

CONTRACTING NEWS TO NOTE
Compiled by NCMA Saguaro Chapter

The following is a summary of key or significant proposed rules and actual changes from Oct. 1, 2010 through Oct. 31, 2010 to the Federal Acquisition Regulations (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS). Where applicable, other acquisition related information is also provided.

If you are interested in more information on any of these subjects, the source document is referenced. FACs can be accessed at <http://www.acqnet.gov/far/index.html> , DFARS Change Notices at <http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html>, and all proposed, final, and interim rules are published in the Federal Register at <http://www.gpoaccess.gov/fr/index.html>.

FAR CHANGES			
CASE NO.	DESCRIPTION	EFFECTIVE DATE	SOURCE
	NONE		

FAR CHANGES			
CASE NO.	DESCRIPTION	EFFECTIVE DATE	SOURCE
	NONE		

PROPOSED FAR CHANGES			
CASE NO.	DESCRIPTION	DATE PUBLISHED	COMMENTS DUE
2009-041	A proposed rule to amend the FAR has been issued to revise section 25.702, Prohibition on contracting with entities that conduct restricted business operations in Sudan, to add specific criteria that an agency must address in a waiver request and a waiver consultation process regarding foreign policy aspects of the waiver request for consultations. This information will be provided, in a waiver request, to the President or his appointed designee for consideration on whether the prohibition on awarding a contract to a contractor that conducts business in Sudan should be waived.	Oct. 7, 2010	Dec. 6, 2010

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DFARS CHANGES			
CASE NO.	DESCRIPTION	EFFECTIVE DATE	SOURCE
2007-D002	DoD has issued an interim rule to implement section 3504 of the NDAA for FY 2009, which addresses requirements that apply to “riding gang members “ and DoD-exempted individuals who perform work on U.S.-flag vessels under DoD contracts for transportation services. Section 3504 amended section 1018 of the NDAA for FY 2007. U.S. law requires crews of predominantly U.S. citizens aboard U.S.-flag vessels. For many years, foreign nationals have been utilized on U.S.-flag vessels as members of “riding gangs” who perform work beyond standard vessel maintenance and repair while ships are underway. In 2006, Congress prohibited the use of such foreign riding personnel on board vessels that are under contract with the DoD unless the DoD complied with certain limitations. The exceptions provided to DoD in 2006 did not match those applicable to other U.S.-flag vessels. The NDAA of FY 2009 made it clear that the exceptions available to DoD are complete exemptions both from the DoD-specific riding gang limitations and those generally applicable to U.S.-flag vessels.	Oct. 25, 2010	Change Notice 20101025
2009-D002	DoD issued another interim rule to require that the DFARS conform to the FAR by providing DoD-specific policy and procedures related to the Electronic Subcontracting Reporting System (eSRS). The FAR has been revised to reflect use of the eSRS, rather than Standard Form 294--Subcontract Report for Individual Contracts, and Standard Form 295—Summary.	Oct. 25, 2010	Change Notice 20101025
2009-D041	DoD is issuing a final rule amending the DFARS to implement the exemption from the Balance of Payments Program for construction material that is commercial information technology. DoD published a proposed rule in the Federal Register (FR) on June 8, 2010 and received no comments on the proposed rule. Therefore, DoD is adopting the proposed rule as a final rule without change.	Oct. 29, 2010	Change Notice 20101029
2010-D016	DoD is issuing a final rule amending the DFARS to delete redundant text relating to the continuation of current contracts with a contractor that has been suspended, debarred, or proposed for debarment. DFARS 209.405-1 limits placement of orders against contracts with contractors that have been debarred, suspended, or proposed for debarment. On December 11, 2003, the final rule published under FAR Case 2002-010 incorporated these restrictions into the FAR. The DFARS text, therefore, became redundant and is deleted by this final rule.	Oct. 29, 2010	Change Notice 20101029

