

# FEDERAL CONTRACTS PERSPECTIVE

Federal Acquisition Developments, Guidance, and Opinions

Vol. XII, No. 6

June 2011

## FAC 2005-52 REQUIRES AGENCIES TO LEVERAGE ACQUISITIONS TO FOSTER SUSTAINABLE TECHNOLOGIES

Federal Acquisition Circular (FAC) 2005-52 consists of a rule requiring the government to use acquisitions to encourage technologies that “create and maintain conditions (1) under which humans and nature can exist in productive harmony; and (2) that permit fulfilling the social, economic, and other requirements of present and future generations.” In addition, FAC 2005-52 includes rules addressing information technology that is purchased as construction material, contract closeout procedures, prohibition on contracting with inverted domestic corporations, and oversight of contractor ethics programs.

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■ **Sustainable Acquisition:** This interim rule amends FAR Part 23, Environment, Energy and Water Efficiency, Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace, to require agencies to leverage agency acquisitions to foster markets for sustainable technologies, materials, products, and services. In addition, this rule requires agencies to implement high-performance sustainable building design, construction, renovation, repair, commissioning, operation and maintenance, management, and deconstruction practices.

This interim rule implements Executive Order (EO) 13514, Federal Leadership in Environmental, Energy, and Economic Performance, and EO 13423, Strengthening Federal Environmental, Energy, and Transportation Management (see the November 2009 *Federal Contracts Perspective* article “President Sets Sustainability Goals for Government,” and the February 2007 *Federal Contracts Perspective* article “President Orders Federal Energy Conservation”). EO 13514 set sustainability goals for federal agencies and focused on making improvements in their environmental, energy and economic performance. EO 13423 directed agencies to improve energy efficiency, reduce greenhouse gas emissions, reduce water consumption, and require use of sustainable environmental practices, including acquisition of biobased, environmentally preferable, energy-efficient, water-efficient, and recycled-content products.

The following are the changes made by this interim rule to implement the two EOs:

- In FAR 2.101, Definitions, the definition for “renewable energy” is revised to reflect the latest definition of the term in EO 13514. In addition, a new definition for “sustainable acquisition,” derived from the definition of “sustainable” in EO 13514, is added. Finally, the definition of “water consumption intensity” from EO 13514 is added.

- FAR 4.302, Policy [on paper documents], is revised to require contractors, when not using electronic commerce methods, to submit paper documents to the government on double-sided 30% post-consumer fiber paper, whenever practicable.
- FAR 5.207, Preparation and Transmittal of Synopses, FAR 7.103, Agency-Head Responsibilities [for acquisition planning], and FAR 11.002, Policy [for developing requirements documents], are revised to ensure agencies are including or considering sustainable acquisition requirements in their synopses, acquisition planning documents and functions, and descriptions of agency needs.
- To FAR 23.001, Definitions, is added new definitions for “environmental,” “greenhouse gases,” and “United States,” all of which derive from EO 13514.
- FAR 23.002, Policy, is added to state that EO 13423, Sections 3(e) and (f) “require that contracts for contractor operation of a government-owned or -leased facility and contracts for support services at a government-owned or -operated facility include provisions that obligate the contractor to comply with the requirements of the order to the same extent as the agency would be required to comply if the agency operated or supported the facility. Compliance includes developing programs to promote and implement cost-effective waste reduction.”
- New FAR Subpart 23.1, Sustainable Acquisition, is added to implement EO 13514 Sections 2(h) and 18. FAR 23.103, Sustainable Acquisitions, states that federal agencies, with certain exceptions or exemptions, are required to advance sustainable acquisition by ensuring that 95% of new contract actions (including those for construction) contain requirements for products that are designated as energy-efficient, water-efficient, biobased, environmentally preferable (for example, EPEAT (Electronic Product Environmental Assessment Tool)-registered, non-toxic or less toxic alternatives), non-ozone depleting, or those that contain recovered materials. Also, a new definition for “contract action” is included in FAR 23.101, Definitions [for sustainable acquisitions].
- FAR 23.202, Policy [for energy and water efficiency and renewable energy], implements EO 13514, Sections (2)(d) and 14, relating to the use and management of water through water-efficient means.
- FAR 23.403, Policy [on use of recovered materials and biobased products], is revised to require agencies to purchase recycled content and biobased products or require, in the acquisition of services, the delivery, use, or furnishing of such products. “Agency contracts should specify that these products are composed of the highest percent of recovered material or biobased content practicable, or at least meet, but may exceed, the minimum recovered materials or biobased content of an EPA [Environmental Protection Agency]- or USDA [U.S. Department of Agriculture]- designated product. Agencies shall purchase these products to the maximum extent practicable without jeopardizing the intended use of the product while maintaining a satisfactory level of competition at a reasonable price.”

