



"Big Dreams Small Business" NEWS

Solution Sought – Solution Found How the FAST 8(a) Contracts Work Under Section 803

By now, most of us in the acquisition community have heard one thing or another about Section 803 of the 2002 National Defense Authorization Act. The implications for Department of Defense (DOD) purchases of services from multiple award contracts run deep through DOD as well as agencies that purchase on its behalf. While there seems to be a great deal of publicity about applying the rule to multiple award schedules, little has been published on how the rule applies to other contracting provisions. It is especially quiet when it comes to 8(a) restricted buys and multiple award indefinite quantity contracts. If you have been patiently waiting for answers,

help has arrived.

The Department of Defense (DOD) issued a final rule amending the Defense Federal Acquisition Regulations Supplement (DFARS) to implement Section 803 on October 25, 2002. It reinforces competition requirements and makes business opportunities known to more potential offerors than in the past.

Specifically, the rule applies to all orders for services exceeding \$100,000 placed under multiple award contracts. Multiple award contracts include the multiple award schedules (MAS) and the multiple award indefinite quantity (MAIQ) contracts described in FAR 16.504. The rule applies to orders placed by non-DOD agencies on behalf of DOD as well as orders placed directly by DOD personnel. Competition requirements for multiple award schedules are

set forth in DFARS 208.404-70, and competition requirements for MAIQ contracts other than the MAS are covered in DFARS 216.505-70.

How does the rule affect the FAST 8(a) contracts?

The FAST 8(a) MAIQ contracts were awarded under the provisions of section 8(a) of the Small Business Act (15 U.S.C. 637(a)) and FAR part 19.8. Based upon the statutory authority for directed 8(a) awards to be placed at or below the \$3 million competition threshold, the contracting officer may waive and can easily document the competition waiver for orders at or below the \$3 million competition threshold placed against the FAST 8(a) MAIQ contracts. However, the competition requirements of DFARS 216.505-70 are still applicable for orders above the \$3 million

competition threshold for 8(a) contracts unless the contracting officer waives this requirement on the basis of a written determination that - (1) one of the exceptions described in FAR 16.505(b)(2)(i) through (iv) applies to the order; or (2) a statute expressly authorizes or requires that the purchase be made from a specified source. For additional guidance on this matter, please contact the Small Business SDC staff at 1-877-327-8732. For more info on Section 803, click on the Section 803 link from our web site at <http://www.fast.sdc.gsa.gov>.

8(a) Firms Approach Outer Limit

Small Business SDC Industry Partners Force 3 of Crofton, MD and Soza and Company, Ltd., of Fairfax, VA are rapidly approaching the contracts. Please contact Lori Burghart at 816-823-3369 or lori.burghart@gsa.gov prior to issuing new task orders or modifications against these contracts.

Kudos!

Congratulations to Datatrac Information Services, Inc., of Dallas, Texas for earning the top spot among woman-owned IT businesses in federal sales revenue.

Upcoming Events

- Feb 4-6: Professional Services Expo, Washington, DC, <http://www.psx-expo.com>
- Mar 31 - Apr 3: GSA Federal Technology Service Network Services Conference, Orlando, FL, <http://www.gsa-fts.com/>
- Apr 23: 13th Annual Treasury Procurement Conference, Upper Marlboro, MD, <http://www.treas.gov/sba/osdbu/iso.html>
- May 6-8: GSA Expo, San Antonio, TX, <http://expo.gsa.gov/>