

illustrative purposes, large purchase solicitations run 29 pages on the average whereas non-automated small purchases are about 12 pages in length, and automated small purchase solicitations, used by some DoD purchasing activities, are even less, 1 to 2 pages. The beneficial results of implementing these FASA provisions are evidenced further by the time saved in awarding orders under the existing small purchase procedures as opposed to contracts above the small purchase threshold of \$25,000. The current average lead-time for awards below \$25,000 is 26 days, while above \$25,000 the average lead-time is 90 days for sealed bids and 210 days for competitive negotiations. These timeframes will be reduced further by implementation of the simplified acquisition authority in this rule by establishing reasonable timeframes for submission of offers for simplified acquisitions in lieu of a rigid 30 days period. Through use of the simplified acquisition procedures for actions not exceeding \$50,000, the lead-time for approximately 30,000 contracts per year will be reduced to a fraction of the current lead-time. Use of electronic commerce/electronic data interchange capabilities at procurement activities certified to use FACNET will reduce lead-times even further and will increase the number of contracts affected to approximately 45,000, since FACNET users will be able to use the newly authorized simplified acquisition threshold of \$100,000 rather than only \$50,000 where FACNET has not been certified. Use of electronic commerce/electronic data interchange at a DoD test site reduced lead-time to 11 days. Reducing the lead-time will allow the contracting community to be more responsive in spite of the already reduced personnel resources, focus its efforts on more complex procurements, reduce the cost of the procurement process for both Government and industry, and provide better service to the direct users of the acquisition system, and ultimately to the public.

FASA called for its implementation in the FAR by October 1, 1995, or earlier. Due to the time required to fully consider, analyze, and document the analysis of public comments received in response to these proposed rules, it is unlikely that the rules could be published in the FAR, promulgated to procurement personnel and contractors, have procurement personnel and contractors trained, and have the new rules in use by the beginning of the last quarter of the fiscal year. It is essential that these rules be made effective by the beginning of the last quarter of the fiscal

year because of personnel downsizing that has already occurred and that is expected before the end of the fiscal year. Additionally, the workload in the last quarter of the fiscal year is the most demanding of the fiscal year. Introduction of new procedures and processes in the middle of that quarter would be counterproductive to efficiency and would require operations to be suspended while retraining of the workforce is accomplished. Therefore, the regulations in FAC 90-29 must be effective no later than July 3, 1995, to provide the Federal acquisition workforce the labor and cost saving benefits provided by the statute, or they must be delayed until the end of the fiscal year so as not to interfere with acquisition operations. Immediate implementation as an interim rule will permit time for training of the acquisition workforce and FAR acquisition procedures to be fully operational before the final quarter of FY 1995.

Pursuant to Public Law 98-577 and FAR 1.501, public comments received in response to these interim rules and the prior proposed rules will be considered in formulating the final rules.

List of Subjects in 48 CFR Parts 1, 2, 4, 5, 7, 8, 9, 12, 14, 15, 16, 19, 20, 25, 28, 32, 36, 45, 52, and 53

Government procurement.

Dated: June 26, 1995.

C. Allen Olson,
Director, Office of Federal Acquisition Policy.

Therefore, 48 CFR Parts 1, 2, 4, 5, 7, 8, 9, 12, 14, 15, 16, 19, 20, 25, 28, 32, 36, 45, 52, and 53 are amended as set forth below:

1. The authority citation for 48 CFR Parts 1, 2, 4, 5, 7, 8, 9, 12, 14, 15, 16, 19, 20, 25, 28, 32, 45, 52, and 53 continues to read as follows:

Authority: 40 USC 486(c); 10 U.S.C. chapter 137; and 42 U.S.C. 2473(c).

PART 1—FEDERAL ACQUISITION REGULATIONS SYSTEM

1.105 [Amended]

2. Section 1.105 is amended in the FAR segment column by removing entry "14.406" and inserting "14.407" in its place.

PART 2—DEFINITIONS OF WORDS AND TERMS

3. Section 2.101 is amended by adding, in alphabetical order, the definitions "In writing" or written" and signature" or "Signature" or "signed" to read as follows:

2.101 Definitions.

* * * * *

In writing or *written* means any worded or numbered expression which can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

* * * * *

Signature or *signed* means the discrete, verifiable symbol of an individual which, when affixed to a writing with the knowledge and consent of the individual, indicates a present intention to authenticate the writing. This includes electronic systems.

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PART 4—ADMINISTRATIVE MATTERS

4. Section 4.101 is revised to read as follows:

4.101 Contracting officer's signature.

Only contracting officers shall sign contracts on behalf of the United States. The contracting officer's name and official title shall be typed, stamped, or printed on the contract. The contracting officer normally signs the contract after it has been signed by the contractor. The contracting officer shall ensure that the signer(s) have authority to bind the contractor (see specific requirements in 4.102 of this subpart).

4.201 [Amended]

5 & 6. Section 4.201 is amended in paragraph (a) by removing the parenthetical "(see 4.101(b))"; in paragraph (b)(1) by removing the parenthetical "(stamped 'DUPLICATE ORIGINAL,' see 4.101(b))"; and in paragraph (d) by revising the parenthetical "(see 30.601(b))" to read "(see 30.601(b))".

PART 5—PUBLICIZING CONTRACT ACTIONS

7. Section 5.101 is amended by adding paragraph (a)(2)(iv) to read as follows:

5.101 Methods of disseminating information.

* * * * *

(a) * * *

(2) * * *

(iv) Electronic dissemination available to the public at the contracting office may be used to satisfy the public display requirement. Contracting offices utilizing electronic systems for public posting shall periodically publicize the methods for accessing such information.

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8. Section 5.102(a)(4)(i) is revised to read as follows: