



JUN 3 2003

GSA Office of Governmentwide Policy

MEMORANDUM FOR RONALD POUSSARD
DIRECTOR

DEFENSE ACQUISITION REGULATIONS COUNCIL

FROM:

RODNEY P. LANTIER *Rodney P. Lantier*
DIRECTOR, REGULATORY AND FEDERAL ASSISTANCE
PUBLICATIONS DIVISION (MVA)

SUBJECT:

FAR Case 2002-018, Central Contractor Registration

Attached are comments received on the subject FAR case published at 68; FR 16366; April 3, 2003. The comment closing date is June 2, 2003.

<u>Response Number</u>	<u>Date Received</u>	<u>Comment Date</u>	<u>Commenter</u>
2002-018-1	04/04/03	04/04/03	John Cochran
2002-018-2	04/17/03	04/17/03	Duane Janke
2002-018-3	04/09/03	04/09/03	Lisa Romney
2002-018-4	04/09/03	04/09/03	Jackie Lessig
2002-018-5	04/08/03	04/08/03	Susan Hopkins
2002-018-6	04/10/03	04/10/03	Rick Grither
2002-018-7	04/30/03	04/30/03	Diane Newman
2002-018-8	05/06/03	05/06/03	Steven Brown
2002-018-9	05/29/03	05/29/03	Pam Switzer
2002-018-10	05/30/03	05/30/03	BWX Technologies, Inc.
2002-018-11	05/30/03	05/30/03	Cathy Stewart

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405-0002
www.gsa.gov

<u>Response Number</u>	<u>Date Received</u>	<u>Comment Date</u>	<u>Commenter</u>
2002-018-12	05/30/03	05/30/03	Department of State
2002-018-13	05/30/03	05/30/03	Ann Bahora Ann Sullivan
2002-018-14	06/02/03	06/02/03	Rick Grither (2 nd Comment)
2002-018-15	06/02/03	06/03/03	Robert Allen
2002-018-16	05/22/03	05/22/03	Jean Madsen
2002-018-17	06/02/03	06/02/03	Gail B. Dise
2002-018-18	06/02/03	06/02/03	Nancy Barrere
2002-018-19	06/02/03	06/02/03	JK Peterson
2002-018-20	06/02/03	06/02/03	Barbara Latvanas
2002-018-21	06/02/03	06/02/03	Ed Carey
2002-018-22	06/02/03	06/02/03	AIA
2002-018-23	06/02/03	06/02/03	Dun & Bradstreet
2002-018-24	06/03/03	06/03/03	Barbara Latvanas
2002-018-25	06/03/03	06/03/03	Ken McMullan
2002-018-26	06/03/03	06/03/03	Linda Hiatt
2002-018-27	06/03/03	06/03/03	Jacquelyn Owens
2002-018-28	06/03/03	06/03/03	Miriam Polan/IRS
2002-018-29	06/03/03/	06/03/03	SSA/ Stan March/ Dan Cronoin/Joanne Barnhart
2002-018-30	06/04/03	06/04/30	Jacquelyn Owens (PXR) (2 nd comment)

Attachments

2002-018-1



John K. Cochran
04/04/2003 03:00 PM

To: Laurie A. Duarte/MVA/CO/GSA/GOV@GSA
cc:
Subject: Comments on FAR Case 2002-018

Laurie,

Attached are comments for you, but the e-mail address in the FR does not seem to be correct.

John
(202) 208-3214
(Please feel free to contact me, but no reply is expected.)

----- Forwarded by John K. Cochran/MVF/CO/GSA/GOV on 04/04/2003 02:59 PM -----

Delivery Failure Report

Your document: Comments on FAR Case 2002-018
was not delivered to: <farcase.2002-018@gsa.gov>
because: User farcase.2002-018 (farcase.2002-018@gsa.gov) not listed in public Name & Address Book

What should you do?

- You can resend the undeliverable document to the recipients listed above by choosing the Resend button or the Resend command on the Actions menu.
- Once you have resent the document you may delete this Delivery Failure Report.
- If resending the document is not successful you will receive a new failure report.
- Unless you receive other Delivery Failure Reports, the document was successfully delivered to all other recipients.

Routing path

To: farcase.2002-018@gsa.gov

cc:

Date: 02:57:44 PM Today

Subject: Comments on FAR Case 2002-018

Laurie,

The following comments pertain to the proposed FAR provisions:

4.1102(b) - the verb "required" should be "require".

4.1102(c)(1)(i) and 52.204-XX(g)(1)(i) - what is the significance of the quotation marks around "legally"?
The sentence seems to make perfect sense without them.

2002-018-1

4.1102(c)(1)(ii) - should the name of the referenced clause ("CCR") be spelled out?

4.1102(c)(1)(ii) and 4.1102(c)(2) (last sentence of each) - it appears that the two instances of "this contract" should be "the contract".

4.1003(a)(2)(ii) - is the DSN phone number mixed up?

Regards,
John

2002-018-2



"Janke, Duane"
<Duane.Janke@med.va.gov>

To: "farcase.2002-018@gsa.gov" <farcase.2002-018@gsa.gov>
cc:
Subject: CCR Database

04/17/2003 09:34 AM

I was just looking over and reviewing the proposed rule changes. Just a general question came to mind which I am sure has been addressed. What do we do with the Small Businesses that do not even own computers? Do we let them have access to the WEB site from our computers since it is a Gov't requirement?

Also, if we authorize a delay, let us say for 30 days, for them to get the CCR done. After the 30 days, do we Terminate the Contract for Cause and award another contract? This seems like a lot of extra work on both Contracting and Legal?

Way off on left field, why can't we incorporate the HIPAA requirements to? We can lump all contractor requirements into one pot.

Duane G. Janke
Veterans Affairs Medical Center
500 West Fort Street
Boise, ID 83702

PHONE: (208) 422-1133
FAX: (208) 422-1139

2002-018-3



"Romney, Lisa, Ms,
OSD-ATL"
<Lisa.Romney@osd.mi
I>

To: "farcase.2002-018@gsa.gov" <farcase.2002-018@gsa.gov>
cc:
Subject: Need to update phone numbers in the case

04/09/2003 02:32 PM

Note that the following phone number corrections to the subject case have been provided by the CCR program manager:

- 1) The D&B contact number mentioned for getting a DUNS number is the old number. The correct number is 1-866-705-5711
- 2) The number for CCR Help desk has the old Battle Creek Area Code. Correct number is 269 961 4725

These need to be corrected before the proposed rule goes final.

J. Lisa Romney
eBusiness
Defense Procurement & Acquisition Policy
703-614-3883

2002-018-4



"Lessig, Jacqueline"
<Jacqueline.Lessig@ssa.gov>

To: "farcase.2002-018@gsa.gov" <farcase.2002-018@gsa.gov>
cc:
Subject: Comment to Farcase 2002-018

04/09/2003 09:47 AM

As a Contract Specialist/Contracting Officer, I would like to voice my opinion on the requirement to modify existing contracts to require CCR Registration.

While I concur with the requirement being considered to mandate that future contract awards will not be made unless the potential contractor is registered in the CCR, I do not believe it is in the best interest of the Government to require modification of existing contracts to require the CCR Registration. It seems there is not substantial benefit for the cost associated with the time and effort necessary to modify existing contracts that number in the thousands, government-wide. I would venture to guess that a majority of the existing contractors are registered in CCR already, so the minority that are not, will just not be able to receive a future contract unless they do become registered.

Procurement staff resources are already stretched and strained.

Please do not mandate modification of existing contracts - just not a cost effective measure.

Jackie Lessig
Contract Specialist
410-965-9490
FAX 410-965-9560
e-mail: jacqueline.lessig@ssa.gov

2002-018-5



sbhopkins
<sbhopkins@prodigy.net>

To: farcase.2002-018@gsa.gov
cc:
Subject: FAR Case 2002-018

04/08/2003 09:46 PM

I have read the FAR case published in the Federal Register on April 3, 2003 to require contractor registration in the Central Contractor Registration. I have 2 concerns.

1. The FAR case states that the contractor registration in CCR is required. Yet, 32.1110 Solicitation provision and contract clauses allows agencies to include the clause, 52.232-34 Payment by Electronic Funds Transfer - Other than CCR. I know many agencies pay by EFT. If the agency pays by EFT do they have to require their contractors to be registered in CCR? It just seems that there is a lack of consistency with the FAR case requirements and 52.232-34.

2. The FAR case amends 52.212-1 and 52.212-4 provisions. Yet the FAR Case does not amend 52.212-3, Reqs and Certs. FAR 52.212-3 requires a contractor to include a TIN as a part of the Representation and Certification. I thought that the CCR would require the contractor to register a TIN. If the contractor registers in CCR isn't he/she duplicating financial information by including a TIN as part of the Reqs and Certs? I thought the DUNS requirement would take the place of the TIN. Should 52.212-3 be amended to delete the TIN requirement?

Thank you for your attention to these concerns.

Respectfully submitted,

Susan Hopkins
8224 Langport Terrace
Gaithersburg, MD 20877

2002-018-6



"Grither, Rick Mr"
<GritherR@hq.usacce.
army.mil>

04/10/2003 09:43 AM

To: farcase.2002-018@gsa.gov
cc: "Grither, Rick Mr" <GritherR@hq.usacce.army.mil>, "Harris, Stanley Mr"
<HarrisS@hq.usacce.army.mil>, "Williams, Harold E Mr"
<Harold.Williams@hq.usacce.army.mil>
Subject: FAR case 2002-018 - Comments

Comments below. Thanks.

