



Procurement Alert Notice

November 2005

Volume 10, No. 4

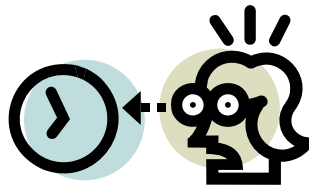
from BUSINESS MANAGEMENT RESEARCH ASSOCIATES, INC.

1973

2005

PRESIDENT'S MESSAGE

It seems every year at this time we say, "It can't be December already!" Sometimes I feel like a certain battery-powered bunny! Looking back over the goals we set for 2005, I see that, while much remains to be done, BMRA office staff accomplished much throughout the year that complemented the outstanding achievements of our faculty.



A most noteworthy accomplishment was installing new accounting software and restructuring our Chart of Accounts. There were difficulties and delays with the conversion, but John Dove, Edna Joyner, and Angela Snyder persevered. They overcame a lot of unforeseen problems and we met the goals we set for ourselves in May and June.

John Dove, our Vice President for Operations, is also our resident information technology whiz. He has given us a technological environment that would not have been possible on our modest budget were it not for his skills and resourcefulness. In 2005, John improved BMRA's operations with computerized time sheets, a Customer Relationship Management system, and Help pages for both office staff and instructors (www.bmra.com/iteach).

Another accomplishment this year was getting our version of CON 100 ("Shaping Smart Business Arrangements") approved by DAU. Achieving this entailed countless meetings and phone calls, but we anticipate official approval within the next few weeks. Michael Miller, our Vice President for Curriculum, developed the course materials for civilian agencies. Mike and Mary Ackerman, our

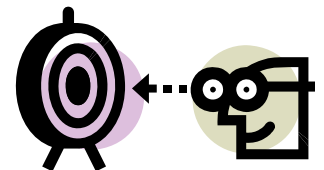
Executive Vice President, worked together to develop or revise materials for several other general courses and also some courses customized to special agency needs. Mary focused especially on upgrading instructor materials, devoting many hours to enhancing PowerPoint presentations.

Jennifer Cary is finishing her last year at George Mason University and doing a remarkable job interweaving her academic efforts with her responsibilities at BMRA. Jenn manages records of student completions and produces end of course reports for our clients. She is working on our application for permission to grant Continuing Education Units for completing BMRA courses—a time-consuming and often frustrating project that will yield important benefits to BMRA. Jenn is also working on redesigning BMRA's website.

Nancy Travis, our Director of Marketing, is a key player on our business development team. This year, we gained valuable insights from a professional consulting company on how to better market our products.

Following the consultant's advice, we made targeted visits to clients and potential clients, which proved effective in producing new

business. Largely as a result of Nancy's efforts, we



CONTENTS

PRESIDENT'S MESSAGE	1
NEW RESOURCE: LEARNINGWIKI.....	2
RECENT FAR CHANGES	3



submitted more quotes and won more awards than in any other year in the history of BMRA.

To present all of the courses successfully, it took the outstanding leadership and dedication of our Manager of Course Administration, Robin Cary. BMRA's success resulted from Robin's ability to coordinate instructors, clients, and the companies that reproduce and deliver classroom materials. It's a gigantic effort and she has done it with a professionalism that makes us all proud.

Peggy Kramer and Marilyn Holland are responsible for managing BMRA's major documents (both computer files and hardcopies). This is no small task considering the number of different textbooks and related documents. Designing and implementing a system for "documenting the documents" was a major goal for 2004. During 2005, they refined and extended the system to make ordering the documents for reproduction more efficient and reliable and to better allow using materials in different combinations for different purposes. Everyone at BMRA recognizes Marilyn's superb artistic talents. She designed invitations and programs for our annual In-Service Training and Holiday Programs.



Anne Palmer Johnson, our Director of Distance Learning, has been steadily working on several projects scheduled for release early next year. Anne is one of the most knowledgeable individuals in the training business on distance learning and has introduced some marvelous ideas as we pursue our goals in this exciting field.

Annemarie Lynch, Vice President for Human Resources and Facilities, devoted much of her time to ensuring our facilities meet the standards originally planned almost three years ago when we moved into our present offices. Our facilities have never looked better. Because of her efforts, our personnel files are in the best condition that they have ever been in.

Tom Mara manages BMRA's Federal Transit Administration Procurement Systems Review program. Under his direction this year, BMRA reviewed procurement systems in California, Connecticut, Maryland, and New Jersey. Tom also

served as BMRA's Program Manager for our DHHS contract and as the subject matter expert for developing an online FTA COR course.

I would be remiss if I didn't include adding Michelle Robey to our staff as a significant accomplishment. Michelle joined us after Doris Carter retired. Michelle is the pleasant voice you hear when you call BMRA during the day. She has many other responsibilities, including processing incoming mail, providing office supplies, and maintaining our solicitation, purchase order and contract files and databases. Michelle's contributions continually help BMRA to develop and improve its operations processes.