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DFARS CHANGES (Cont'd)			
CASE NO.	DESCRIPTION	EFFECTIVE DATE	SOURCE
2009-D017	DoD is adopting as final, with changes, the interim rule amending the DFARS to add policy and a contract clause requiring that contractors providing essential contractor services, as determined by the requiring activity, shall be prepared to continue such services during periods of crisis. DoD published an interim rule in the FR on March 5, 2010, implementing the requirements of DoDI 3020.37, Continuation of Essential DoD Contractor Services During Crises. DoD Instruction (DoDI) 1100.22, Policy and Procedures for Determining Workforce Mix, has since superseded DoDI 3020.37. DoD established this requirement for contractors to submit their plans to ensure continuation of essential contractor services that support mission-essential functions during a crisis situation.	Oct. 29, 2010	Change Notice 20101029
2009-D029	DoD issued an interim rule amending the DFARS to implement section 807 of the NDAA of 2010. Section 807 requires that facilities, infrastructure, and equipment that are intended for use by military or civilian personnel of the DoD, in current or future military operations, should be inspected for safety and habitability prior to use, and that such facilities should be brought into compliance with generally accepted standards for the safety and health of personnel to the maximum extent practicable consistent with the requirements of military operations and the best interests of DoD to minimize the safety and health risk posed to such personnel.	Oct. 29, 2010 Comments by Dec. 28, 2010	Change Notice 20101029
2009-D040	DoD is adopting as final, without change, the interim rule published on June 8, 2010 to amend the DFARS to incorporate increased thresholds for application of the World Trade Organization Government Procurement Agreement and the Free Trade Agreements, as determined by the United States Trade Representative. The comment period closed on Aug. 9, 2010. with no comments received. DoD has therefore adopted the interim rule as a final rule without change.	Oct. 29, 2010	Change Notice 20101029

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PROPOSED DFARS REGULATIONS			
CASE NO.	DESCRIPTION	DATE PUBLISHED	COMMENTS DUE
2009-D037	DoD is proposing to amend the DFARS to address electronic business procedures for placing orders. DoD is proposing to add language to the DFARS to make electronic distribution procedures a routine part of order issuance. This case establishes a standard method for issuance of orders via electronic means.	Oct. 1, 2010	Nov. 30, 2010

OTHER CHANGES, NOTICES, AND MEMORANDA		
DESCRIPTION	DATE	SOURCE
GAO published a change to a notice published Sep. 20, 2010 to correct some references and web addresses in the proposed revisions to the Government Auditing Standards (GAGAS) (also known as the Yellow Book).	Oct. 4, 2010	Federal Register
The U.S. Small Business Administration (SBA) issued a Final Rule to amend its regulations governing small business contracting procedures. This Final Rule amends part 127, entitled “The Women-Owned Small Business Federal Contract Assistance Procedures,” and implements procedures authorized by the Small Business Act (Pub. L. 85-536, as amended) to help ensure a level playing field on which Women-Owned Small Businesses can compete for Federal contracting opportunities. On December 21, 2000, Congress enacted the Small Business Reauthorization Act of 2000, Public Law 106-554. Section 811 of that Act added a new section 8(m), 15 U.S.C. 637(m), authorizing Federal contracting officers to restrict competition to eligible Women-Owned Small Businesses (WOSBs) or Economically Disadvantaged Women-Owned Small Business (EDWOSBs) for Federal contracts in certain industries. The purpose of this authority, referred to as the WOSB Program, is to enable contracting officers to identify and establish a sheltered market for competition among WOSBs or EDWOSBs for the provision of goods and services to the Federal Government.	Oct. 7, 2010 Effective Feb. 4, 2011	Federal Register
The Undersecretary of Defense Acquisition, Technology and Logistics (USD AT&L) issued a memo entitled, “Class Deviation—Congressional Notification of Significant Contract Terminations.” This memorandum provides guidance on the DoD-Wide Policy for using the Department of Energy's (DoE's) Work for Others Program (WFO) to access DoE-Owned research, development and production facilities through Interagency Agreements (IAs) in fiscal year 2011. http://www.acq.osd.mil/dpap/policy/policyvault/USA005838	Oct. 8, 2010	Defense Procurement & Acquisition Policy (DPAP) website

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OTHER CHANGES, NOTICES, AND MEMORANDA (Cont'd)		
DESCRIPTION	DATE	SOURCE
USD AT&L issued a memo entitled, “Class Deviation—Public Access to Information in the Federal Awardee Performance and Integrity Information System (FAPIIS). This memo requires contracting officers in all departments and agencies to use a deviation version of the clause 52.209-8 Updates Regarding Responsibility Matters (OCT 2010) in lieu of FAR clause 52.209-8 of the same name dated APR 2010. The new clause shall be used in DoD solicitations where the resultant contract value is expected to exceed \$500,000 and in resultant contracts in which the offeror has indicated that it has current active Federal contracts and grants with total value greater than \$10,000,000. The entire memo is at: http://www.acq.osd.mil/dpap/policy/policyvault/USA005830-10-DPAP.pdf	Oct. 12, 2010	DPAP website
USDAT&L issued a memo, “Data Call for Annual Congressional Report on Exceptions to the Truth in Negotiations Act (TINA) and the Cost Accounting Standards (CAS).” This memorandum notifies the Defense components of the data call for the annual Congressional report on Exceptions and Waivers from TINA and CAS. The Secretary of Defense is required under section 817 of the NDAA for FY 2003 to annually report to the congressional defense committees TINA/CAS exceptions and waivers valued at \$15 million or more. The full memo can be found at: http://www.acq.osd.mil/dpap/policy/policyvault/USA005792-10-DPAP.pdf	Oct. 12, 2010	DPAP website
USDAT&L issued a memo, “Implementation of FAR Final Rule, Termination for Default Reporting (FAR Case 2008-016.” This memorandum announces the implementation of the new FAR Rule, Termination for Default Reporting published in the Federal Register on Wednesday, Sep. 29, 2010. The full memo is at: http://www.acq.osd.mil/dpap/policy/policyvault/USA005692-10-DPAP.pdf	Oct. 12, 2010 Effective Oct. 29, 2010	DPAP website
USD AT&L issued a memo entitled, “Theater Business Clearance/Contract Administration Delegation (TBC/CDA) Update.” This is the second memo on this subject which establishes the following; Extends the October 1, 2010, effective date for expansion of Theater Business Clearance/Contract Administration Delegation (TBC/CAD) coverage within the USCENTCOM AOR, applicable to Kuwait and Pakistan, to November 1, 2010 and announces that SPOT and TBC will be integrated to preclude issuance of SPOT-generated LOAs without a TBC approval effective January 15, 2011. This memo is at: http://www.acq.osd.mil/dpap/policy/policyvault/USA005566_2.pdf	Oct. 13, 2010	DPAP website
The General Services Administration (GSA) issued Amendment 2010-05 amending the Federal Travel Regulation (FTR) by revising and updating its policy on lodging and transportation for common carriers, commercial lodging, and car rental usage. This final rule also updates an acronym and references.	Oct. 14, 2010 Effective Nov. 15, 2010	Federal Register

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GSA also issued a Temporary Duty (TDY) Travel Allowances Bulletin FTR 10-06. This bulletin provides guidance to employees of agencies subject to the FTR to enhance travel cost savings and reduce greenhouse gas emissions. This guidance will improve management of agency travel programs, save money on travel costs, better protect the environment, and conserve natural resources. Other agencies not subject to the FTR are also encouraged to follow this guidance and incorporate these strategies into their travel management policies, procedures, and activities related to official travel. Bulletin FTR 10-06 and all other Bulletins may be found at http://www.gsa.gov/bulletins .	Oct. 14, 2010	Federal Register
The U.S. Small Business Administration (SBA) proposes to revise a rule which prohibits a small business investment company (SBIC) from providing financing to an Associate, as defined in the rules, unless it first obtains a conflict of interest exemption from SBA. The revision would eliminate the requirement for an exemption in the case of a follow-on investment in a small business concern by an SBIC and an Associate investment fund, where both parties invested previously on the same terms and conditions and where the follow-on investment would also be on the same terms and conditions as well as in the same proportions. In addition, this rule would implement two provisions of the Small Business Investment Act. First, it would bring the public notice requirement for conflict of interest transactions into conformity with statutory requirements. Second, it would expand the types of investments an SBIC is permitted to make with its "idle funds" (cash that is not immediately needed for fund operations or investments in small business concerns). Finally, the rule would remove an outdated cross-reference and eliminate a section that exactly duplicates a provision found elsewhere in part 107.	Oct. 14, 2010 Comments by Nov. 15, 2010	Federal Register
GAO issued a report entitled, "Defense Acquisitions: DOD Needs to Reassess Joint Cruise Missile Costs before Starting New Production Phase." GAO discussed the history of the Joint Air-to-Surface Standoff Missile (JASSM) which the Air Force (AF) began producing in 2001. GAO indicated the program encountered many flight test failures, so the AF decided to develop an extended range version, and the program recognized significant cost growth. The production decision for the JASSM-ER is planned for Nov. 2010. The Secretary of Defense has recently announced a major initiative to restore affordability and productivity in defense spending. As DOD faces the initial production decision on JASSM-ER, GAO was asked to assess the most recent test results, correction of causes of previous flight test failures, efforts to improve JASSM's reliability; and JASSM cost changes, efforts to control costs, and additional cost risks for the program. This report details GAO's recommendations. GAO believes that it is incumbent upon the department to reexamine JASSM before making the production decision to ensure that the program is structured as efficiently as possible and is still a good investment given the other demands DOD faces. Report link: http://www.gao.gov/new.items/d11112.pdf	October 13, 2010	GAO-11-112

