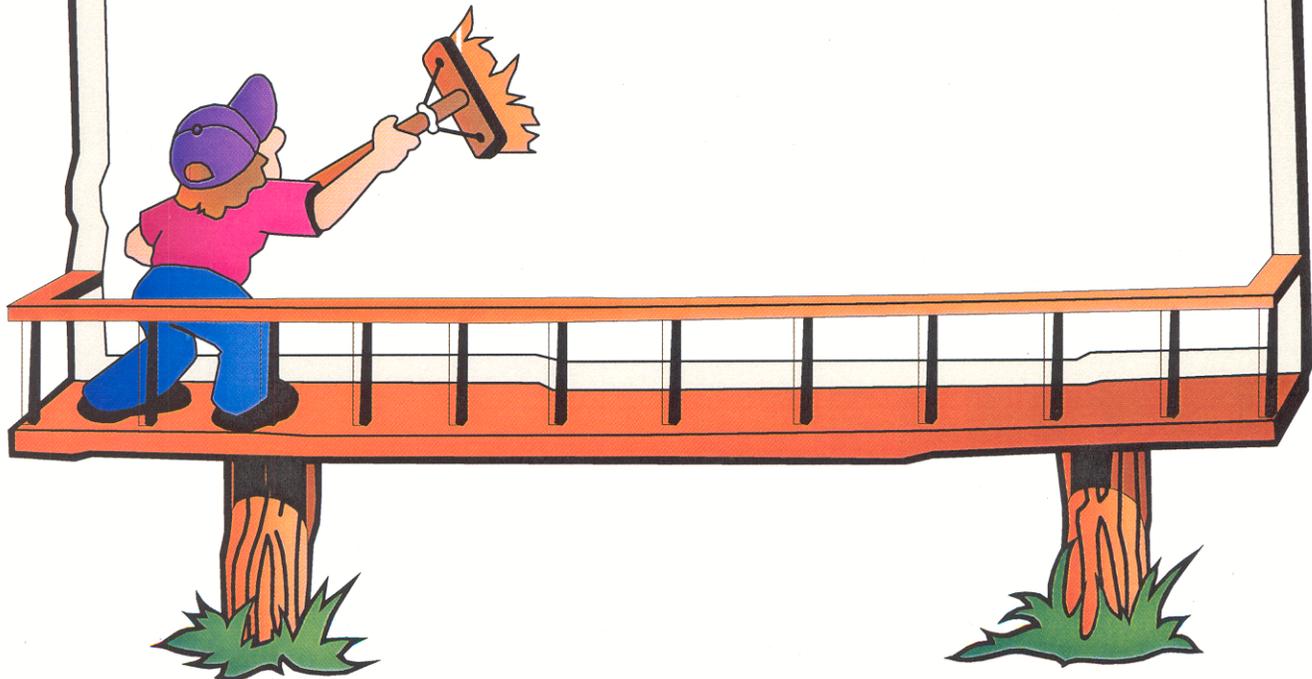


Headquarters Policy Flash

FLASH 2005-02

DATE: October 13, 2004
TO: Procurement Directors
FROM: Office of Procurement and Assistance Policy, ME-61
Office of Procurement and Assistance Management
SUBJECT: **Federal Acquisition Circulars (FAC) 2001-25, Final and Interim Rules Amending the FAR**

SUMMARY: This Policy Flash transmits summary information regarding the revisions to the FAR resulting from FAC 2001-25, published in the Federal Register at 69 FR 59698 (October 5, 2004). The following item is available via the internet at <http://www.acqnet.gov/far/FAC/fac2001-25.pdf>



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Federal Acquisition Circular (FAC) 2001-25

1. Elimination of the Standard Form 1417 (Final) (FAR Case 2002-017)

Effective Date: November 4, 2004

What is the purpose of this FAR Case?