Vivina McVay, Editor-in Chief

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The *Federal Contracts Perspective* is published monthly by Panoptic Enterprises, P.O. Box 11220, Burke, VA 22009-

- FAR 23.803, Policy [on ozone-depleting substances], is revised to require agencies to substitute safe alternatives to ozone-depleting substances. “EPA’s Significant New Alternatives Policy (SNAP) program (available at <http://www.epa.gov/ozone/snap>) has a list of safe alternatives to ozone-depleting substances.”
- FAR Subpart 23.9, Contractor Compliance with Toxic Chemical Release Reporting, which required contractors to report to agencies compliance with the toxic chemical release reporting, is deleted, as are the related clauses FAR 52.223-13, Certification of Toxic Chemical Release Reporting, and FAR 52.223-14, Toxic Chemical Release Reporting. In its place is new FAR Subpart 23.9, Contractor Compliance with Environmental Management Systems, which requires contractor compliance with an agency’s environmental management system. This requirement is implemented by new clause FAR 52.223-19, Compliance With Environmental Management Systems, which is to be included in all solicitations and contracts for contractor operation of government-owned or -leased facilities or vehicles, located in the United States.
- To FAR 36.001, Definitions [for construction and architect-engineer services], is added definitions for “construction and demolition materials and debris” and “diverting”.
- FAR 36.104, Policy [for construction and architect-engineer services], is revised to implement high-performance sustainable building design, construction, renovation, repair, operation, and management as required by EO 13514. Also, it includes the website for accessing the “Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings” ([http://www.wbdg.org/pdfs/hpsb\\_guidance.pdf](http://www.wbdg.org/pdfs/hpsb_guidance.pdf)).
- FAR 37.102, Policy [on service contracts], is amended to require agencies to ensure that service contracts that require the delivery, use, or furnishing of products are consistent with FAR Part 23.
- FAR 39.101, Policy [on information technology], implements EO 13514, Section 2(i) by requiring agencies to enable power management, double-sided printing, and other energy-efficient or environmentally preferable features on all agency electronic products. Also, it requires agencies to employ best management practices for energy-efficient management of servers and federal data centers.
- The following clauses are revised to conform to the policies in this interim rule:
  - FAR 52.204-4, Printed or Copied Double-Sided Postconsumer Fiber Paper
  - FAR 52.204-8, Annual Representations and Certifications
  - FAR 52.213-4, Terms and Conditions – Simplified Acquisitions (Other Than Commercial Items)
  - FAR 52.223-5, Pollution Prevention and Right-to-Know Information
  - FAR 52.223-10, Waste Reduction Program

Comments on this interim rule must be submitted no later than August 1, 2011, identified as “FAC 2005-52, FAR Case 2010-001,” by any of the following methods: (1) the Federal eRulemaking Portal: <http://www.regulations.gov>; (2) fax: 202-501-4067; or (3) mail: General Services Administration, Regulatory Secretariat (MVCB), ATTN: Hada Flowers, 1275 First Street, NE, Washington, DC 20417.

■ **Buy American Exemption for Commercial Information Technology – Construction Material:** This finalizes, without changes, the interim rule that amended FAR Subpart 25.2, Buy American Act – Construction Materials, and two related clauses to implement Section 615 of the

Consolidated Appropriations Act of 2010 (Public Law 111-117), which states, “In order to promote government access to commercial information technology, the restriction on purchasing nondomestic articles, materials, and supplies set forth in the Buy American Act (41 U.S.C. 10a *et seq.*), shall not apply to the acquisition by the federal government of information technology... that is a commercial item...”

This same exemption has appeared every year since Fiscal Year 2004 (Section 535(a) of the Consolidated Appropriations Act of 2004 [Public Law 108-199]). The Fiscal Year 2004 exemption was implemented through deviations by the individual agencies. Subsequently, regulations were published to implement the exemption for supplies (see paragraph (e) of FAR 25.103, Exceptions). However, the exemption for construction materials had not been previously implemented. The interim rule amended FAR 25.202, Exceptions, FAR 52.225-9, Buy American – Construction Materials, and FAR 52.225-11, Buy American Act – Construction Materials under Trade Agreements, to permit the purchase of foreign construction material that consists of commercial information technology.

The changes made to the FAR by this interim rule were based on the expectation that the exemption of commercial IT is likely to continue. The introduction to the interim rule stated, “If the exception does not appear in a future appropriations act, a prompt change to the FAR will be made to limit applicability of the exemption to the fiscal years to which it applies.”

No comments were submitted on the interim rule, so it is finalized without changes. For more on the interim rule, see the October 2010 *Federal Contracts Perspective* article “FAC 2005-46 Exempts Commercial IT from BAA.”

■ **Contract Closeout:** This finalizes, with changes, the proposed rule that would revise procedures for clearing final patent reports and the quick-closeout procedure, and would describe an adequate final indirect cost rate proposal and supporting data.

Sixteen respondents submitted comments on the proposed rule (see the September 2009 *Federal Contracts Perspective* article “Three FAR Changes Proposed”). In response to those comments, the following changes are made to the FAR:

- Paragraph (a)(2) of FAR 4.804-5, Procedures for Closing Out Contract Files, requires that a final patent report be cleared within 60 days after receipt, and it allows the contracting officer to proceed with contract closeout when a required final patent report is not received. The final rule version of FAR 4.804-5(a)(2) is the same as that in the proposed rule.
- Paragraph (b) of FAR 42.705-1, Contracting Officer Determination Procedure, is revised to clarify that the auditor: (1) reviews the contractor’s proposal for adequacy and provides the findings of inadequacy to the contractor and contracting officer; and (2) prepares an advisory audit report, after the proposal has been determined to be adequate for audit. This is a revision to the proposed rule, which would have stated that the auditor will determine adequacy of the contractor’s proposal for audit.
- In paragraph (a) of FAR 42.708, Quick-Closeout Procedure, the percentage limitation for using the quick-closeout procedure is reduced from 15% to 10% of the estimated, total unsettled indirect costs allocable to cost-type contracts by the contractor for that fiscal year. Originally, the limitation in FAR 42.708(a) was \$1,000,000 in total unsettled

indirect costs and not exceeding 15% of the estimated, total unsettled indirect costs allocable to cost-type contracts by the contractor for that fiscal year. The proposed rule would have revised the limitation to \$4,000,000 in total unsettled indirect and direct costs and not exceeding 20% of the total contract, task order, or delivery order amount. This final rule reverts to the original \$1,000,000 and reduces the percentage limitation to 10%.

- Paragraph (d) of FAR 52.216-7, Allowable Cost and Payment, is revised to: (1) identify the required data that must be submitted in an adequate final indirect cost rate proposal; (2) identify supplemental data that is required for audit and may be submitted with the proposal; and (3) require the contractor to update cumulative costs claimed and billed within 60 days of rate settlement. The final rule clarifies that the supplemental information listed, although it may not be required for a determination on the adequacy of the contractor's proposal, may be required during the audit process.
- Paragraph (b) of FAR 52.216-8, Fixed Fee, paragraph (c) of FAR 52.216-9, Fixed Fee – Construction, and paragraph (c) of FAR 52.216-10, Incentive Fee, is revised to permit the contracting officer to withhold up to 15% of the total fixed fee or \$100,000, whichever is less, to protect the government's interest and encourage the timely submission of an adequate final indirect cost rate proposal. The final rule versions of these three paragraphs are the same as those in the proposed rule.

■ **Prohibition on Contracting with Inverted Domestic Corporations:** This finalizes, with changes, the interim rule that added FAR 9.108, Prohibition on Contracting with Inverted Domestic Corporations, and FAR 52.209-2, Prohibition on Contracting with Inverted Domestic Corporations – Representation, to prohibit the award of contracts using Fiscal Year 2008, 2009, and 2010 appropriated funds (and 2006 and 2007 funds appropriated to some agencies) to any foreign incorporated entity that is treated as an inverted domestic corporation or to any subsidiary of one (FAR 9.108-1, Definition, provides the following definition for “inverted domestic corporation”: “a foreign incorporated entity which is treated as an inverted domestic corporation...*i.e.*, a corporation that used to be incorporated in the United States, or is a subsidiary whose parent corporation is incorporated in a foreign country, that meets the criteria specified in 6 U.S.C. 395(b)...”).

Eight respondents submitted comments on the interim rule. As a result of those comments, extensive clarifications were made to FAR 9.108:

- The interim rule had stated that the appropriations acts of 2006 through 2009 contained this restriction, and it cited the definition of “inverted domestic corporations” in the Internal Revenue Code. However, the prohibition in the 2006 and 2007 appropriations acts applied only to the Departments of Transportation, Treasury, Housing and Urban Development, the Judiciary, and independent agencies. In addition, the intent of Congress was to define “inverted domestic corporation” as in the Homeland Security Act of 2002 (6 U.S.C. 395(b)) rather than the different one in the Internal Revenue Code. Therefore, FAR 9.108-2, Relationship with the Internal Revenue Code and Treasury Regulations, is deleted; the definition of “inverted domestic corporation” in FAR 9.108-1, Definitions, is revised; and FAR 9.108-2, Prohibition (formerly FAR 9.108-3 in the interim rule), is revised to state that the prohibition applies to 2008, 2009, and 2010 appropriated funds,

and to 2006 and 2007 funds appropriated to the covered departments and agencies (2010 appropriated funds are included because Section 740 of the Consolidated Appropriations Act of 2010 [Public Law 111-117] included the same prohibition as the 2008 and 2009 acts). Also, FAR 52.209-9 is revised to reflect these changes, and a new clause, FAR 52.209-10, Prohibition on Contracting with Inverted Domestic Corporations, informs the contractor of the potential consequences if the contractor becomes an inverted domestic corporation or a subsidiary of an inverted domestic corporation at any time during the period of performance of the contract.

- Paragraph (b) of FAR 9.108-3 in the interim rule stated that contracting officers “should rigorously examine circumstances known to them that would lead a reasonable business person to question the contractor self-certification, and after consultation with legal counsel, take appropriate action where questionable self-certification cannot be verified.” Concerns were raised that this places undue burdens on contracting officers, and that different contracting officers will reach inconsistent conclusions about a single offeror. Therefore, paragraph (b) of new FAR 9.108-3, Representation by the Offeror, states, “The contracting officer may rely on an offeror’s representation that it is not an inverted domestic corporation unless the contracting officer has reason to question the representation.”

For more on the interim rule, see the August 2009 *Federal Contracts Perspective* article “FAC 2005-34 Addresses Past Performance Information.”

- **Oversight of Contractor Ethics Programs:** This final rule amends FAR 42.302, Contract Administration Functions, to add to the list of contract administration functions in paragraph (a) the following: “(71) Ensure that the contractor has implemented the requirements of 52.203-13, Contractor Code of Business Ethics and Conduct.” This change is in response in response to recommendations from Government Accountability Office (GAO) Report GAO-09-591, Defense Contracting Integrity – Opportunities Exist to Improve DOD’s [Department of Defense’s] Oversight of Contractor Ethics Programs.” The ethics program requirement flows from FAR 52.203-13.

## TRANSPORTATION SIZE STANDARD INCREASES PROPOSED

The Small Business Administration (SBA) is proposing to increase the small business size standards for 22 industries in North American Industry Classification System (NAICS) Sector 48, Transportation.