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OTHER CHANGES, NOTICES, AND MEMORANDA (Cont'd)		
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<p>DoD published a notice that in accordance with section 2330a of title 10 United States Code as amended by the NDAA for FY 2008 section 807, that it will make available to the public the inventory of activities performed pursuant to contracts for services. The inventory will be published to the Defense Procurement and Acquisition Policy Web site at the following location: http://www.acq.osd.mil/dpap. The services contract inventory for the Dept of the Army is included in the DoD Inventory; however, a more extensive inventory of Army service contracts can be found at http://www.asamra.army.mil/insourcing.</p>	Oct. 20, 2010 Document to be made available within 30 days of this date.	Federal Register
<p>The Office of Federal Procurement Policy (OFPP), Cost Accounting Standards (CAS) Board (Board), released a Notice of Proposed Rule (NPR) on a proposal to eliminate the exemption from the Cost Accounting Standards (CAS) for contracts executed and performed entirely outside the United States, its territories, and possessions as codified at 48 CFR 9903.201-1(b)(14), the “(b)(14) overseas exemption.” OFPP invites public comments concerning whether the (b)(14) overseas exemption at 48 CFR 9903.201-1(b)(14) should be retained, eliminated, or revised.</p>	Oct. 20, 2010 Comments by Dec. 20, 2010	Federal Register
<p>USD AT&L issued a memo on “Reporting Governmentwide Purchase Card Actions to the Federal Procurement Data System (FPDS).” This memorandum sets out specific instructions for reporting actions to FPDS that are acquired through the use of the Governmentwide purchase card. This will allow DoD to more clearly identify associated actions, improve compliance with the Federal Funding Accountability and Transparency Act, and reduce the risk of double-counting both actions and obligations when compared to the data that the GSA reports for the Governmentwide purchase card program. The full memo is located at: http://www.acq.osd.mil/dpap/policy/policyvault/USA005453-10-DPAP.pdf</p>	Oct. 26, 2010	DPAP Website
<p>USD AT&L issued a memo on “Update to Deployment of Subcontract Reporting Requirements for the Federal Accountability and Transparency Act of 2006 (FFATA).” This memorandum updates guidance previously provided regarding the deployment of subcontract reporting requirements in accordance with the FFATA and FAR clause at 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards. As a part of the July 15, 2010 guidance, contracting officers were directed include the Treasury Account Symbol (TAS) for any new contract or order valued greater than \$20M in their contract action report provided to the Federal Procurement Data System (FPDS). Effective immediately, the threshold mentioned above for reporting the TAS to FPDS is lowered to \$550K. http://www.acq.osd.mil/dpap/policy/policyvault/USA005225-10-DPAP.pdf</p>	Oct. 28, 2010	DPAP Website

