- 4.505-1 Interim certification.
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- 4.505-4 Contract actions excluded.
- 4.506 Exemptions.
- 4.507 Contract actions using simplified acquisition procedures.

# 4.500 Scope of subpart.

This subpart provides policy and procedures for the establishment and use of FACNET as required by Section 30 of the Office of Federal Procurement Policy (OFPP) Act (41 U.S.C. 426).

#### 4.501 Definitions.

"ANSI X12" means the designation assigned by the American National Standards Institute (ANSI) for the structure, format, and content of electronic business transactions conducted through Electronic Data Interchange (EDI). The American National Standards Institute is the coordinator and clearinghouse for national standards in the United States.

"Federal Acquisition Computer Network (FACNET)" means the governmentwide Electronic Commerce/ Electronic Data Interchange systems architecture for the acquisition of supplies and services that provides for electronic data interchange of acquisition information between the government and the private sector, employs nationally and internationally recognized data formats, and provides universal user access.

"Full FACNET" means an agency has certified that it has implemented all of the FACNET functions outlined in 4.504 and more than 75 percent of eligible contracts (not otherwise exempted from FACNET) in amounts exceeding the micro-purchase threshold, but not exceeding the simplified acquisition threshold (see Part 13), were entered into by the agency during the preceding fiscal year using FACNET.

"Governmentwide FACNET" means that the Federal government has certified its FACNET capability and more than 75 percent of eligible contracts in amounts exceeding the micro-purchase threshold, but not exceeding the simplified acquisition threshold (see Part 13), entered into by the executive agencies during the preceding fiscal year were made through full FACNET.

"Interim FACNET" means a contracting activity has been certified as having implemented a capability to provide widespread public notice of, and issue, solicitations and receive responses to solicitations and associated requests for information through FACNET. Such capability must allow the private sector to access notices of solicitations, access and review

solicitations, and respond to solicitations.

"Transaction Set" means the data that is exchanged to convey meaning between Trading Partners engaged in EC/EDI.

"Value-Added Network (VAN)" means an entity that provides communications services, electronic mailboxing and other communications services for EDI transmissions.

"Value-Added Service (VAS)" means an entity that provides services beyond communications to its customers. These services may range from translation and segregation of the data to complete turnkey business systems support for customers.

#### 4.502 Policy.

- (a) The Federal government shall acquire supplies and services via FACNET whenever practicable or cost effective.
- (b) FACNET is the preferred method of acquiring supplies and services exceeding the micro-purchase threshold and not exceeding the simplified acquisition threshold (see 13.103(b)).
- (c) Contracting officers are authorized to use FACNET for any contract action governed by the FAR, unless specifically exempted by agencies.
- (d) Before using electronic data interchange, agencies shall ensure that the electronic data interchange system is capable of ensuring authentication and confidentiality commensurate with the risk and magnitude of the harm from loss, misuse, or unauthorized access to or modification of the information.

## 4.503 Contractor registration.

- (a) In order for a contractor to conduct electronic commerce with the Federal government, the contractor must provide registration information to the Centralized Contractor Registration
- (b) The contractor will be required to submit information in accordance with the Federal implementation conventions of the ASC ANSI X.12 transaction set for contractor registration.

# 4.504 FACNET functions.

- (a) FACNET shall allow agencies to do the following electronically—
- (1) Provide widespread public notice of contracting opportunities, and issue solicitations;
- (2) Receive responses to solicitations and associated requests for information;
- (3) Provide public notice of awards of contracts and orders (including price);
- (4) Receive questions regarding solicitations, if practicable;
- (5) Issue contracts and orders, if practicable;

- (6) Initiate payments to contractors, if practicable; and,
- (7) Archive data relating to each procurement action.
- (b) FACNET shall allow the private sector to do the following electronically:
  - (1) Access notices of solicitations;
  - (2) Access and review solicitations;
  - (3) Respond to solicitations:
- (4) Receive contracts and orders, if practicable;
- (5) Access information on awards of contracts and orders; and,
- (6) Receive payment by purchase card, electronic funds transfer, or other automated means, if practicable.

### 4.505 FACNET certification.

# 4.505-1 Interim certification.

A contracting activity is considered to have implemented interim FACNET if:

- (a) The contracting activity has implemented the FACNET functions described in 4.504(a) (1) and (2), and (b) (1), (2), and (3); and issues notices of solicitations and receives responses to solicitations in a system having those functions.
- (b) The contracting activity is using FACNET for contracts (not otherwise exempted, see 4.506), that exceed the micro-purchase threshold and do not exceed the simplified acquisition threshold:
- (c) The senior procurement executive of the agency, or the Under Secretary of Defense for Acquisition and Technology for the Department of Defense, has certified to the Administrator of OFPP that the contracting activity has implemented interim FACNET.
- (d) The senior procurement executive of the agency, or the Under Secretary of Defense for Acquisition and Technology for the Department of Defense, shall notify the private sector via the Commerce Business Daily that a contracting activity of the agency has certified interim FACNET. The notice shall establish a date after which it will be required that all responses to solicitations issued by the contracting activity through FACNET, must be submitted through FACNET, unless otherwise authorized.

# 4.505-2 Full certification.

An agency is considered to have implemented full FACNET if:

- (a) The agency has implemented all of the FACNET functions described in 4.504; and
- (b) During the preceding fiscal year, more than 75 percent of the agency's eligible contract actions, not otherwise exempted (see 4.506), that exceeded the micro-purchase threshold but did not exceed the simplified acquisition threshold were made via FACNET; and