

15.305 Proposal evaluation.

(a) * * *

(5) *Small business subcontracting evaluation.* Structure solicitations to give offers from small business concerns the highest rating for the evaluation factors in 15.304(c)(3)(iii) and (c)(5).

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PART 19—SMALL BUSINESS PROGRAMS

11. In section 19.101, revise paragraph (g)(1) to read as follows:

19.101 Explanation of terms.

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(g) *Control through contractual relationships—(1) Definition of a joint venture for size determination purposes.* A joint venture for size determination purposes is an association of persons or concerns with interests in any degree or proportion by way of contract, express or implied, consenting to engage in and carry out a single specific business venture for joint profit, for which purpose they combine their efforts, property, money, skill, or knowledge, but not on a continuing or permanent basis for conducting business generally. A joint venture is viewed as a business entity in determining power to control its management.

(i) For bundled requirements, apply size standards for the requirement to individual persons or concerns, not to the combined assets, of the joint venture.

(ii) For other than bundled requirements, apply size standards for the requirement to individual persons or concerns, not to the combined assets, of the joint venture, if—

(A) A revenue-based size standard applies to the requirement and the estimated contract value, including options, exceeds one-half the applicable size standard; or

(B) An employee-based size standard applies to the requirement and the estimated contract value, including options, exceeds \$10 million.

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12. In section 19.201, redesignate paragraphs (d)(5) through (d)(9) as (d)(6) through (d)(10) respectively; add a new paragraph (d)(5); and amend paragraph (e) by removing “shall” and adding “must” in its place. The added text reads as follows:

19.201 General policy.

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(d) * * *

(5) Work with the SBA procurement center representative to—

(i) Identify proposed solicitations that involve bundling;

(ii) Facilitate small business participation as contractors including small business contract teams, where appropriate; and

(iii) Facilitate small business participation as subcontractors and suppliers where participation by small business concerns as contractors is unlikely;

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13. Amend section 19.202–1 as follows:

a. At the end of paragraph (e)(1)(i) remove “, or” and add “;” in its place;

b. In paragraph (e)(1)(ii) remove the period and add “; or” in its place;

c. Add paragraph (e)(1)(iii);

d. In the introductory text of paragraph (e)(2) remove “shall also” and add “also must” in its place;

e. At the end of paragraph (e)(2)(iii) remove “or;”

f. In paragraph (e)(2)(iv) remove the period and add “; or” in its place; and

g. Add paragraph (e)(2)(v).

The added text reads as follows:

19.202–1 Encouraging small business participation in acquisitions.

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(e) * * *

(1) * * *

(iii) The proposed acquisition is for a bundled requirement.

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(2) * * *

(v) Bundling is necessary and justified.

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DEPARTMENT OF DEFENSE**GENERAL SERVICES ADMINISTRATION****NATIONAL AERONAUTICS AND SPACE ADMINISTRATION****48 CFR Parts 4 and 42**

[FAC 97–15; FAR Case 99–015; Item IV]

RIN 9000–AI56

Federal Acquisition Regulation; Deobligation Authority

AGENCIES: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Final rule.

SUMMARY: The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) have agreed on a final rule

amending the Federal Acquisition Regulation (FAR) to establish deobligation of excess funds as one of the contract administration functions normally delegated to the contract administration office.

DATES: Effective Date: February 25, 2000.

Applicability Date: The FAR, as amended by this rule, is applicable to solicitations issued on or after February 25, 2000.

FOR FURTHER INFORMATION CONTACT: The FAR Secretariat, Room 4035, GS Building, Washington, DC, 20405, (202) 501–4755, for information pertaining to status or publication schedules. For clarification of content, contact Ms. Linda Klein, Procurement Analyst, at (202) 501–3775. Please cite FAC 97–15, FAR case 99–015.

SUPPLEMENTARY INFORMATION:**A. Background**

This final rule implements a recommendation of the Contract Closeout Working Integrated Process Team chartered by the Deputy Secretary of Defense under the Defense Reform Initiative Directive #32.

The rule revises FAR 4.804–5 and 42.302 to establish deobligation of excess funds as one of the contract administration functions normally delegated to the contract administration office. In addition, the rule includes editorial revisions for plain language purposes.

This rule was not subject to Office of Management and Budget review under Section 6(b) of Executive Order 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

B. Regulatory Flexibility Act

The final rule does not constitute a significant FAR revision within the meaning of FAR 1.501 and Public Law 98–577, and publication for public comments is not required. However, the Councils will consider comments from small entities concerning the affected FAR subparts in accordance with 5 U.S.C. 610. Interested parties must submit such comments separately and should cite 5 U.S.C. 601, *et seq.* (FAC 97–15, FAR case 99–015), in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FAR do not impose information collection requirements that require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

List of Subjects in 48 CFR Parts 4 and 42:

Government procurement.