Richard Grither
Chief, Policy Division
Office of the PARC, U.S. Army, Europe
DSN: 375-3238 Comm: 0621-487-3238
email: gritherr@hq.usacce.army.mil

>
>
> In regards to the subject FAR case, request that an additional
> category be added to 4.1102 (a). This category to be added is, Status of
> Forces Agreement (SOFA) family members performing work OCONUS. In 4.1102
> (a) (5) foreign vendors performing work outside the U.S. are exempt if it
> is impractical to obtain CCR registration before award. SOFA family
> members performing outside the United States are not exempt. The Army
> OCONUS awards many small dollar purchase orders and blanket purchase
> agreements for important Quality of Life (QOL) support to United States
> citizens, primarily U.S. military family members, acting as independent
> contractors. These services are primarily in the areas of
> Chaplain/Religious Program Support and Army Community Services (ACS)
> functions. Typical part-time work performed under these contractual
> arrangements include organist/pianist for religious services, religious
> coordinator, and instructing soldiers and family members on various life
> skills such as checkbook balancing, infant and child care, Latchkey Kids
> Programs, Families Learning About Germany Program (FLAG), child/spouse
> abuse counseling, etc. The contractors are typically family members of
> U.S. military personnel and the dollar value of the contracts typically
> range from \$1,000 to \$15,000 annually, the vast majority at the lower end
> of this dollar scale. Compliance with the proposed CCR procedures is not
> possible for these individuals. They cannot obtain DUNS numbers or CAGE
> Codes that are required for CCR registration. Tests have been run to
> ascertain whether these individuals would be able to register in CCR and
> the findings clearly indicate that the CCR database cannot accomodate this
> type of contractor (See attachment).

>
>
> The individuals contracted with for these services are U.S.
citizens
> with Social Security numbers. They are subject to U.S. taxation and are
> issued IRS Form 1099 for all contract work in excess of \$600. They are
> not normally in the business of selling the types of services they are
> providing. They are normally U.S. military family members trying to
> supplement the family income by contracting for the part-time services
> continually needed by the military OCONUS.

>
>
> They represent the only source of contracting support for many
of
> these services, which, for cultural reasons, must be performed only by an
> American. Since currently these individuals cannot register in CCR for
> the reasons stated in the attachment, the military OCONUS would be left
> with no contractors to perform these QOL services. These services are
> primarily aimed at the young service member serving her/his first tour of
> duty outside the U.S.

>
>

2002-018-7



"Newman, Diane"
<Diane.Newman@Aero
jet.com>

To: "farcase.2002-018@gsa.gov" <farcase.2002-018@gsa.gov>
cc:
Subject: FAR Case 2002-018, Comments from Interested Party-Aerojet

04/30/2003 06:27 PM

<<FAR CASE 2002-018 Comments from Interested Party.doc>>

The attached comments are submitted by Aerojet, PO Box 13222, Sacramento CA
95813-6000. DUNS: 009591574

Thank you for your consideration of these comments. I am available to
discuss these if you wish.



FAR CASE 2002-018 Comments from Interested Pa

COMMENTS TO FAR CASE 2002-018

018-7

Submitted by Aerojet, PO Box 13222, Sacramento CA 95813-6000

Aerojet is an aerospace/defense supplier who provides goods and services to the government as a prime contractor and as a subcontractor. Like the government, we create forms to obtain general business information about our suppliers and to obtain representations/certifications ("information") required by FAR. These forms are provided to our suppliers and awards delayed pending receipt of completed forms.

In the preceding 12 months Aerojet awarded 3,114 government funded subcontracts to 1,185 suppliers. Each of these suppliers was required to submit information using these Aerojet prepared forms. These same suppliers were likely required to submit similar information to each of their other customers. Each form probably was prepared somewhat differently, requiring the supplier to review each one. These forms may be repetitive, required by their customers each time they are solicited. It is not unusual for a supplier to refuse to sign our forms, with their response being that their legal department will not review individual customer created forms.

RECOMMENDATIONS:

- It would benefit government and industry to expand the information required in the CCR database and to revise FAR to allow contractors and subcontractors to utilize the CCR database to support their procurement actions. This would reduce the costs associated with:
 - (i) Industry maintaining multiple formats for obtaining information from suppliers;
 - (ii) Transmittal costs by customers and offerors of forms;
 - (iii) Review and completion by offerors of multiple formats;
 - (iv) Reduction in paper work by eliminating multiple forms; and
 - (v) Standardizing the process.
- Recommend FAR 52.215-7 Annual Representations and Certifications--Negotiation be revised to add the following check block:
 - [] (c) Submitted annual representations and certifications to the Central Contractor Registration dated _____ [insert date of signature on submission] that are incorporated herein by reference, and are current, accurate, and complete as of the date of this proposal, except as follows [insert changes that affect only this proposal; if "none," so state]:
- Aerojet and other prime contractors/subcontractors develop source lists using the limited information in our own supplier databases. These databases often lack information that is known to the government or to other contractors (e.g., Excluded Parties Listing, past performance, government safety survey results, cognizant ACO contact information, cognizant DCAA contact information, etc.) Prime contractors and subcontractors incur costs in obtaining this information about suppliers and updating our databases. Source lists are limited to those suppliers that are identified in our own databases. Recommend the CCR database be expanded to include the following information.

COMMENTS TO FAR CASE 2002-018

018-7

Submitted by Aerojet, PO Box 13222, Sacramento CA 95813-6000

Expand CCR to include the following additional information. Items marked with an asterisk were proposed for inclusion in the Mark Forman October 7, 2002 Memorandum.

ISO Certified Level, Certifying Authority
Quality System Levels (MIL-I-45208A, MIL-Q-9858A, etc.)
*Require contractors to certify annually online using the CCR Database for these certifications. FAR 52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions FAR 52.209-5 Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters FAR 52.222-22 Previous Contracts and Compliance Reports FAR 52.222-25 Affirmative Action Compliance
*Date of last Preaward On-Site Equal Opportunity Compliance Evaluation by the Office of Federal Contract Compliance Programs (OFCCP), and if supplier was found to be in compliance with Executive Order 11246.
*Identify if the Business is debarred, suspended, proposed for debarment, or declared ineligible on the "List of Parties Excluded from Federal Procurement and Nonprocurement Programs". The electronic version at http://epls.arnet.gov is updated frequently and the information could be downloaded to the appropriate DUNS. Other types of restrictions for contractors could also be identified on the CCR Database.
Date and results of Government safety surveys. The Government would enter this information as surveys are performed. DFARS 252.223-7002 Safety precautions for ammunition and explosives: <i>"... Government's right to access to the subcontractor's facilities, personnel, and safety program documentation to perform safety surveys. The Government performs these safety surveys of subcontractor facilities solely to prevent the occurrence of any mishap which would endanger the safety of DoD personnel or otherwise adversely impact upon the Government's contractual interests."</i> Government buyers and contractors could easily determine the status of safety surveys, and the need for surveys.
Cognizant ACO, address and phone number
Cognizant DCAA, address and phone number

2002-018-8



"Brown, Steven D
LRL02"
<Steven.D.Brown@lrl0
2.usace.army.mil>

To: "'farcase.2002-018@gsa.gov'" <farcase.2002-018@gsa.gov>
cc:
Subject: comment on FAR Case 2002-018

05/06/2003 11:55 AM

While I applaud the desire to move toward more of an electronic commerce environment within the Federal government, the proposed regulation change concerns me. As an employee of the US Army Corps of Engineers we deal with a number of small firms and local government entities in order to fulfill the mission assigned to us by Congress. We also deal with large utility companies for services such as telephone, electricity, and natural gas. We have had instances in the past in which a small business is unwilling to register with the CCR because of fears of governmental intrusion. We also deal with individuals, some of whom are of retirement age (for gatekeeper services at our recreation areas, for instance), and do not have the equipment to register. Additionally some local government entities have refused to register. In such instances we may have no choice but to award the contract even though the entity isn't registered. I believe the rule change should make exceptions at least for government entities. The impact that this will have on small business concerns (particularly those that are one- or two-person operations) will also, I believe, affect our ability to award contracts to small, small disadvantaged and/or woman-owned firms.

2002-018-9



Pam_M_Switzer@nbc.
gov

05/29/2003 11:09 AM

To: farcase.2002-018@gsa.gov
cc:
Subject: Comments 2002-18

Just a thought

There seems to be a lot of confusion in the procurement community and the roles of BPN, FedReg and CCR.

Many procurement and financial professionals are confused with:

Federal Agencies registering on CCR and then also Fed Reg. As written the current rule does not fully explain the differences of when federal agencies register on CCR and when they need to register on Fed Reg. Recommend that this area be further clarified. Many financial personnel do not feel that the FAR case relates to their environment and this FAR will not affect them. Many financial personnel also do not think that their financial systems need to be modified with the D&B numbers.

Also recommend that the Fed Reg be utilized as an official acronym under BPN.

Thanks

Pamela M. Switzer
Dept. of Interior
NBC-- Procurement Systems Division
IDEAS-Procurement Desktop Implementation Team
(703) 390-6641 Fax # (703) 390-6780
e-mail: Pam_M_Switzer@nbc.gov



BWXT Technologies, Inc.

a McDermott company

BWXT Services, Inc.