I should also announce that Alexandria Pierce, who joined BMRA early this year to assist Robin and Jennifer, recently resigned to nurture her own "pet care" business. Alexandria's cheerful presence will be missed by all of us.

In the tradition of saving the best for last, I want to express my deep appreciation to all of the faculty members for their accomplishments during the past year. It is your consistent high level of performance, as evidenced in the excellent ratings offered by our students, that makes BMRA a recognized leader in the field of Professional Continuing Education. You are to be commended.

On behalf of the staff at BMRA I want to wish each and every one of you and your families a joyful holiday season and a prosperous New Year.

NEW RESOURCE: **LEARNINGWIKI**

This fall, BMRA's Anne Palmer Johnson participated in Elliott Masie's Learning 2005 conference in Orlando, Florida. At the conclusion of the conference, some 1600 attendees were invited to post their "take-aways" at a "wiki" website now open to everyone. Here are some highlights from the take-away:

- Keynote speakers all said that *learning through doing* is for them the most effective way to learn.
- Great ideas to fill empty seats: *Pre-course and post-course instructor contacts* are key.

- Marshall Goldsmith’s coaching resource library: <http://www.marshallgoldsmithlibrary.com/>.
- Suggested reading: *Blink*, *Tipping Point*, and *The Wisdom of Crowds*.
- Case Studies/Simulations/Games: Focus on one objective per scenario.
- Trends: Social networks, personalization, visual journals, sandboxes, wikis, podcasts, and nano-learning.
- Accountability for learning has to extend beyond learners to their managers.
- Revisit old and new—actively experiment with the “new” but look at how the “old” can also be used to enhance learning experiences.
- Training and Learning: An ongoing process.

See it all at <http://www.learningwiki.com>. In the next PAN, Anne will share more of the insights she gained at this valuable conference.

RECENT FAR CHANGES

Following is a summary of FACs released over the last several months. You can get the latest versions as well as previous ones at the FAR Home page at <http://www.arnet.gov/far/>.

FAC 2005–04, dated June 8, 2005, amends the FAR as specified below.

Item I—Notification of Employee Rights Concerning Payment of Union Dues or Fees

This final rule amends the FAR to require Government contractors and subcontractors to post notices informing their employees that under Federal law they cannot be required to join a union or maintain membership in a union to retain their jobs. The required notice also advises employees who are not union members that they can object to the use of their union dues for certain purposes.

Item II—Telecommuting for Federal Contractors

This final rule prohibits agencies from including a requirement in a solicitation that precludes an offeror from permitting its employees to telecommute or, when telecommuting is not precluded, from unfavorably evaluating an offeror’s proposal that

includes telecommuting unless it would adversely affect agency requirements, such as security. Contracting officers awarding service contracts should familiarize themselves with this rule.

Item III—Incentives for Use of Performance-Based Contracting for Services

This final rule provides Governmentwide authority to treat performance-based contracts or task orders for services as commercial items, if certain conditions are met.

Item IV—Submission of Cost or Pricing Data on Noncommercial Modifications of Commercial Items

This interim rule requires that certified cost or pricing data for a commercial item must be obtained for noncommercial modifications of a commercial item that are expected to cost, in the aggregate, more than \$500,000 or 5 percent of the total price of the contract, whichever is greater. The new language applies to acquisitions funded by DoD, NASA, or the Coast Guard. (In other words, if you make a change to a commercial item that would essentially render it non-commercial, and the amount of the modification exceeds \$500k, and it is using funds of DoD, USCG, or NASA—you must obtain certified cost or pricing data.)

Item V—Applicability of SDB and HUBZone Price Evaluation Factor

This final rule removes some of the exceptions to the Small Disadvantaged Business and HUBZone preference programs. The contracting officer will now apply a price evaluation adjustment to offers of eligible products in acquisitions subject to the Trade Agreements Act.

Item VI—Labor Standards for Contracts Involving Construction

This final rule revises the terms “construction, prosecution, completion, or repair” and “site of the work”; clarifies several definitions relating to labor standards for contracts involving construction; and makes requirements for flow down of labor clauses more precise. The most significant impact of this rule is that contractors must pay Davis-Bacon Act wages at a secondary site of the work, if a significant portion of the work is to be constructed

at that site and the site meets the other criteria specified in the rule.

Item VII—Deferred Compensation and Postretirement Benefits Other Than Pensions

This final rule revises FAR 31.205-6, Compensation for personal services, cost principle, and the contract clause at FAR 52.215-18. Changes include removing unnecessary language, eliminating obsolete coverage, use of terminology consistent with Cost Accounting Standards, and improving clarity and structure.

Item VIII—Gains and Losses

This final rule amends FAR 31.205-16 to address the timing of the gain or loss recognition of sale and leaseback arrangements of contractor depreciable property or other capital assets. The final rule defines the disposition date for a sale leaseback arrangement as the date the contractor begins to incur an obligation for lease or rental costs.

FAC 2005-05, dated July 27, 2005, amends the FAR as specified below.

Item I—Definition of Information Technology

This interim rule amends FAR 2.101(b) to revise the definition of “information technology” to add “analysis” and “evaluation” and to clarify the term “ancillary equipment.”