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DESCRIPTION	DATE	SOURCE
SBA published a notice of the availability of a compliance guide for the Women-Owned Small Business (WOSB) Program which was approved on October 7, 2010 to help ensure a level playing field on which Women-Owned Small Businesses (WOSBs) can compete for Federal contracting opportunities. This guide sets forth in plain language the requirements for participation in the WOSB program, and is intended to help small businesses understand the regulation and how it affects them. The document may be obtained at: http://www.sba.gov/wosb .	Oct. 28, 2010	Federal Register
GAO issued a report entitled, "Defense Contracting: Enhanced Training Could Strengthen DOD's Best Value Tradeoff Decisions." The NDAA for FY 2010 required GAO to review DOD's use of the best value tradeoff process, specifically when non-cost factors were more important than price. In response, GAO determined (1) how often and for what types of contracts DOD used the best value tradeoff process; (2) why and how DOD used such an approach; and (3) challenges, if any, DOD faces in using the best value tradeoff process. GAO sampled new, competitively awarded FY 2009 contracts in which DOD obligated \$25 million or more; reviewing guidance, solicitations, source selection decisions, and other documents for 129 contracts and interviewed DOD contracting and program staff about the use of the best value tradeoff process. GAO determined that in order to help DOD effectively employ the best value tradeoff process, the Secretary of Defense should direct the Director of Defense Procurement and Acquisition Policy to work with the Defense Acquisition University to develop training elements, such as case studies or scenarios that focus on reaching tradeoff decisions, including consideration of price differentials, as it updates the source selection curriculum. The full report can be found at: http://www.gao.gov/products/GAO-11-8 .	Oct. 28, 2010	GAO 11-8
GAO issued a report entitled, "Defense Acquisitions: Additional Guidance Needed to Improve Visibility into the Structure and Management of Major Weapon System Subcontracts." According to some DOD and industry experts, consolidation of the defense industry along with a shift in prime-contractor business models has resulted in prime contractors subcontracting more work on the production of weapon systems and concentrating instead on systems integration. Based on some estimates, 60-70:% of work on defense contracts is now done by subcontractors, with certain industries aiming to outsource up to 80% of the work. At the same time, there is evidence that subcontractor performance may contribute to cost and schedule delays on weapon system programs. Congress has raised questions about the extent to which primes are awarding subcontracts competitively and about the government's insight into the process prime contractors use for determining what work to make in-house and what work should be bought from subcontractors (make-or-buy decisions). In the 2009	Oct. 28, 2010	GAO 11-61R

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DESCRIPTION	DATE	SOURCE
<p>Weapon Systems Acquisition Reform Act (WSARA), Congress directed DOD, as part of efforts to improve competition throughout the life cycle of major defense programs, to ensure that contractors' make-or-buy decisions are fair and objective. Specifically, the Secretary of Defense was directed to require prime contractors to give full and fair consideration to qualified sources other than the prime contractor for the development or construction of major subsystems and components of major weapon systems. These actions were to be taken by Nov. 22, 2009. Congress also directed DOD to revise its acquisition regulation regarding organizational conflicts of interest (OCI). In response to both of these requirements, DOD has drafted revisions to its acquisition regulation that are pending final approval. The 2010 NDAA required GAO to study the structure and management of major subcontracts under contracts for the acquisition of selected major weapon systems. The full report is at: http://www.gao.gov/products/GAO-11-61R</p>		
<p>The Defense Contract Audit Agency issued a memorandum which announced a change to the DFARS Procedures, Guidance, and Information (PGI) to revised the thresholds at which contracting officers should request DCAA audit assistance. The new thresholds are for Fixed-Price proposals exceeding \$10 million and Cost-Type proposals exceeding \$100 million, unless there are exceptional circumstances explained in the request for audit. When future requests for audit are associated with prime contractor proposals below the revised thresholds, Field Acquisition Office management personnel should generally refer the requestor to the Defense Contract Management Agency (DCMA) for appropriate field pricing assistance. The memo also recognizes the increase in the threshold for certified cost and pricing data which was increased to \$700,000 effective Oct. 1, 2010. The full memo is located at: http://www.pogoarchives.org/m/co/dcaa-20101018.pdf</p>	<p>Oct. 18, 2010 Released Oct. 29, 2010</p>	<p>Washington Technology Magazine & Project on Government Oversight</p>

CASES/DECISIONS OF INTEREST		
SYNOPSIS	DATE	CASE NO.
<p>A recent Mondaq news article reported that a “Wrongful Termination for Convenience Results in a Finding of Breach of Contract Against the Government.” The article indicated that a recent Civilian Board of Contract Appeals (CBCA) case, <i>Sigal Construction Corp.</i>, provides a timely reminder that the government's right to terminate a contract for its own convenience is not unlimited, and that the improper exercise of that power will result in the award of damages for lost profits, just as in private contracting. In this case, GSA issued a contract for the renovation of a federal office building which called for the repair of certain building finishes on a square foot basis, at fixed unit prices. At the time of the award, the government found that the unit prices were reasonable and appropriate, but when the</p>	<p>Sep. 29, 2010 Article date May 13, 2010 case date.</p>	<p>10-1 BCA ¶ 34442, CBCA 508</p>