2016 Mt. Athos Road
Lynchburg, VA 24504-5447
(434) 522-6000

2002-018-10

General Services Administration
FAR Secretariat (MVA)
1800 F Street, NW
Room 4035
ATTN: Laurie Duarte
Washington, DC 20405

May 28, 2003

Re: *Comments to Proposed Rule, FAR Case 2002-018*
Federal Acquisition Regulations: Central Contractor Registration (CCR)
Requirement

Dear Ms. Duarte:

Outlined below are BWXT Technologies, Inc. (BWXT) comments to the proposed amendment to the Federal Acquisition Regulation (FAR) to require contractor registration in the Central Contractor Registration (CCR) database prior to award of any contract, basic ordering agreement, or blanket purchasing agreement. In principle, BWXT supports any action which facilitates electronic commerce with the Federal government. However, imposition of unknown or unanticipated liabilities on contractors for failure to maintain correct information on the CCR is unwarranted. As written, any inaccurate data regardless of its significance exposes the contractor to unspecified liability. We therefore suggest modification of the sections noted below as indicated in bold italics.

1. (a) Proposed language for new paragraph (f) of section **52.204-XX Central Contractor Registration:**

“(f) The Contractor is responsible for the accuracy and completeness of the data within the CCR database, and for any liability resulting from the Government’s reliance on inaccurate or incomplete data.”

(b) BWXT suggested revision to proposed language for new paragraph (f):

“(f) The Contractor is responsible for the accuracy and completeness of the data within the CCR database, and for any liability, ***excluding any special, indirect or consequential damages***, resulting from the Government’s reliance on inaccurate or incomplete data, ***but only to the extent that any such inaccurate or incomplete data was caused by the willful misconduct or lack of good faith or failure to exercise prudent business judgment on the part of Contractor’s managerial personnel.***”

*Rec'd
5/30/03*

2. (a) Proposed language amending paragraph (t) of section **52.212-4 Contract Terms and Conditions – Commercial Items**:

“(t) Central Contractor Registration (CCR). (1) Unless exempted by an addendum to this contract, the Contractor is responsible during performance and through final payment of any contract for the accuracy and completeness of the data within the CCR database, and for any liability resulting from the Government’s reliance on inaccurate or incomplete data.”

(b) BWXT suggested revision to proposed language amending paragraph (t):

“(t) Central Contractor Registration (CCR). (1) Unless exempted by an addendum to this contract, the Contractor is responsible during performance and through final payment of any contract for the accuracy and completeness of the data within the CCR database, and for any liability, *excluding any special, indirect or consequential damages*, resulting from the Government’s reliance on inaccurate or incomplete data, *but only to the extent that any such inaccurate or incomplete data was caused by the willful misconduct or lack of good faith or failure to exercise prudent business judgment on the part of Contractor’s managerial personnel.*”

Thank you for the opportunity to comment on this proposed rule.

Sincerely,



Terry Chalke
Director, Contracts

2002-018-11



"Cathy S Stewart"
<cstewart1@bop.gov>
05/30/2003 09:58 AM

To: farcase.2002-018@gsa.gov
cc:
Subject: FAR Case 2002-018

The Federal Bureau of Prisons (BOP) has reviewed FAR Case 2002-018, Central Contractor Registration. The following comments are offered:

* Currently BOP contracting officers gather this information through the use of FAR 52.212-3 and the SF-3881, Electronic Funds Transfer Enrollment Form. If this rule becomes final, will these items be replaced by the final rule?

* In researching this proposed rule, one of the BOP contracting officers looked up a contractor on the CCR database. He was able to locate the contractor but much of the required information was not there. There was no Tax Identification Number or banking information. If this rule becomes final, will contractors be required to provide this information? The directions on the website indicate that these are required fields, so it is unclear how this particular contractor registered in the database.

* Many BOP facilities are located in rural areas. Many of the vendors in these local communities are small businesses, in some cases, very small businesses, and do not accept electronic payment. If this rule becomes final, this may cause a hardship for these vendors. Will exceptions be permitted?

Thank you for your consideration of these comments.

Catherine S. Stewart, Contracting Officer
National Contracts and Policy Section
202-307-0985
cstewart1@bop.gov



2002-018-12

United States Department of State

Washington, D.C. 20520

Office of the Procurement Executive
Suite 603, State Annex Number Six

May 28, 2003

General Services Administration
FAR Secretariat (MVA)
1800 F Street, NW
Room 4035
ATTN: Laurie Duarte
Washington, DC 20405

Dear Ms. Duarte,

The Department of State provides the following comments on FAR Case 2002-108, Central Contractor Registration.

1. Proposed FAR 4.1102(a)(1) provides an exception for purchases that use the purchase card as the purchasing mechanism. The Department of State proposes that this exception be expanded to include all micro-purchases, whether using the purchase card or a purchase order. Our reasoning for this is that there are a number of micro-purchases awarded by the Department where a purchase order must still be used. A prime example of this are honoraria payments of \$500 to individuals who are guest speakers at the Foreign Service Institute, our training facility. These individuals do not have the capability to accept the purchase card, so the Department issues purchase orders. Under this proposed rule, they would have to register in the CCR. We are concerned that these individuals will choose to not register to avoid what they view as unnecessary paperwork. While we would certainly make the effort to convince these individuals to register, we do not believe that it should be a requirement to obtain the award.

2. Proposed FAR 4.1102(a)(5) provides an exception for awards to foreign vendors for work performed outside the United States if it is impractical to obtain CCR registration before award. The Department would like to extend this exception to all awards to foreign vendors for work performed outside the U.S., i.e., eliminate the words "if it is impractical to obtain CCR registration before award." Again, our concern is that foreign vendors simply won't register in the CCR, and will thus be precluded from receiving an award unless some sort of waiver is prepared (which we have the flexibility to do under the proposed language.) As in the previous example, we would make the effort to convince these firms to register.

One of the problems we have recently encountered is getting DUNS numbers for overseas vendors, which is a requirement for registering in the CCR. Currently, the Office of the Procurement Executive secures DUNS numbers for foreign vendors for contracts awarded over \$25,000 due to the difficulties involved in overseas operations.

2002-018-12

(We recently pointed out to the GSA FAR staff that the e-mail address provided in FAR 52.204-6 for overseas vendors does not work; D&B claims that they do not accept requests for DUNS numbers via e-mail.) Furthermore, it takes approximately 30 days for a DUNS number to be issued, according to the D&B website. The CCR mandates DUNS numbers for all vendors, including those under \$25,000. DOS awarded approximately 20,000 simplified acquisitions overseas in FY 2002. Even if half of those were to the same contractor, it would still be a substantial number for which to secure DUNS numbers. The cost and administrative burden of the proposed rule are significant, and it is unrealistic to expect us to be able to meet this unfunded mandate.

Thank you for the opportunity to comment on the proposed rule. You may contact Gladys Gines, Procurement Analyst, if you have any questions. Ms. Gines may be reached by telephone at 703-516-1691, by fax at 703-875-6155, or by e-mail at ginesgg@state.gov

Sincerely,



Robert E. Lloyd
(Acting) Procurement Executive

2002-018-13



"Amy Bahora"
<abahora@wipp.org>

05/29/2003 06:37 PM
Please respond to
abahora

To: farcase.2002-018@gsa.gov
cc: "Carol Kuc" <ckuc@cccmeetings.com>, "Murphy, Emily W."
<EMurphy@wrf.com>, "Ann Sullivan" <msgi@att.net>, "Terry Neese"
<tneese-wipp@tneesepersonnel.com>, bkasoff@wipp.org
Subject: WIPP comments on FAR Case 2002-018

Please find attached comments from Women Impacting Public Policy in reference to FAR Case 2002-018.

Amy Bahora
Executive Assistant to the President
Women Impacting Public Policy, Inc. (WIPP)
2709 W.I-44 Service Road
Oklahoma City, OK 73112
(405) 943-4474
Fax: (405) 942-2840
www.wipp.org

Don't Forget WIPP's Annual Conference in
Washington, DC September 15-16, 2003

WIPP: A national bi-partisan public policy organization, advocating in behalf of women in business and minorities, strengthening their sphere of influence in the legislative process of our nation, creating economic opportunities and building bridges and alliances to other small business organizations.

(The information contained in this electronic mail transmission and any attachments are intended solely for the addressee(s) named above. If you are not an addressee, or responsible for delivering this email, you have received it in error and are strictly prohibited from reading or disclosing it. The information contained in this email is highly confidential and may be subject to legally enforceable privileges. If you received it in error, please call us at 405.943.4474 or reply via electronic email immediately to the person sending this transmission.)
abahora@wipp.org



5-29-03 WIPP CCR Letter.dr

2002-018-14



"Grither, Rick Mr"
<GritherR@hq.usacce.
army.mil>

06/02/2003 10:42 AM

To: farcase.2002-018@gsa.gov
cc: "Gallagher, Michael Mr" <Gallagher.Michael@hq.usacce.army.mil>, "Grither, Rick Mr" <GritherR@hq.usacce.army.mil>, "Packard, Doug Mr" <Doug.Packard@hq.usacce.army.mil>, "Williams, Harold E Mr" <Harold.Williams@hq.usacce.army.mil>, "Tompkins, Roger Mr" <TompkinsR@hq.usacce.army.mil>, brian.davidson@saalt.army.mil
Subject: Comments on FAR Case 2002-018

The Federal Acquisition Regulation Proposed Rule on Central Contractor Registration (CCR) [Far Case 2002-018], contains a change to DoD policy regarding the registration of foreign vendors in the CCR database. The new language is ambiguous and needs to be clarified. DFARS 204.7302 Policy currently states:

DFARS 204.7302 Policy.