Item II—Documentation Requirement for Limited Sources under Federal Supply Schedules

This rule establishes justification and approval requirements for orders when an ordering activity restricts consideration of schedule contractors to less than the required number. It establishes the standard for justifying restricted orders under the SAT and specifies the justification content for restricted orders above the SAT.

Item III—Payment Withholding

This amendment removes the mandatory requirement that a contracting officer withhold 5 percent of the payments due under a time-and-

materials contract, unless it is necessary to withhold payment to protect the Government’s interest or otherwise prescribed in the contract Schedule. It requires the use of a contract modification in order to make payment withholding and, in the event withholding is required, the contractor is responsible to withhold the amounts from its billings.

Item IV—Confirmation of HUBZone Certification

This interim rule amends FAR 19.703 and the clause at 52.219-9 to clarify that prime contractors must confirm that a subcontractor representing itself as a Historically Underutilized Business Zone (HUBZone) small business concern is certified.

Item V—Government Property Rental and Special Tooling

This final rule amends FAR Parts 45 and 52 to clarify the basis for determining rental charges for the use of Government property.

FAC 2005-06, dated September 30, 2005, amends the FAR as specified below.

Item I—Information Technology Security

This interim rule focuses on the importance of system and data security to contracting officials and other members of the acquisition team. Its intent is to provide clear, consistent guidance to acquisition officials and program managers; and to encourage and strengthen communication with IT security officials, chief information officers, and other affected parties.

Item II—Improvements in Contracting for Architect-Engineer Services

This final rule prohibits architect-engineering services from being offered under GSA multiple-award schedule contracts or under Governmentwide task and delivery order contracts unless they are awarded using the procedures of the Brooks Architect-Engineer Act and the services are performed under the direct supervision of a professional architect or engineer licensed, registered, or certified in the



state, Federal district, or outlying area in which the services are to be performed.

Item III—Title 40 of United States Code Reference Corrections

This final rule amends the FAR to reflect the most recent codification of Title 40 of the United States Code. No substantive changes are being made to the FAR.

Item IV—Implementation of the Anti-Lobbying Statute

This final rule generally prohibits recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific contract, grant, or loan. It also requires that each person who requests or receives a contract, grant, or cooperative agreement in excess of \$100,000 or a Federal commitment to insure or guarantee a loan in excess of \$150,000 must disclose lobbying with other than appropriated funds.

Item V—Increased Justification and Approval Threshold for DoD, NASA, and Coast Guard

This final rule amends the FAR by increasing the justification and approval thresholds for DoD, NASA, and the U.S. Coast Guard from \$50 million to \$75 million. The rule will reduce administrative burden for ordering activities.

Item VI—Addition of Landscaping and Pest Control Services to the Small Business Competitiveness Demonstration Program

This final rule adds landscaping and pest control services to the Small Business Competitiveness Demonstration Program. As a result, agencies are precluded from considering acquisitions for landscaping and pest control services over the emerging small business reserve amount, currently \$25,000, for small business set-asides unless the set-asides are needed to meet their assigned goals.

Item VII—Powers of Attorney for Bid Bonds

This final rule amends the FAR to revise the policy relating to acceptance of copies of powers of attorney accompanying bid bonds. This revision removes the matter of authenticity and enforceability of powers of

attorney from a contracting officer's responsiveness determination, which is based solely on documents available at the time of bid opening. Instead, the rule instructs contracting officers to address these issues after bid opening.

Item VIII—Expiration of the Price Evaluation Adjustment

This interim rule cancels the authority for civilian agencies, other than NASA and the U.S. Coast Guard, to apply the price evaluation adjustment to certain small disadvantaged business concerns in competitive acquisitions. The change is required because the statutory authority for the adjustments has expired.

Item IX—Accounting for Unallowable Costs

This final rule provides specific criteria on the use of statistical sampling as an acceptable practice to identify unallowable costs, including the applicability of penalties for failure to exclude certain projected unallowable costs. The final rule also adds "statistical sampling methods" as an example of the type of item for which an advance agreement may be appropriate.

Item X—Reimbursement of Relocation Costs on a Lump-Sum Basis

This final rule permits contractors the option of being reimbursed on a lump-sum basis for three types of employee relocation costs: (1) costs of finding a new home; (2) costs of travel to the new location; and (3) costs of temporary lodging. These three types of costs are in addition to the miscellaneous relocation costs for which lump-sum reimbursements are already permitted.

Item XI—Training and Education Cost Principle

This final rule streamlines the cost principle and increases clarity by eliminating restrictive and confusing language, and by restructuring the rule to list only specifically unallowable costs.



Don't forget! Mark your calendar now...



BMRA HOLIDAY PARTY

FRIDAY,

DECEMBER 16TH

1:30 - 5:00 P.M.

Y'all Come!



BUSINESS MANAGEMENT RESEARCH ASSOCIATES, INC.
3949 Pender Drive, Suite 300
Fairfax, VA 22030-6044