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CASES/DECISIONS OF INTEREST (Cont'd)		
SYNOPSIS	DATE	CASE NO.
<p>volume of work significantly exceeded the contract's estimated quantities, the government sought to reduce costs. Rather than seek to adjust prices based upon the Variation in Estimated Quantities clause of the contract (see FAR 52.211-8), the government barred the contractor from proceeding with the excess unit price work and brought in another contractor to perform that work, at a reduced price. Sigal filed a claim for the profits it would have earned in performing the deleted work and the government sought to defend under the termination for convenience clause of the standard form government construction contract. In its decision, the Board said: "One of the few limitations on the government's right to terminate for convenience is that the government may not terminate simply to get a better price for performing needed work." A free sign up is required for access but the full article can be found at: http://www.mondaq.com/unitedstates/article.asp?articleid=107324.</p>		
<p>Total Health Resources, of Silver Spring, MD, protested the terms of a request for proposals (RFP) issued by the Air Force (AF) for family advocacy program (FAP) services. The solicitation required that the prime contractor itself have 2 years of FAP experience. The RFP, issued as a commercial item acquisition set aside for section 8(a) small business firms, provided for the award of a fixed-price contract for family and community health services, including education, awareness, identification and treatment of family maltreatment incidents and non-violence advocacy, at 21 Air Force bases across the western and southwestern U. S.. Offerors were informed that award would be made on a best value basis, considering technical capability and price. In this regard, the RFP stated that offerors must show 2 years of experience providing FAP services to be technically acceptable. In response to offerors' questions, the agency amended the solicitation to require that, where an offeror proposes a prime/subcontractor teaming arrangement, the prime contractor itself must have 2 years of FAP experience. Total Health protested that the RFP's requirement for 2 years of experience providing FAP services at the prime contractor level unduly restricted competition, particularly among 8(a) firms. The AF responded that FAP services are different from health care services in a civilian community because an FAP contractor must work closely with military commanders to assure military readiness while providing clinical interventions. GAO found that a contracting agency is required to specify its needs in a manner designed to achieve full and open competition, and may include restrictive requirements only to the extent necessary to satisfy the agency's legitimate needs. Here, despite specific inquiry from GAO, the agency did not address why the 2-year, FAP experience requirement could not be satisfied by proposing a subcontractor or other teaming member. Accordingly, GAO found that the requirement was unduly restrictive of competition and sustained the protest. The full text of the decision can be found at: http://www.gao.gov/decisions/bidpro/403209.htm .</p>	Oct. 4, 2010	B-403209

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CASES/DECISIONS OF INTEREST (Cont'd)		
SYNOPSIS	DATE	CASE NO.
<p>Powerhouse Design Architects & Engineers, Ltd., of Pittsburgh, PA, protested the terms of eight Sources Sought Notices (SSN) issued by the Department of Veterans Affairs (VA) for architect-engineering (A/E) services. The protester, a service-disabled veteran-owned small business (SDVOSB) concern, asserts that the agency improperly failed to set aside these procurements for such firms. These procurements were conducted pursuant to the Brooks Act and its implementing regulations, set forth at FAR 36.6. In accordance with those regulations, the agency issued SSNs on the FedBizOpps website publicizing its need for A/E services. The sole protest issue is whether the agency was required to set aside these A/E procurements for SDVOSB concerns. The protester asserts that the agency's failure to do so violated the Veterans Benefits, Health Care, and Information Technology Act of 2006, 38 U.S.C. sections 8127-8128 (Supp. III 2006) (VA Act). In relevant part, 38 U.S.C. sect. 8127(d), captioned "use of restricted competition," provides as follows: “. . . a contracting officer of [the VA] shall award contracts on the basis of competition restricted to small business concerns owned and controlled by veterans if the contracting officer has a reasonable expectation that two or more small business concerns owned and controlled by veterans will submit offers and that the award can be made at a fair and reasonable price that offers best value to the United States.” The statute also sets out an order of priority for the contracting preferences it establishes, providing that the first priority for contracts awarded pursuant to 38 U.S.C. sect. 8127(d) shall be given to SDVOSB concerns. 38 U.S.C. sect. 8127(i)(1). GAO found that nothing in the VA Act or the VA regulations that exempts A/E procurements from the set-aside requirements and sustained the protests. The full text of the decision can be found at: http://www.gao.gov/decisions/bidpro/403174.pdf .</p>	<p>Oct. 7, 2010</p>	<p>B-403174; B-403175; B-403176; B-403177; B-403633; B-403647; B-403648; B-403649</p>