Prospective contractors must be registered in the CCR database prior to award of a contract, basic agreement, basic ordering agreement, or blanket purchase agreement, except for-

- (a) Purchases paid for with a Governmentwide commercial purchase card;
- (b) Awards made to foreign vendors for work performed outside the United States (emphasis added)
- (c) Classified contracts or purchases (see FAR 4.401) when registration in the CCR database, or use of CCR data, could compromise the safeguarding of classified information or national security;
- (d) Contracts awarded by deployed contracting officers in the course of military operations, including, but not limited to, contingency operations as defined in 10 U.S.C. 101(a)(13) or humanitarian or peacekeeping operations as defined in 10 U.S.C. 2302(7), or contracts awarded by contracting officers in the conduct of emergency operations, such as responses to natural disasters or national or civil emergencies; and
- (e) Purchases to support unusual or compelling needs of the type described in FAR 6.302-2.

////////////////////////////////////
////////////////////////////////////

Subparagraph (b) of the above referenced clause is clear.

It exempts foreign vendors from registering in the CCR database for work performed outside the United States. The Proposed Rule adds language to this exemption which is ambiguous. The proposed language in subsection 4.1102 Policy, section (a) paragraph (5) exempts, "Awards made to foreign vendors for work performed outside the United States, if it is impractical to obtain CCR registration before award." (Our italics). One might erroneously construe that CCR registration is required after award.

We believe that the Proposed Rule should clearly state, consistent with the DFARS that, "Awards made to foreign vendors for work performed outside the United States" are exempt from CCR registration. We have been working this issue within the Department of Army and it was our understanding that awards made to foreign vendors for work performed outside the United States would remain exempt from CCR. Your POC for this action is Michael Gallagher DSN 375-3244, gallagherm@hq.usacce.army.mil, or the undersigned.

Richard Grither
Chief, Policy Division
Office of the Principal Assistant Responsible
for Contracting
U.S. Army, Europe

2002-018-15



Robert M. Allen

06/02/2003 08:20 AM

To: farcase.2002-018@gsa.gov

cc:

Subject: Suggestion for change concerning CCR data.

To whom it may concern,

The idea of having a centralized database to obtain vendor information is great. This new database places the responsibility of the data on the vendor and the vendor must verify and/or correct this information on an annual basis. I believe the FAR should also include a statement that would indicate, that since this database is the sole source of vendor information and since the vendor is responsible for this information, all existing and new contracts concerning the address of the vendor will only be obtained from the CCR database. All previous addresses will be overridden by the CCR address for each vendor. A contract mod would have to be established for a one-time agreement between the vendor and the government stating that the CCR data will supersede any address information past & present. Without this type of clause, there is not much value in allowing the vendor to change the address. The wording would need to indicate, that with this new database, all contracts new & old will now utilize the CCR database for the correct mailing address, submit to address etc. without the need of a contact modification each time the address changes. I realize we can not do this with the name of the vendor, but all other information should be obtained from the CCR database.

Thanks,

Rob

Robert M. Allen Sr.
Unisys U.S. Federal Group
703-305-3317 (Work) 410-937-1474 (Cell)
Robert.Allen@gsa.gov

2002-018-16



"Madsen, Jean"
<Jean.Madsen@occ.treas.gov>

To: "farcase.2002-018@gsa.gov" <farcase.2002-018@gsa.gov>
cc:
Subject: Real Property

05/22/2003 08:51 AM

Will this regulation apply to leases for real property?

Jean M. Madsen
Realty Specialist
Comptroller of the Currency
Real Estate & Capital Assets
Phone: 202-874-4723
Fax: 202-874-5436

2002-018-17



Gail_B._Dise@HUD.GO
V
06/02/2003 12:12 PM

To: farcase.2002-018@gsa.gov
cc: hartley_m._jones@hud.gov, Margaret_E._White@HUD.GOV,
edward_i._girovasi@hud.gov
Subject: FAR case 2002-018; HUD OCFO comments

General Services Administration
FAR Secretariat (MVA)
1800 F Street, N. W., Room 4035
Washington D. C. 20405
Attention Laurie Duarte,

Subject: FAR, CCR proposed rule - FAR case 2002-018

Our comments on the proposed rule change are as follows and are also included in the attached word file:

The proposed FAR rule change amends the FAR to require contractor registration in the CCR database prior to award of any contract, basic agreement, basic ordering agreement, or blanket purchase agreement on or after September 30, 2003. The rule requires contracting officers to modify existing contracts whose period of performance extends beyond September 30, 2003, to require contractors to register in the CCR database by September 30, 2003.

If the proposed FAR rule change is enacted the following clause will be added:

Clause 52.232-33 Payment by Electronic Funds Transfer-Central Contractor Registration.

Paragraph (b) states: The Government shall make payment to the Contractor using the EFT information contained in the Central Contractor (CCR) database. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the CCR database.

The big issue for the financial community is how do we get this CCR information into the payment process that is currently driven by the vendor files that are integrated into our automated financial systems. The financial systems need to be modified or replaced with systems that can clearly distinguish the vendors that must be in CCR and use CCR as the vendor file for EFT information through direct access when the payment request (invoice) is released for payment. **We do not have the resources to revert to a manual process of verifying EFT data with each payment.** Until the FAR rule is final, we cannot even begin the costly, time-consuming and risky changes needed to implement this new requirement. There has been very little communication to the financial community (a general overview distributed by the CFO Council last October) concerning this change, and we have not seen that agencies or system vendors are knowledgeable about or prepared for this change.

Until agencies have made the needed changes to their financial systems and processes, there needs to be a transition period during which vendors are required to **both** maintain the CCR information **and** notify the agencies whenever a change has been made to the vendor's EFT data. Only at the end of the transition period, when each agency has implemented and tested the system and process changes, would the vendor community be notified that the agencies are now

018-17

able to integrate their payment systems and processes with CCR and the additional notification is no longer necessary.

Additionally, HUD has heard that some agencies, in order to meet the October date, are downloading, or are being encouraged to download, the entire CCR database to their own environments in order to find the vendor changes for their vendors. HUD believes this should be a cause of concern and will make for difficult security and privacy assessments; it will be much harder to assure CCR vendors of the security and privacy of the data they are being required to provide. Instead, efforts should be focused on system access to specific CCR vendor records, as needed, to verify a pending payment prior to payment release. Agencies should not be downloading sensitive data for vendors they are not doing business with.

(See attached file: Federal Department Central Contractor Registration2.doc)

Department of Housing and Urban Development
Hartley Jones, Assistant Chief Financial Officer for Systems and
Margaret White, Assistant Chief Financial Officer for Accounting

Transmitted by:



Federal Department Central Contractor Registration

Gail B. Dise

Gail B. Dise

Office of the Chief Financial Officer

Deputy Assistant CFO for Systems

(202) 708-1757 ext 3749

018-17

Federal Department Central Contractor Registration (CCR) Implementation
FAR case 2003-018
HUD Comments

The proposed FAR rule change amends the FAR to require contractor registration in the CCR database prior to award of any contract, basic agreement, basic ordering agreement, or blanket purchase agreement on or after September 30, 2003. The rule requires contracting officers to modify existing contracts whose period of performance extends beyond September 30, 2003, to require contractors to register in the CCR database by September 30, 2003.

If the proposed FAR rule change is enacted the following clause will be added:

Clause 52.232-33 Payment by Electronic Funds Transfer-Central Contractor Registration.

Paragraph (b) states: The Government shall make payment to the Contractor using the EFT information contained in the Central Contractor (CCR) database. In the event that the EFT information changes, the Contractor shall be responsible for providing the updated information to the CCR database.

The big issue for the financial community is how do we get this CCR information into the payment process that is currently driven by the vendor files that are integrated into our automated financial systems. The financial systems need to be modified or replaced with systems that can clearly distinguish the vendors that must be in CCR and use CCR as the vendor file for EFT information through direct access when the payment request (invoice) is released for payment. **We do not have the resources to revert to a manual process of verifying EFT data with each payment.** Until the FAR rule is final, we cannot even begin the costly, time-consuming and risky changes needed to implement this new requirement. There has been very little communication to the financial community (a general overview distributed by the CFO Council last October) concerning this change, and we have not seen that agencies or system vendors are knowledgeable about or prepared for this change.

Until agencies have made the needed changes to their financial systems and processes, there needs to be a transition period during which vendors are required to **both** maintain the CCR information **and** notify the agencies whenever a change has been made to the vendor's EFT data. Only at the end of the transition period, when each agency has implemented and tested the system and process changes, would the vendor community be notified that the agencies are now able to integrate their payment systems and processes with CCR and the additional notification is no longer necessary.

Additionally, HUD has heard that some agencies, in order to meet the October date, are downloading, or are being encouraged to download, the entire CCR database to their own environments in order to find the vendor changes for their vendors. HUD believes this should be a cause of concern and will make for difficult security and privacy assessments; it will be much harder to assure CCR vendors of the security and privacy of the data they are being required to provide. Instead, efforts should be focused on system access to specific CCR vendor records, as needed, to verify a pending payment prior to payment release. Agencies should not be downloading sensitive data for vendors they are not doing business with.

015-18

June 2, 2003 (Via E-mail)

To: Laurie Duarte, GSA Secretariat

From: Nancy Barrere, DOC Office of Acquisition Management

Subject: U.S. Department of Commerce Comment son FAR Case 2002-018

The Department of Commerce offers the following comments on FAR Case 2002-018, Central Contractor Registration.

