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 (not otherwise exempted from FACNET) 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 office has been certified as having implemented a capability to provide widespread public notice of, 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 system support for customers.

4.502 Policy.

- (a) The Federal Government shall use FACNET whenever practicable or cost effective.
- (b) FACNET is the preferred method of soliciting and receiving quotes and providing notice of Government purchase requirements exceeding the micro-purchase threshold and not exceeding the simplified acquisition threshold (see 13.103 (b)).
- (c) Contracting officers may use FACNET for any contract action governed by the FAR, unless specifically exempted (see 4.506 and 13.106-1(a)(2)).
- (d) Before using FACNET, or any other method of electronic data interchange, The agency head 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 Central 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 will permit 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 widespread public notice of contract awards and issuance of 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 will permit the private sector to do the following electronically—
 - (1) Access notices of solicitation;
 - (2) Access and review solicitations:
 - (3) Respond to solicitations;
- (4) Receive contracts and orders, if practicable;
- (5) Access information on contract awards and issuance of 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) A contracting office is considered to have implemented interim FACNET if—
 - (1) The contracting office—
- (i) Has implemented the FACNET functions described in 4.504(a)(1) and (2), and (b)(1), (2), and (3); and
- (ii) Issues notices of solicitations and receives responses to solicitations in a system having those functions;
- (2) The contracting office can use FACNET for contracts, not otherwise exempted (see 4.506), that exceed the micro-purchase threshold but do not exceed the simplified acquisition threshold; and

- (3) the senior procurement executive of the agency, or the Under Secretary of Defense for Acquisition and Technology for the military departments and defense agencies, has certified to the Administrator of OFPP that the contracting office has implemented interim FACNET.
- (b) The senior procurement executive of the agency, or the Under Secretary of Defense for Acquisition and Technology for the military departments and defense agencies, shall notify the private sector via the Commerce Business Daily that a contracting office 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 office through FACNET, must be submitted through FACNET, unless otherwise authorized.

4.505-2 Full certification.

- (a) An agency is considered to have implemented full FACNET if—
- (1) The agency has implemented all of the FACNET functions described in 4.504;
- (2) During the entire preceding fiscal year, more than 75 percent of the agency's eligible contracts, not otherwise exempted (see 4.506), that exceeded the micro-purchase threshold but did not exceed the simplified acquisition threshold, were entered into vai FACNET; and.
- (3) The head of the agency, with the concurrence of the Administrator of OFPP, has certified to the Congress that the agency has implemented full FACNET. For the Department of Defense, the certification shall be made by the Secretary of Defense for the Department as a whole.
- (b) Eligible contracts do not include any class or classes of contracts that the Federal Acquisition Regulatory Council determines, after October 13, 1997, are not suitable for acquisition through FACNET.

4.505-3 Governmentwide certification.

The Federal Government is considered to have implemented Governmentwide FACNET if—

- (a) During the preceding fiscal year, at least 75 percent of eligible contracts entered into by executive agencies, that exceeded the micro-purchase threshold but did not exceed the simplified acquisition threshold, were made via full FACNET; and
- (b) the Administrator of OFPP has certified implementation of Governmentwide FACNET to the Congress.