The following are the industries, their current small business size standards, and their proposed small business size standards:

NAICS Code	Industry Title	Current Size Standard (\$ million)	Proposed Size Standard (\$ million)
481219	Other Non-Scheduled Air Transportation	7.0	14.0
485111	Mixed Mode Transit Systems	7.0	14.0

485112	Commuter Rail Systems	7.0	14.0
485113	Bus and Other Motor Vehicle Transit Systems	7.0	14.0
485119	Other Urban Transit Systems	7.0	14.0
485210	Interurban and Rural Bus Transportation	7.0	14.0
485310	Taxi Service	7.0	14.0
485320	Limousine Service	7.0	14.0
485410	School and Employee Bus Transportation	7.0	14.0
485510	Charter Bus Industry	7.0	14.0
485991	Special Needs Transportation	7.0	14.0
485999	All Other Transit and Ground Passenger Transportation	7.0	14.0
486210	Pipeline Transportation of Natural Gas	7.0	25.5
488111	Air Traffic Control	7.0	30.0
488119	Other Airport Operations	7.0	30.0
488190	Other Support Activities for Air Transportation	7.0	30.0
488210	Support Activities for Rail Transportation	7.0	14.0
488310	Port and Harbor Operations	25.5	35.5
488320	Marine Cargo Handling	25.5	35.5
488330	Navigational Services to Shipping	7.0	35.5
488390	Other Support Activities for Water Transportation	7.0	35.5
488510	Freight Transportation Arrangement	7.0	14.0

Comments on this proposed rule must be submitted no later than July 12, 2011, identified as “RIN 3245-AG08,” by one of the following methods: (1) the Federal eRulemaking Portal: <http://www.regulations.gov>; or (2) mail/hand delivery/courier: Khem R. Sharma, PhD, Chief, Size Standards Division, 409 Third Street, SW., Mail Code 6530, Washington, DC 20416.

## NONMANUFACTURER RULE WAIVED FOR INTENSIFIER TUBES

The Small Business Administration (SBA) is waiving the nonmanufacturer rule for GEN II and GEN III image intensifier tubes under North American Industry Classification System (NAICS) code 333314, Optical Instrument and Lens Manufacturing, Product Service Code (PSC) 5855, Night Vision Equipment. SBA invited the public to comment on the proposed waiver or to provide information on potential small business sources for these products. Fourteen comments were received – one from a large manufacturer of GEN III image intensifier tubes, and 13 from small business suppliers, distributors, or integrators of GEN II and/or GEN III image intensifier tubes, night vision systems, and/or related equipment. Upon further investigation, SBA determined that there are no small business manufacturers of these classes of products. Therefore, SBA has determined that there are no small business manufacturers of these classes of products, and is therefore granting the nonmanufacturing rule waiver. For more on the proposed nonmanufacturing rule waiver, see the September 2010 *Federal Contracts Perspective* article “Nonmanufacturer Rule Waiver Issued for Lab Equipment.”

The SBA regulation on the nonmanufacturer rule is in Title 13 of the Code of Federal Regulations (CFR), Business and Credit Administration; Part 121, Small Business Size Standards; under paragraph (b) of Section 121.406, How Does a Small Business Concern

Qualify to Provide Manufactured Products Under Small Business Set-Aside or MED [Minority Enterprise Development] Procurements? The SBA regulation on the waiver of the nonmanufacturer rule is 13 CFR 121.1202, When Will a Waiver of the Nonmanufacturer Rule Be Granted for a Class of Products? A complete list of products for which the nonmanufacturer rule has been waived is available at [http://www.sba.gov/sites/default/files/class\\_waiver.pdf](http://www.sba.gov/sites/default/files/class_waiver.pdf).

## NASA PROPOSES RULE ON ANCHOR TENANCY

The National Aeronautics and Space Administration (NASA) is proposing to replace NASA FAR Supplement (NFS) 1812.7000, Prohibition on Guaranteed Customer Bases for New Commercial Space Hardware or Services, which incorrectly prohibits NASA from awarding “a contract with an expected duration of more than one year if the primary effect of the contract is to provide a guaranteed customer base for, or establish an anchor tenancy in, new commercial space hardware or services,” with NFS 1812.7000, Anchor Tenancy Contracts, which would permit NASA to enter into multi-year anchor tenancy contracts for commercial space goods or services.

“Anchor tenancy” is “an arrangement in which the United States government agrees to procure sufficient quantities of a commercial space product or service needed to meet government mission requirements so that a commercial venture is made viable.” It is authorized by Section 401 of the Commercial Space Competitiveness Act (CSCA) of 1992.

According to proposed NFS 1812.7000, NASA may enter into multi-year anchor tenancy contracts for the purchase of a good or service if the NASA administrator determines that:

- (1) The good or service meets the mission requirements of NASA;
- (2) The commercially procured good or service is cost effective;
- (3) The good or service is procured through a competitive process;
- (4) Existing or potential customers for the good or service other than the United States government have been specifically identified;
- (5) The long-term viability of the venture is not dependent upon a continued government market or other nonreimbursable government support; and
- (6) Private capital is at risk in the venture.

There are limitations on the use of anchor tenancy:

- (1) Contracts entered into under this section shall not exceed 10 years in duration;
- (2) Such contracts shall provide for delivery of the good or service on a firm-fixed-price basis;
- (3) To the extent practicable, reasonable performance specifications shall be used to define technical requirements in such contracts; and
- (4) The NASA administrator shall reserve the right to completely or partially terminate the contract without payment of such termination liability because of the contractor’s actual or anticipated failure to perform its contractual obligations.

Comments on this proposed rule must be submitted no later than July 25, 2011, identified as “RIN 2007-AD64,” by one of the following methods: (1) the Federal eRulemaking Portal: <http://www.regulations.gov>; or (2) e-mail: [leigh.pomponio@nasa.gov](mailto:leigh.pomponio@nasa.gov).

## LABOR REVISES PRODUCTS ON CHILD LABOR LIST

The Department of Labor (DOL) has revised the list required by Executive Order 13126, Prohibition of Acquisition of Products Produced by Forced or Indentured Child Labor, to add hand-woven textiles from Ethiopia to the list of products that might have been mined, produced, or manufactured by forced or indentured child labor. In addition, charcoal from Brazil has been removed from the list because there is a reasonable basis to believe that the use of forced or indentured child labor has been significantly reduced.

The following is a list of products that might have been mined, produced, or manufactured by forced or indentured child labor, and the respective countries of origin (available at <http://www.dol.gov/ILAB/regs/eo13126/main.htm>):

PRODUCT	COUNTRY
Bamboo	Burma
Beans (green, soy, yellow)	Burma
Brazil Nuts/Chestnuts	Bolivia
Bricks	Burma
Bricks	China
Bricks	India
Bricks	Nepal
Bricks	Pakistan
Carpets	Nepal
Carpets	Pakistan
Coal	Pakistan
Coca (stimulant plant)	Colombia
Cocoa	Cote d'Ivoire
Cocoa	Nigeria
Coffee	Cote d'Ivoire
Cotton	Benin
Cotton	Burkina Faso
Cotton	China
Cotton	Tajikistan
Cotton	Uzbekistan
Cottonseed (hybrid)	India
Diamonds	Sierra Leone
Electronics	China
Embroidered Textiles (zari)	India
Embroidered Textiles (zari)	Nepal
Garments	Argentina
Garments	India
Garments	Thailand
Gold	Burkina Faso
Granite	Nigeria
Gravel (crushed stones)	Nigeria
Pornography	Russia
Rice	Burma

Rice	India
Rice	Mali
Rubber	Burma
Shrimp	Thailand
Stones	India
Stones	Nepal
Sugarcane	Bolivia
Sugarcane	Burma
Teak	Burma
Textiles (hand-woven)	Ethiopia
Tilapia (fish)	Ghana
Tobacco	Malawi
Toys	China

## STATE TO ALLOW NON-CITIZEN CONTRACTING OFFICERS

The Department of State (DOS) is amending DOS Acquisition Regulation (DOSAR) 601.603-3, Appointment [of contracting officers], to allow the appointment of selected non-U.S. citizen locally employed staff (that is, Foreign Nationals and Third Country Nationals) as contracting officers for acquisitions at \$25,000 and below. This change will permit streamlined procurement processes at selected DOS overseas posts.

DOS considered expanding contracting authority at applicable overseas posts (Embassies and Consulates) to selected non-U.S. citizen locally employed staff (LES) for acquisitions at \$25,000 and below. DOS conducted a pilot program at 15 overseas posts in the following locations: Bridgetown, Barbados; Brussels, Belgium; Ljubljana, Slovenia; Melbourne, Australia; Munich, Germany; Nicosia, Cyprus; Oslo, Norway; Paris, France; Seoul, Korea; Singapore; Tallinn, Estonia; The Hague, Netherlands; Tokyo, Japan; Valletta, Malta; and Vienna, Austria. The pilot program was a success, but the DOSAR requires that all contracting officers must be U.S. citizens, so this change to DOSAR 601.603-3 is being made.

Paragraph (c) of DOSAR 601.603-3 is revised to the following:

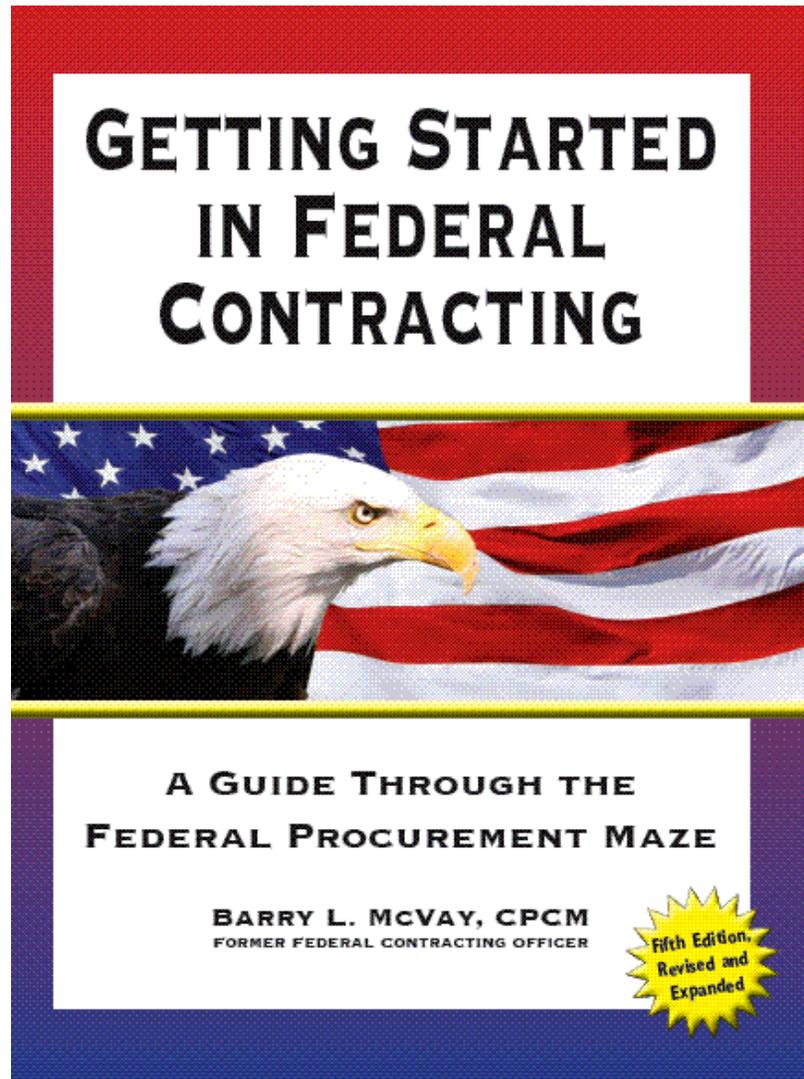
(c) *Non-Federal employees.* Only United States Government employees shall be appointed as contracting officers. For acquisitions at \$25,000 and below only, this includes locally employed staff (*i.e.*, Foreign Service Nationals and Third Country nationals). Personal services contractors are not eligible for appointment as DOS contracting officers.

According to the preamble to the rule, “appropriate enhanced management controls, including review of LES transactions by a U.S. citizen contracting officer, will be imposed. For example, these controls will incorporate the following mandatory requirements:

“Available only at posts with a score of least 5.0 on the Transparency International Corruption Perceptions Index;

“Available only to selected LES staff with a minimum of five years of Department of State experience, unquestioned integrity, and one week of specified simplified acquisition training;

“Review of LES transactions on a monthly basis by a U.S. citizen contracting officer; and  
“Periodic evaluation of LES delegated procurement by the Office of the Procurement  
Executive.”



426 pages, 2009, ISBN: 978-1-912481-26-5, \$49.95  
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