The Department strongly supports the concept of the Central Contractor Registration (CCR) system database in which federal contractors must register before receiving government awards. However, the Department has continued concerns relating to the implementation approach of CCR.

1. The Department recommends that use of the CCR be applicable to new transactions only.

Use of the CCR should be made applicable to new contract transactions only. The rule as proposed would require wholesale modification of existing contracts, purchase orders, BPAs, etc., which does not seem necessary and may be unwise. As proposed, the rule would result in a large increase in workload and consume acquisition resources not presently available at the Department. Contract modifications on such a grand scale could also result in disputes, leading to further demands on acquisition and legal personnel and unnecessary risk to the government.

2. The Department recommends a 12-month (or at a minimum 6-month) implementation period to ensure an orderly transition to the CCR.

The deadline for the mandatory use of CCR should be extended from the proposed September 30, 2003 implementation date to September 30, 2004, or 12 months from the date the final rule is published, if later.

Mandatory registration in the CCR should be done in a more suitable timeframe than in the midst of the fourth quarter, when contracting activities are using all available resources to complete current and early next FY awards.

Adequate time is needed to train agency personnel and provide outreach/help to our contractors in the registration process. As with many civilian agencies, a significant number of our contractors are registered in CCR, but many are not. The Department contracts with a large number and wide variety of small and very small contractors who are geographically dispersed, often located in remote areas of the United States or abroad (where internet and reliable telephone service may be limited or non-existent) and typically require a high degree of support from our acquisition staff to assist them from a contract "paperwork" perspective. Many of these vendors are small research or specialty businesses and individuals and have not held DUNS numbers before. Contracting officers must help guide these vendors through the DUNS number request process. Due to the very tight timeframes proposed in the rule, very small businesses or

018-18

those not used to selling to the Government may incur Dun and Bradstreet fees to obtain DUNS numbers on the express basis.

Further, a longer implementation period is needed because the CCR will significantly impact agency systems. CCR subscription and system modification funding must be identified and obtained. Time is needed to evaluate the CCR and ensure that necessary changes are made to acquisition and finance systems.

3. The Department recommends that the final rule allow for the "grandfathering" of existing contracts with performance extending beyond September 30, 2003.

The proposed September 30, 2003 deadline to modify current contracts whose performance extends into FY 2004 to add yet-to-be-finalized-FAR clauses will create an onerous fourth quarter burden for contracting officers and contractors alike— particularly for very small businesses who are most likely to be affected by the rule and who will be busy responding to end of the year solicitations. Options could be delayed or fail to be exercised if contractors are unable to get registered into CCR by September 30, 2003.

4. Commerce suggests a change to proposed FAR 4.1102(a)(1), which provides an exception for purchases that use the purchase card as the purchasing mechanism.

The Department proposes that this exception be expanded to include all micro-purchases, whether using the purchase card or a purchase order. There are still a number of purchases awarded by the Department where a purchase order must still be used, e.g., a \$500 honorarium payment to an individual who does not have capability to accept the purchase card. Under the proposed rule, they would have to register in the CCR. The concern is that such individuals or small vendors will choose not to register to avoid what they view as unnecessary paperwork. While we will make every effort to work with such entities, we do not believe CCR registration should be a required to obtain the award.

5. Commerce suggests a change to proposed FAR 4.1102(a)(5) which provides an exception for awards to foreign vendors for work performed outside the United States if it is impractical to obtain CCR registration before award.

The Department suggests expanding this exception to all awards to foreign vendors for work performed outside the U.S., i.e., eliminate the words "if it is impractical to obtain CCR registration before award." Again our concern is that foreign vendors simply will not register in the CCR, and will thus be precluded from receiving an award unless some sort of waiver is prepared (which this rule provides but which would be administratively burdensome). As in the previous comment, we would make every effort to convince these firms to register.

The Commerce Department, like the State Department, has recently become aware of problems encountered in getting DUNS number for overseas vendors, which is requirement for registering in the CCR. Such problems would need to be resolved if overseas vendors will be required to register.

018-18

6. The Department believes the following questions could substantially impact agencies' ability to comply with the CCR requirements as currently proposed and suggests they be addressed in the final rule:
- If a problem is encountered where CCR cannot be accessed via the web, how can the CO verify that a contractor is registered prior to award? The proposed rule provides a phone number that may be used in lieu of the website --however, what hours are the phone manned and will that be sufficient to handle a fourth quarter deluge?
 - There is a reference to the Government validation of vendor information before the registration becomes "active". How long does this verification process take and who in the "Government" is responsible for this process? The will be especially critical at the end of the FY.
 - Will Government personnel be able to query the CCR and be able to see information such as TIN and DUNS numbers? A check yielded no access to TIN numbers. Is there an agreement to be signed and/or a fee which must be paid to allow agencies access to this type of information?

If you have questions about these comments, please contact me at Nbarrere@doc.gov.

Nancy Barrere, Procurement Analyst
U.S. Department of Commerce
Office of Acquisition Management
Washington, D.C. 20231

2002-018-19



J_K_Peterson@ios.doi
.gov

06/02/2003 01:38 PM

To: farcase.2002-018@gsa.gov
cc:
Subject: Dept of the Interior Comments on FAR Case 2002-018 [Virus checked]

Ladies & Gentlemen:

Attached are comments from the Department of the Interior's bureaus on the subject FAR Case.

Thanks,

John Peterson
Senior Program Analyst (Acquisition)
Office of Acquisition & Property Management



(See attached file: DOI FAR Comments-CCR.doc) DOI FAR Comments-CCR.d

018-19

1. We still do business with some small contractors who do not have internet access and do not intend to get it. There needs to be alternate procedures or instructions to avoid cutting those very small firms out of the Government market.
2. The requirement that all contracts (including purchase orders) that run past 9/30/2003 must be modified before that date to add a clause that will not even exist until mid-summer is unrealistic. This represents literally thousands of bilateral modifications even for a small contracting activity like USGS. We request this be changed to provide a more manageable phase-in period. We would recommend that we be required to add this clause to existing agreements and contracts (including purchase orders) only as they are modified for other reasons, or in any event no later than 9/30/2004. With the current wording, we could be prevented for exercising unilateral options in a timely manner if the vendor is unregistered.

We also find the wording and structure of 14.103 to be somewhat awkward. These hanging sentence fragments are excruciating to read. Lists are fine but there must be some syntax rule against separating the subject from its verb(s) by that much punctuation (and in places even by the insertion of other, complete sentences). Our proposed revision is as follows:

- Modify 4.1102 to add to the list of exceptions:
 - (a)(6) Contracts whose period of performance will not extend beyond September 30, 2003.
- Replace 4.1103 (a) with the following:

4.1103 Procedures

 - (a) Unless the acquisition is exempt under 4.1102, the contracting officer shall verify that the prospective contractor is registered in the CCR database before making award of a new contract, purchase order, or agreement.
 - (b) To verify registration, use the DUNS number or, if applicable, the DUNS+4 number -
 - (i) Via the Internet at <http://www.ccr.gov>;
 - (ii) By calling toll-free: 1-888-227-2423, commercial: (616) 961-5757, or DSN: 932-5757; or
 - (iii) As otherwise provided by agency procedures.
 - (c) Before executing a bilateral modification to a contract, purchase order or agreement that is not exempt under 4.1102, the CO must -
 - (i) verify that the contractor is registered in the CCR; and
 - (ii) ensure that the contract includes language requiring the contractor to be registered in the CCR database and maintain registration until final payment. If such language is not already present in the contract or agreement, incorporate the clause prescribed by FAR 4.1104, or, for commercial item contracts, the current version of the clause 52.212-4,

018-19

Contract Terms and Conditions - Commercial Items, including paragraph (t) Central Contractor Registration (CCR).

(d) Contracts and agreements that will not expire by September 30, 2004, must be modified to add the clause language described in (c) above in sufficient time to permit CCR registration by that date.

- To accommodate the above changes, existing paragraph (b) would need to be renumbered (e). It also needs to be made into a complete sentence.

(e) Contracting Officers need not verify registration before placing an order or call if the contract or agreement includes the clause at 52.204.XX, or 52.212-40, or a similar agency clause.

- Renumber remaining paragraphs (c) - (e) as (f) - (h).

3. We disagree with the proposed revision to FAR 13.102, as it continues to require that offices maintain vendors lists separate from the CCR database. This process is antiquated and should not be required in the internet era. This topic should be reworded to permit, rather than require, maintenance of local central mailing lists. We propose the below language as a substitute for item 5 in the proposed rule.

Amend section 13.102 by revising the introductory text of paragraph (a); and adding paragraphs (a)(4) and (a)(5) to read as follows:

13.102 Source list.

(a) Contracting offices should use Central Contractor Registration database (see 4.11) at <http://www.ccr.gov> or the Procurement Marketing and Access Network (PRO-Net) of the Small Business Administration as their primary sources of vendor information. Offices maintaining additional vendor source files or listings should identify the status of each source (when the status is made known to the contracting office) in the following categories:

* * * * *

(4) HUB Zone small business.

(5) Service-disabled veteran-owned small business.

* * * * *

4. This rule also needs to substantially rewrite 14.205 Solicitation Mailing List to delete all references to the SF 129 Bidders Mailing list and any requirement or expectation that contracting offices will maintain their own vendor mailing lists. The FAR should only require that a record be kept in each individual solicitation file listing of potential offerors sent copies of the solicitation or notified of electronic solicitation availability (including business size and ownership data). This is already briefly covered in 14.204(b). Everything else in 14.205 is (or should be) obsolete.

