

PART 9—CONTRACTOR QUALIFICATIONS

25. Section 9.405-2 is amended by revising the second sentence of paragraph (b) introductory text to read as follows:

9.405-2 Restrictions on subcontracting.

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(b) * * * Contractors shall not enter into any subcontract in excess of \$25,000 with a contractor that has been debarred, suspended, or proposed for debarment unless there is a compelling reason to do so. * * *

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26. Section 9.409 is revised to read as follows:

9.409 Solicitation provision and contract clause.

(a) The contracting officer shall insert the provision at 52.209-5, Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters, in solicitations where the contract value is expected to exceed the simplified acquisition threshold.

(b) The contracting officer shall insert the clause at 52.209-6, Protecting the Government's Interests when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment, in solicitations and contracts where the contract value exceeds \$25,000.

27. Section 9.507-1 is amended by revising paragraph (c) to read as follows:

9.507-1 Solicitation provisions.

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(c) The contracting officer shall insert the provision at 52.209-8, Organizational Conflicts of Interest Certificate—Advisory and Assistance Services, in solicitations for advisory and assistance services if the contract is expected to exceed the simplified acquisition threshold.

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PART 13—SIMPLIFIED ACQUISITION PROCEDURES

27a. The heading of part 13 is revised to read as set forth above.

28. Section 13.000 is revised to read as follows:

13.000 Scope of part.

This part prescribes policies and procedures for the acquisition of supplies and services, including construction and research and development, the aggregate amount of which does not exceed the simplified acquisition threshold (see 13.103(b)). See 36.602-5 for simplified procedures

to be used when acquiring architect-engineering services.

29. Section 13.101 is amended by revising the definitions of "delivery order" and "purchase order"; removing the definitions of "small purchase", and "small purchase procedures"; and adding, in alphabetical order, definitions for "imprest fund", "simplified acquisition procedures", and "simplified acquisition threshold".

13.101 Definitions.

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Delivery order means an order for supplies or services placed against an established contract or with Government sources of supply.

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Imprest fund means a cash fund of a fixed amount established by an advance of funds, without charge to an appropriation, from an agency finance or disbursing officer to a duly appointed cashier, for disbursement as needed from time to time in making payment in cash for relatively small amounts.

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Purchase order means an offer by the Government to buy supplies or services, including construction and research and development, upon specified terms and conditions, using simplified acquisition procedures.

Simplified acquisition procedures means the methods prescribed in this part for making purchases of supplies or services using imprest funds, purchase orders, blanket purchase agreements, Governmentwide commercial purchase cards, or any other appropriate authorized method.

Simplified acquisition threshold means \$100,000 (but see 13.103(b)). In the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of a contingency operation, the term means \$200,000.

30. Section 13.102 is revised to read as follows:

13.102 Purpose.

The purpose of this part is to prescribe simplified acquisition procedures in order to—

- (a) Reduce administrative costs;
- (b) Improve opportunities for small business and small disadvantaged business concerns to obtain a fair proportion of Government contracts;
- (c) Promote efficiency and economy in contracting; and,
- (d) Avoid unnecessary burdens for agencies and contractors.

31. Section 13.103 is revised to read as follows:

13.103 Policy.

(a) Simplified acquisition procedures shall be used to the maximum extent practicable for all purchases of supplies or services not exceeding the simplified acquisition threshold unless requirements can be met by using required sources of supply under part 8 (e.g., Federal Prison Industries, Committee for Purchase from People who are Blind or Severely Disabled, and Federal Supply Schedule contracts) or orders under Federal Information Processing multiple award schedule contracts.

(b) Simplified acquisition procedures may not be used for contract actions exceeding \$50,000, and not exceeding the simplified acquisition threshold, unless the contracting office making the purchase has been certified as having interim FACNET in accordance with 4.505-1. The contracting office shall not use simplified acquisition procedures for contract actions exceeding \$50,000 after December 31, 1999, unless the office's cognizant agency has certified full FACNET capability in accordance with 4.505-2.

(c) Simplified acquisition procedures shall not be used in the acquisition of supplies and services initially estimated to exceed the simplified acquisition threshold even though resulting awards do not exceed that threshold. Requirements aggregating more than the simplified acquisition threshold shall not be broken down into several purchases that are less than the threshold merely to permit use of simplified acquisition procedures.

(d) Simplified acquisition procedures may be used to acquire personal services if the agency has specific statutory authority to acquire personal services (see 37.104).

(e) FACNET is the preferred means for acquiring supplies and services, including construction and research and development, in amounts exceeding the micro-purchase threshold but not exceeding the simplified acquisition threshold.

(f) Contracting officers shall establish deadlines for the submission of responses to solicitations which afford contractors a reasonable opportunity to respond.

(g) Contracting officers are encouraged to use innovative approaches in awarding contracts using the simplified acquisition procedures under the authority of this part. For example, the procedures of other FAR parts may, as appropriate, be adapted for use in awarding contracts under this part. Other FAR parts that may be adapted include, but are not limited to—

- (1) Part 14, Sealed Bidding;