This final rule amends the FAR to eliminate the use of Standard Form 1417, Pre-Solicitation Notice (Construction Contracts). The use of the form is overcome by the reliance on electronic procedures within the acquisition process, such as, Governmentwide Point of Entry (GPE). The GPE electronically provides access of pre-solicitation notices via the internet, pursuant to FAR 5.204. Contracting Officers can satisfy the requirement to issue a pre-solicitation notice via the GPE.

How will this affect work processes?

- ✓ Eliminates the use of a paper based form in contracts for construction, alteration or repair, dismantling, demolition, or removal of improvements.
- ✓ Provides access to pre-solicitation notices through the GPE.
- ✓ Enables contracting officers to more efficiently satisfy the requirements of 5.204.

2. Free Trade Agreements-Chile and Singapore, and Trade Agreements Thresholds (Final) (FAR Case 2003-016)

Effective Date: October 5, 2004

What is the purpose of this FAR Case?

This final rule amends the FAR by converting an interim rule, with changes, to implement free trade agreements with Chile and Singapore as well as apply new dollar thresholds for the application of trade agreements. The FAR Parts affected by this amendment are FAR Part 5, Publicizing Contract Actions; Part 12, Acquisition of Commercial Items; Part 13, Simplified Acquisition Procedures; Part 14, Sealed Bidding; Part 17, Special Contracting Methods; Part 19, Small Business Programs; Part 22, Application of Labor Laws to Government Acquisitions; Part 25, Foreign Acquisitions; Part 33, Protests, Disputes and Appeals; and Part 52, Solicitation Provisions and Contract Clauses.

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How will this affect work processes?

- ✓ Waives Buy America Act applicability for some foreign supplies and construction materials from Chile and Singapore.
- ✓ Requires the use of specific procurement procedures to implement the acquisition of supplies and services.
- ✓ Ensures contracts applicable to these provisions are covered by the clause at FAR 52.233-4, which does not flow down to subcontracts. However, prime contractors, particularly M&O contractors, should specify the U.S. state law that would govern any dispute under a subcontract.

3. Telecommuting for Federal Contractors (Interim) (FAR Case 2003-025)

Effective Date: October 5, 2004

What is the purpose of this FAR Case?

This interim rule implements Section 1428 of the Services Acquisition Reform Act (SARA) which provides for the authority to permit telecommuting by employees of Federal Government contractors in the performance of work under contracts entered into by executive agencies. This case effects FAR Part 7, Acquisition Planning, Part 11, Describing Agency, Part 13, Simplified Acquisition Procedures, and Part 15, Contracting by Negotiation.

How will this affect work processes?

- ✓ Generally, requires that the Federal Government not discourage contractors from allowing their employees to telecommute.
- ✓ Requires a written determination by the contracting officer when the requirements of the agency will be adversely affected by the contractor's telecommuting employee(s) under a specific contract.
- ✓ Requires that the contracting officer specify in the solicitation a prohibition against contractor employees' telecommuting, if applicable.
- ✓ Provides that an offeror's proposal not be unfavorably evaluated when telecommuting is permitted, if all other solicitation requirements are met.
- ✓

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4. Section 508 Micropurchase Exemption (Interim) (FAR Case 2004-020)

Effective Date: October 5, 2004

What is the purpose of this FAR Case?

This interim rule amends FAR Part 39, Acquisition of Information Technology, to extend the micropurchase exemption for purchasing electronic and information technology (EIT) from October 1, 2004 to April 1, 2005.

How will this affect work processes?

- ✓ Ensure that EIT purchases are consistent with law and regulation governing this process (see Acquisition Letter 2001-04).
- ✓ Provides DOE time to update its purchase card training program with respect to Section 508 requirements.

5. Technical Amendments

The amendment makes editorial changes to FAR 14.403, 52.212-5, 52.215-15, 52.217-5, and 52.219-4.

Written comments to the interim rulemaking are due in this office on or before October 21, 2004. This will allow time to prepare a consolidated response to the General Services Administration, as necessary.

Questions concerning this Flash should be directed to Denise P. Wright on (202) 287-1340 or via e-mail at Denise.Wright@hq.doe.gov



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cc:
PPAG Members