018-19

With CCR and Pro-Net, it is no longer necessary for each individual acquisition office to be maintaining its own general mailing lists. With electronic commerce and FedBizOpps, the utility of such lists is dramatically reduced, to the point where the benefits do not outweigh its maintenance costs. Offices that are making the best use of electronic commerce find internal lists go virtually unused and should not be burdened with the cost of maintaining this obsolete system. Offices that do want to retain such lists may do so even in the absence of any FAR coverage, or with minimal coverage. Much of the existing FAR section just codifies common sense, anyway, and didn't really need saying even 15 years ago.

5. Add language to 15.205 requiring solicitation files to include a record of vendors solicited, similar to that found in 14.204(b). [This is already required for oral solicitations in 15.203(f)(1)(iii), but not expressly required (that we could find) for Requests for Proposals.]
6. Delete 19.202-4 (c) as obsolete in the era of electronic commerce and a single, governmentwide vendor database. This should be replaced with a requirement for CO's to use Pro-Net, CCR and other market research tools to identify potential small business sources, and to take affirmative steps to make sure those firms are solicited or notified of the availability of electronic solicitation postings.

2002-018-20



"Latvanas, Barbara"
<barbara.latvanas@mail.va.gov>

06/02/2003 05:24 PM

To: "farcase.2002-018@gsa.gov" <farcase.2002-018@gsa.gov>
cc: "linda.klein@gsa.gov" <linda.klein@gsa.gov>, "Latvanas, Barbara"
<barbara.latvanas@mail.va.gov>
Subject: FAR Case 2002-018; Central Contractor Registration (CCR)

Thank you for the opportunity to comment on the proposed rule, FAR Case 2002-018, Central Contractor Registration (CCR). The following comments and questions are submitted on behalf of the Department of Veterans Affairs.

a. Although CCR may be accessed via the Internet, each Federal agency must subscribe to the services provided by the CCR's managing organization (DoD) to access proprietary contractor and proposed contractor data. This detailed information was not mentioned in the proposed rule.

b. Not all "contractors" are required to register in CCR. How do we know which contractors are CCR registered?

c. If VA must use the CCR as the source for our vendor file updates, how will CCR information be imported into existing VA computer systems, such as FMS or CoreFLS, in accordance with naming conventions?

d. If we rely on data from CCR for our vendor files, how can we change it to conform to our internal needs (abbreviations, correct match of name/TIN as required by IRS for 1099 reporting)?

e. How will time delays be addressed? New CCR registrations are designed to take 48 hours to become available after the contractor registers. Stations often need to enter obligations immediately and need vendor files established to obligate.

f. Will there be a cost to VA to use the CCR?

g. CCR apparently charges vendors for their annual registration. Will there be waivers available to certain vendors for hardship, etc.?

h. Annual Reporting Burden - The number of contractors (54,199) used for the estimates seems low as the current CCR shows 221,931 contractors, and a large portion of the Government is not yet utilizing CCR.

i. The proposal indicates that all contracts that will extend past September 30, 2003, or for which payments will be made after that date, must have the contractors in CCR by September 30, 2003. Since the rule is still out for comments, it seems unlikely that all of the steps necessary can be accomplished by that date.

j. There is information in the proposal about how to get a DUNS number. There is no corresponding information on the CCR for:

- * Points of contact for questions,
- * Help desk for problems encountered,
- * Obtaining access to review contractor data,
- * Protecting privacy of data, and
- * Obtaining instructions for registration and annual

update by
the contractor.

k. The discussion related to awarding a contract based on the contractor having successfully registered in CCR highlights the critical nature of both the DUNS numbering process, the time to get registered, and the availability/accessibility of the CCR.

018-20

1. While there is specific discussion about changing names of contractors in CCR, there is no explanation on how agencies will be made aware if a contractor changes names or makes any other change in CCR. Having different names in vendor records over time will make it difficult to choose the correct record. Further, not having other changes, such as TINs, will result in inaccurate reporting. The link between CCR and agency vendor records is a critical one.

Please provide your response to the above questions to the Office of Acquisition and Materiel Management point of contact, Paulette Creighton, Procurement Analyst. She can be reached at 202-273-8821.

Thank you,
Barbara Latvanas
Department of Veterans Affairs (049A5A)
Telephone 202-273-7808
E-mail barbara.latvanas@mail.va.gov

2002-018-21



"Carey Ed Civ
MSG/PIH"
<Ed.Carey@HILL.af.mil
>

To: farcase.2002-018@gsa.gov
cc:
Subject: Favorable Comment

06/02/2003 04:46 PM

This rule provides much needed clarification as to what it means to be a CCR registered vendor. Clearly being in the CCR database is not sufficient. Adding the condition the record must be "Active" provides an explicit policy that matches the "common sense" understanding of the CCR registration requirement.

Now, if we could only get the CCR programs to run on time. Because they often do not, the automated access and update programs that attempt to access CCR data in order to keep DoD Vendor and Address files current, complete, and accurate - are missing updated information. Added reliability would go a long way to keep CCR data that is in the field, accurate.

Ed Carey, Procurement Analyst
The Contracting Lab at Hill
(801) 777-9011
Ed.Carey@hill.af.mil



2002-018-22

June 2, 2003

Ms. Laura Duarte
FAR Secretariat (MVA)
General Services Administration
Room 4035
1800 F Street, NW
Washington, DC 20405

Subject: FAR Case 2002-018, "Federal Acquisition Regulation; Central Contractor Registration"

Dear Ms. Duarte:

The Aerospace Industries Association (AIA) appreciates the opportunity to provide comments on the above-referenced proposal to amend the FAR to require all Government contractors to register in the Central Contractor Registration (CCR) database prior to award of any contract, basic agreement, basic ordering agreement, or blanket purchase agreement with the Federal Government. The proposed registration requirement will also apply to commercial contracts, and all contractors must complete registrations on or before September 30, 2003.

Several of the proposed changes to FAR provisions and clauses are open to interpretation and could cause confusion during the implementation phase. Accordingly, we recommend that actions required to implement the proposed rule be suspended for 90 days to allow sufficient time to convene a public meeting to address industry concerns, particularly as they relate to timing of the annual registration requirement, the inconsistencies with current DFARS requirements for entering both CAGE codes and DUNS numbers, and potential misuse of the CCR system to misappropriate funds.

Additionally, we propose that industry representatives be given the opportunity to meet with CCR Policy Office staff as soon as possible for the purpose of establishing an Industry/Government Review Board to analyze the impact of all future CCR system changes and information requirements. The establishment of such a Board would enable industry to bring to the attention of CCR management potential problems that contractors are likely to encounter in effecting future changes to the CCR system.

Before providing specific responses on proposed changes to FAR provisions and clauses, we would like to comment on the paperwork burden estimate found on page three of the FR issuance. We question the one hour estimate to initially register in the CCR database and complete updates to the CCR system annually. The following are the taskings for a new small contractor to complete registration: obtain a Data Universal Numbering System (DUNS) number from Dun and Bradstreet, add 4-character suffixes to the DUNS to identify alternative EFT records in CCR, obtain and enter all the data currently required to be inserted in CCR data fields, and modify standard contract forms to insure that the DUNS appears on the first page. Large Government contractors have multiple CCR records that must be updated each year. Clearly, this is a tasking that will take more than one hour to complete company-wide.

Specific Comments on the Proposed Rule

1. Annual CCR Registration Requirements

We recommend that each company elect to have a single annual renewal date for all its CCR registrations rather than have individual registrations keyed to one year after the last update. This will provide a more complete review and lessen the chance that an annual review is missed.

Also, to permit contractors to improve the control and quality of information entered in the CCR system, it is recommended that a batch load and update option be added to the system for contractors having multiple CAGE codes. Contractors would take the same information that is in their own systems and create a file update in a batch format.

2. DUNS +4 Suffix

- a. The proposed clause 52.204-xx states that that the four-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative EFT accounts for the same parent concern.
- b. The DFARS currently states that the suffix may be assigned by the parent (controlling) business concern for such purposes as identifying subunits or affiliates of the business concern.
- c. The CCR website currently states that the use of DUNS+4 numbers to identify vendors is limited to identifying different CCR records for the same vendor at the same physical location. For example, a vendor could have two records for themselves at the same physical location to identify two separate bank accounts. Vendors wishing to register their subsidiaries and other entities should ensure that each additional location obtains a separate DUNS number from Dun & Bradstreet.

As we understand it, the policy of Dun and Bradstreet (D&B) is that a different 9-digit DUNS number should be assigned to each physical location/address of the firm, including any legal divisions that may be co-located. The additional 4-digit suffix is only to be used to identify different appropriations or payment accounts for accounting purposes, not to distinguish different locations of the business or its divisions or subsidiaries. Since the U.S. Government is seeking to use DUNS as a commercially available resource to help in procurement and payment processes, FAR and DFARS provisions specifying what the DUNS 4-digit suffix is used for should be identical and conform to DUNS-defined uses.

3. The Requirement to Enter the DUNS Number on the Proposal Cover Page

- a. The proposed clause 52.204-xx states that the DUNS or DUNS +4 shall be entered on the cover page of the contractor's offer. This will enable the contracting officer to verify that the offeror is registered in the CCR database.
- b. The DFARS currently states that the DUNS number will be used to validate registration in CCR, but does not require the DUNS number to appear on the proposal cover page.

The draft FAR clause is acceptable with regard to placing DUNS or DUNS+4 on the cover page of the offer. However, DFARS language should be brought into conformance with this requirement.

