day and 5-Day Courses: If the Federal Government is closed on any one day of a class due to inclement weather, but for no more than one day, the course will operate on an accelerated schedule and the test will be administered on the 4th day of class. If the Federal Government is closed on more than one day, the course will be cancelled and rescheduled for a later date. If the test cannot be administered on the 4th day of class, arrangements will be made with your Operating Division, Staff Division or Agency Training Coordinator to administer the final exam at a later date.

Students should contact their training coordinator if they need additional information.



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