Dated: December 20, 1999.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Therefore, DoD, GSA, and NASA amend 48 CFR parts 4 and 42 as set forth below:

1. The authority citation for 48 CFR parts 4 and 42 continues to read as follows:

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

PART 4—ADMINISTRATIVE MATTERS

2. In section 4.804-5, revise the section heading, the introductory text of paragraph (a), and paragraph (a)(15); and amend the introductory text of paragraphs (b) and (c) by removing "shall" and inserting "must" in its place. The revised text reads as follows:

4.804-5 Procedures for closing out contract files.

(a) The contract administration office is responsible for initiating (automated or manual) administrative closeout of the contract after receiving evidence of its physical completion. At the outset of this process, the contract administration office must review the contract funds status and notify the contracting office of any excess funds the contract administration office might deobligate. When complete, the administrative closeout procedures must ensure that

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(15) Contract funds review is completed and excess funds deobligated.

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PART 42—CONTRACT ADMINISTRATION AND AUDIT SERVICES

3. In section 42.302, revise the introductory text of paragraph (a); and add paragraph (a)(70) to read as follows:

42.302 Contract administration functions.

(a) The contracting officer normally delegates the following contract administration functions to a CAO. The contracting officer may retain any of these functions, except those in paragraphs (a)(5), (a)(9), and (a)(11) of this section, unless the cognizant Federal agency (see 42.001) has designated the contracting officer to perform these functions.

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(70) Deobligate excess funds after final price determination.

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DEPARTMENT OF DEFENSE**GENERAL SERVICES ADMINISTRATION****NATIONAL AERONAUTICS AND SPACE ADMINISTRATION****48 CFR Parts 8 and 39**

[FAC 97-15; FAR Case 99-602; Item V]

RIN 9000-AI57

Federal Acquisition Regulation; Transition of the Financial Management System Software Program

AGENCIES: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Final rule.

SUMMARY: The Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) agreed to amend the Federal Acquisition Regulation (FAR) to delete the language pertaining to the Financial Management Systems Software Mandatory Multiple Award Schedule Contracts Program because this schedule is no longer mandatory due to changes to OMB Circular A-127.

DATES: Effective Date: February 25, 2000.

Applicability Date: The FAR, as amended by this rule, is applicable to solicitations issued on or after February 25, 2000.

FOR FURTHER INFORMATION CONTACT: The FAR Secretariat, Room 4035, GS Building, Washington, DC, 20405, (202) 501-4755, for information pertaining to status or publication schedules. For clarification of content, contact Ms. Linda Nelson, Procurement Analyst, at (202) 501-1900. Please cite FAC 97-15, FAR case 99-602.

SUPPLEMENTARY INFORMATION:**A. Background**

This final rule amends the FAR to delete Subpart 8.9, Financial Management Systems Software Mandatory Multiple Award Schedule Contracts Program and to add a reference in Part 39 to OMB Circular A-127. The Office of Management and Budget (OMB) revised OMB Circular A-127, that requires Federal agencies to

use a single, integrated financial management system. Agencies now must acquire core financial management software that has been certified by the Joint Financial Management Improvement Program. The Financial Management Systems Software Mandatory Multiple Award Schedules has been eliminated. As of October 1, 1999, agencies may purchase certified financial management software through the Information Technology (FSC Group 70) Federal Supply Schedule using the procedures in FAR Subpart 8.4 or award their own contracts.

This rule was not subject to Office of Management and Budget review under Section 6(b) of Executive Order 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

B. Regulatory Flexibility Act

The final rule does not constitute a significant FAR revision within the meaning of FAR 1.501 and Public Law 98-577, because the rule merely deletes FAR coverage that is no longer necessary due to revisions to OMB Circular A-127, which eliminate the mandatory status of the Financial Management System Software Multiple Award Schedules Contracts Program. Accordingly, publication for public comments is not required. However, the Councils will consider comments from small entities concerning the affected FAR subparts in accordance with 5 U.S.C. 610. Interested parties must submit such comments separately and should cite 5 U.S.C. 601, *et seq.* (FAC 97-15, FAR case 99-602), in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act does not apply because the changes to the FAR do not impose information collection requirements that require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

List of Subjects in 48 CFR Parts 8 and 39

Government procurement.

Dated: December 20, 1999.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Therefore, DoD, GSA, and NASA amend 48 CFR parts 8 and 39 as set forth below:

1. The authority citation for 48 CFR parts 8 and 39 continues to read as follows:

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