4. CAGE Code Requirements

- a. The proposed clause 52.204-xx is silent on the requirement of the CAGE code being entered into the CCR database.
- b. The DFARS currently requires that the CAGE and DUNS numbers must both be entered in order to be successfully registered in the CCR database.
- c. The CCR web page states that the CAGE code and DUNS number are both mandatory fields.

The proposed clause 52.204-xx is silent on the requirement for the CAGE code to be entered into CCR at the same time the DUNS number is entered for registration purposes.

As we understand it, when the CCR database was established by the DoD, it was intended to migrate away from dependence on the CAGE database, which has become less reliable due to significant changes, mergers, consolidations, acquisitions and divestures by industry. Contractor information maintained by Dun and Bradstreet has historically been a more reliable database for all businesses since Dun and Bradstreet is updated as individual changes take place.

018-22

We recommend that this proposed FAR clause continue to stay silent on the CAGE requirement and DoD be asked to determine if the CAGE database should be retained in the future.

5. Legally Changed Business Name

The proposed clause 52.204-xx requires that if the business name is changed, and the contractor has not followed the requirements in FAR subpart 42.12, then the contractor must provide the contracting officer a one-day minimum written notification of its intention to change the name in the CCR database and comply with the requirements of FAR 42.12. The contractor must also provide documentation to support the "legally" changed name. The contractor must agree to a timeline to complete the procedures established by the contracting officer to comply with FAR 42.12 and make the appropriate change in the CCR database. If the contractor fails to meet these requirements, the contract will be considered to contain incorrect information within the meaning of the "Suspension of payment" paragraph of the FAR 52.232-33, "Payment by Electronic Funds Transfer - Central Contractor Registration."

The DFARS as currently drafted does not include the above provision in addressing name-change situations. This difference needs to be addressed by the regulation writers.

6. Potential for Misappropriation of Funds

Under the current CCR system, a single contractor employee authorized to update the CCR, or an individual that is able to obtain the special CCR access code through fraudulent means, can easily change the EFT routing information for future payments to accounts not belonging to the contractor. This update process is lacking in checks and balances because it provides for no independent verification of the request. Prior to the deployment of the CCR, changes in EFT routing information were made by formal contract modification or by completing an EFT registration form. In both situations, a deterrent to misappropriation of Government funds existed because the documents were reviewed by more than one individual (contracting officer, bank representatives, and other contractor employees) and the change in the EFT routing typically required a week or more to implement in the DOD payment systems. Because of the timeliness with which an EFT update to CCR is made, a dishonest employee could change the EFT information redirecting the payment(s) and leave the country before the contractor becomes aware that fraud has been committed.

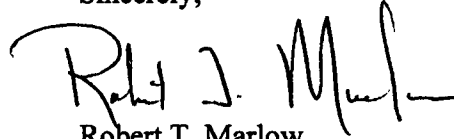
The systems revisions necessary to remedy these potential abuses before they occur were detailed in an AIA letter sent to Department of Defense senior management on April 14, 2003. (We will be pleased to forward you a copy of the letter upon request.) To date, we have not received a response to our letter.

Ms. Laura Duarte
June 2, 2003
Page 5

018-22

Thank you for the opportunity to provide our comments. If there are any questions concerning our comments on the proposed rule, please contact Mr. Dick Powers of my staff. Dick can be reached on 703 358-1042. His email address is powers@aia-aerospace.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert T. Marlow". The signature is written in a cursive style with a large initial "R" and a long horizontal stroke at the end.

Robert T. Marlow
Vice President, Government Division

2002-018-23



Decide with Confidence

June 2, 2003

General Services Administration
FAR Secretariat (MVA)
1800 F Street, NW, Room 4035
Washington, DC 20405
ATTN: Laurie Duarte

Dear Ms. Duarte:

Dun & Bradstreet (D&B) welcomes the opportunity to submit comments in response to the April 3, 2003 Federal Register notice of the proposed Federal Acquisition Regulation (FAR) amendment requiring contractor registration in the Central Contractor Registration (CCR) database.

Since 1978, when the Federal Procurement Data Center (FPDC) selected the Data Universal Numbering System (DUNS) Number as their contractor identification code, D&B has supported the DUNS Number implementation and vendor management efforts of many federal agencies, including CCR. D&B began supporting CCR in 1995 by providing DUNS Number validation services to ensure the integrity of CCR vendor profile data and reduce the administrative burden on contractors during the registration process and data maintenance costs for the government. This experience has provided us with extensive insights into the implications and benefits of an agency's decision to centralize disparate vendor databases, standardize on the DUNS Number and streamline the data collection process.

We believe that the requirement for contractor registration in CCR is necessary for compliance with FAR provisions.

Required vendor registration in CCR will give the agencies a central repository of vendor information to help ensure standard identification of a vendor throughout the federal procurement lifecycle, from contract award to contract payment. By using the DUNS Number as its key contractor identification code, CCR will facilitate federal agency efforts to comply with FAR provision 52.204-6, which requires the identification of contractors by a DUNS Number when reporting awards over \$25,000 to FPDC.

We believe that the requirement for contractor registration in CCR has practical utility.

Agency use of CCR and its unique identifier, the DUNS Number, will enhance the Federal Government's ability to implement its Integrated Acquisition Environment vision and facilitate



Decide with Confidence

agency ability to exchange critical contractor information with other agencies. Requiring contractor registration in CCR enables the one-time, up-front collection of standardized vendor business information and provides agencies with a comprehensive source for vendor contract management and reporting, thus reducing the need to re-key information and maintain independent vendor database "side" files.

In addition, the use of CCR will enable agencies to better comply with the Debt Collection Improvement Act of 1996, specifically in the areas of EFT payment and vendor payment offsets. Since the DUNS Number identifies each unique CCR registrant on a location-specific basis, contracting and financial personnel can easily and accurately determine the appropriate company when processing EFT payments and identifying potential vendor payment offset opportunities.

We have provided a few recommendations for changes within FAR Parts 2, 4 and 52, which we believe will enhance the quality, utility and clarity of the information to be collected.

Part 2-Definitions of Words and Terms

➤ 2.101 Definitions

In order to clarify certain terms and to accurately reflect our correct legal business name, we recommend that the proposed amendment of section 2.101(b) "Data Universal Numbering System (DUNS) number" and "Data Universal Numbering System +4 (DUNS+4)" number read as follows:

"Data Universal Numbering System (DUNS) Number means the 9-digit number assigned by Dun & Bradstreet, Inc. (D&B) to identify unique business entities."

"Data Universal Numbering System +4 (DUNS+4) number means the DUNS Number assigned by Dun & Bradstreet, Inc. (D&B) plus a 4-character suffix that may be assigned by a business concern (D&B has no affiliation with this 4-character suffix). This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see Subpart 32.11) for the same concern."



Decide with Confidence

Part 4-Administrative Matters

- Additional subpart 4.11, Section 4.1102 Policy (a)(1)

The current proposed wording reads:

“(a) Prospective contractors shall be registered in the CCR database prior to award of a contract or agreement, **except** for--

- (1) Purchases that use a Governmentwide commercial purchase card as the purchasing mechanism;”

D&B recommends requiring registration in CCR for vendors who are awarded contracts in excess of \$2,500 using the purchase cards as purchasing mechanism. The growth of Integrated Acquisition has expanded the role of CCR beyond its traditional scope to become the consolidated and centralized repository of government-wide *vendor* information. With CCR in turn feeding this information into the new Federal Procurement Data System-Next Generation (FPDS-NG), this step will enable agencies to more easily and accurately comply with their reporting requirements (i.e. small/disadvantaged business procurement goals). In addition, CCR registration of these vendors will provide agencies with the information needed to evaluate purchase card procurement and spend behaviors to enhance their reporting and oversight efforts.

Part 52-Solicitation Provisions and Contract Clauses

- 52.204-6 Data Universal Numbering System (DUNS) Number

Due to recent enhancements we have made to support the DUNS assignment process for contractors, we have recommend that the following sections 52.204-6 paragraph (b) be revised to read as follows:

“ (b) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

- (1) An offeror may obtain a DUNS number--

- (i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711.

- (ii) If located outside the United States, by contacting the local Dun and Bradstreet Office.

- (2) The offeror should be prepared to provide the following information:

- (i) Company Legal Business Name

018-23



Decide with Confidence

- (ii) Tradestyle, doing business (dba), or other name by which your entity is commonly recognized
 - (iii) Company Physical Street Address, City, State and Zip Code
 - (iv) Company Mailing Address, City, State and Zip Code (if separate from physical)
 - (v) Company telephone number
 - (vi) Date the company was started
 - (vii) Number of employees at your location
 - (viii) Chief executive officer/key manager
 - (ix) Line of business (industry)
 - (x) Company Headquarters name and address (reporting relationship within your entity)
- (End of provision)"

➤ 52.204-XX Central Contractor Registration

In order to clarify certain terms and to accurately reflect our correct legal business name, we recommend that the proposed section 52.204-XX, (a) Definitions "Data Universal Numbering System (DUNS) number" and "Data Universal Numbering System +4 (DUNS+4) number" read as follows:

"Data Universal Numbering System (DUNS) Number means the 9-digit number assigned by Dun & Bradstreet, Inc. (D&B) to identify unique business entities."

"Data Universal Numbering System +4 (DUNS+4) number means the DUNS Number assigned by Dun & Bradstreet, Inc. (D&B) plus a 4-character suffix that may be assigned by a business concern (D&B has no affiliation with this 4-character suffix). This 4-character suffix may be assigned at the discretion of the business concern to establish additional CCR records for identifying alternative Electronic Funds Transfer (EFT) accounts (see Subpart 32.11) for the same concern."

Due to recent enhancements we have made to support the DUNS assignment process for contractors, we recommend that the proposed section 52.204-XX (c) read as follows:

"(c) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one.

(1) An offeror may obtain a DUNS number--

(i) If located within the United States, by calling Dun and Bradstreet at 1-866-705-5711.



Decide with Confidence

- (ii) If located outside the United States, by contacting the local Dun and Bradstreet Office.
- (2) The offeror should be prepared to provide the following information:
 - (i) Company Legal Business Name
 - (ii) Tradestyle, doing business (dba), or other name by which your entity is commonly recognized
 - (iii) Company Physical Street Address, City, State and Zip Code
 - (iv) Company Mailing Address, City, State and Zip Code (if separate from physical)
 - (v) Company telephone number
 - (vi) Date the company was started.
 - (vii) Number of employees at your location
 - (viii) Chief executive officer/key manager
 - (ix) Line of business (industry)
 - (x) Company Headquarters name and address (reporting relationship within your entity)"

➤ 52.212-1 Instructions to Offerors—Commercial Items (Date)

Due to recent enhancements we have made to support the DUNS assignment process for contractors, we recommend that section 52.212-1 (j), concerning offerors who do not have a DUNS number, be revised to read as follows:

- (j) ... "If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one. An offeror within the United States may contact Dun and Bradstreet by calling 1-866-705-5711. An offeror located outside the United States must contact the local Dun and Bradstreet Office for a DUNS number."

We believe that the requirement for contractor registration in CCR will minimize the administrative burden on the part of both federal agencies and the contractor community.

In order to better serve both government agencies and contractors, D&B has implemented a robust infrastructure to ensure timely DUNS Number access for federal contractors, grantees and government agencies. As a result, we have the ability to immediately assign DUNS Numbers on a complimentary basis over the phone. We also maintain a dedicated CCR support team on our DUNS Self-Request Line to provide prompt service and immediate attention to government agencies and contractors requesting DUNS Number look-ups and the assignment of new DUNS Numbers. Moreover, we have further enhanced our Self-Request Line by establishing a toll-free number (1-866-705-5711) to eliminate the confusion resulting

018-23



Decide with Confidence

from previous Self-Request numbers. Finally, D&B is establishing a dedicated email address with next business day response to provide for request for and sending of DUNS Numbers.

We recently have created a Guide to Obtaining D&B DUNS Numbers to assist in the DUNS Assignment Process. This one-page, government contractor-focused guide provides a concise description of how to ensure prompt DUNS Number assignment and the information required by D&B to do so. The DUNS Guide is currently posted to www.ccr.gov under the Vendor Corner tab.

For all of the reasons listed above, D&B believes that the proposed amendment to the FAR is warranted. Based on our experience with the federal government and the federal contractor communities, we believe that implementing the Central Contractor Registration vendor registration requirement will ease the burden and enhance the existing registration process for both government contracting personnel users and the vendor respondents. D&B remains committed to supporting the government's acquisition efforts and, if desired, is willing to explain the benefits of the DUNS Number, the DUNS assignment process, data requirements, etc. in more detail to facilitate the FAR Secretariat's response to public comments received as a result of this notice.

Sincerely,

Mark Muckerman

Mark Muckerman
District Manager

2002-018-24



Linda L. Klein
06/03/2003 10:17 AM

To: LaRhonda M. Erby-Spriggs/MVA/CO/GSA/GOV@GSA
cc:
Subject: FAR Case 2002-018; Central Contractor Registration (CCR)

Another comment!!!!!!

---- Forwarded by Linda L. Klein/MVP/CO/GSA/GOV on 06/03/03 10:19 AM ----



"Latvanas, Barbara"
<barbara.latvanas@ma
il.va.gov>
06/02/03 05:24 PM

To: "farcase.2002-018@gsa.gov" <farcase.2002-018@gsa.gov>
cc: "linda.klein@gsa.gov" <linda.klein@gsa.gov>, "Latvanas, Barbara"
<barbara.latvanas@mail.va.gov>
Subject: FAR Case 2002-018; Central Contractor Registration (CCR)

Thank you for the opportunity to comment on the proposed rule, FAR Case 2002-018, Central Contractor Registration (CCR). The following comments and questions are submitted on behalf of the Department of Veterans Affairs.

a. Although CCR may be accessed via the Internet, each Federal agency must subscribe to the services provided by the CCR's managing organization (DoD) to access proprietary contractor and proposed contractor data. This detailed information was not mentioned in the proposed rule.

b. Not all "contractors" are required to register in CCR. How do we know which contractors are CCR registered?

c. If VA must use the CCR as the source for our vendor file updates, how will CCR information be imported into existing VA computer systems, such as FMS or CoreFLS, in accordance with naming conventions?

d. If we rely on data from CCR for our vendor files, how can we change it to conform to our internal needs (abbreviations, correct match of name/TIN as required by IRS for 1099 reporting)?

e. How will time delays be addressed? New CCR registrations are designed to take 48 hours to become available after the contractor registers. Stations often need to enter obligations immediately and need vendor files established to obligate.

f. Will there be a cost to VA to use the CCR?

g. CCR apparently charges vendors for their annual registration. Will there be waivers available to certain vendors for hardship, etc.?

h. Annual Reporting Burden - The number of contractors (54,199) used for the estimates seems low as the current CCR shows 221,931 contractors, and a large portion of the Government is not yet utilizing CCR.

i. The proposal indicates that all contracts that will extend past September 30, 2003, or for which payments will be made after that date, must have the contractors in CCR by September 30, 2003. Since the rule is still out for comments, it seems unlikely that all of the steps necessary can be accomplished by that date.

j. There is information in the proposal about how to get a DUNS number. There is no corresponding information on the CCR for:

- * Points of contact for questions,
- * [Help desk](#) for problems encountered,
- * Obtaining access to review contractor data,
- * Protecting privacy of data, and

018-24

* Obtaining instructions for registration and annual update by the contractor.

k. The discussion related to awarding a contract based on the contractor having successfully registered in CCR highlights the critical nature of both the DUNS numbering process, the time to get registered, and the availability/accessibility of the CCR.

l. While there is specific discussion about changing names of contractors in CCR, there is no explanation on how agencies will be made aware if a contractor changes names or makes any other change in CCR. Having different names in vendor records over time will make it difficult to choose the correct record. Further, not having other changes, such as TINs, will result in inaccurate reporting. The link between CCR and agency vendor records is a critical one.

Please provide your response to the above questions to the Office of Acquisition and Materiel Management point of contact, Paulette Creighton, Procurement Analyst. She can be reached at 202-273-8821.

Thank you,
Barbara Latvanas
Department of Veterans Affairs (049A5A)
Telephone 202-273-7808
E-mail barbara.latvanas@mail.va.gov

2002-018-25



Linda L. Klein

06/03/2003 10:15 AM

To: LaRhonda M. Erby-Spriggs/MVA/CO/GSA/GOV@GSA
cc: Ralph J. DeStefano/MVP/CO/GSA/GOV@GSA
Subject: FAR case 2002-18, Comment

Include this comment with FAR Case 2002-018 comments.

----- Forwarded by Linda L. Klein/MVP/CO/GSA/GOV on 06/03/03 10:14 AM -----



Kenneth E. McMullan

06/03/03 08:57 AM

To: farcase.2002-18@gsa.gov
cc: Bonnie C. Larrabee/FCO/CO/GSA/GOV@GSA, Linda L. Klein/MVP/CO/GSA/GOV@GSA
Subject: FAR case 2002-18, Comment

The General Services Administration's Federal Supply Service (FSS) supports the objective of the proposed rule; however, we have concerns regarding the aggressive implementation schedule.

FSS currently requires GSA Schedules contractors doing business with the Department of Defense (DoD) to register in the Central Contractor Registration (CCR) database. However, for our Stock and Special Order programs there is no requirement for CCR registration. Also, a significant number of GSA Schedules contractors, which for various reasons have no business contact with DoD, are not currently registered in the CCR.

Due to the workload involved and the anticipated publication date of the final rule, we believe that the requirement that current contractors -- whose period of performance extends beyond September 30, 2003 -- be registered in CCR by no later than September 30 is overly aggressive. We suggest that the date be revised to December 31, 2003.

Thank you for the opportunity to comment on the proposed rule.

Ken
(703) 305-6812

2002-018-26



"Linda Hiatt"
<hiatt@nwtrb.gov>
06/03/2003 12:31 PM

To: farcase.2002-018@gsa.gov
CC:
Subject: In reference to far 2002-018

In reference to far 2002-018

In reading the guidelines for the acquisition regulation; central contractor registration I am rather surprised to find there is no threshold implemented concerning contracting amounts. I understand this is being implemented to accommodate bigger agencies, but I know we are not the only small agency in the government.

Most of the purchases made by this agency are rather small and rarely go over 5-10 thousand range. Our fiscal budget is around the 3 million mark so we do not have an abundance of contracts that go over the 25,000 range outside of government agencies and I would surmise there are many other small agencies that follow in the same pattern we do.

Most of our consultants are scientific in nature and obtained through a purchase order for consulting purposes. I am not sure how many of these small consultants would be willing to take the time or hassle to fulfill this registration requirement for a one time consulting fee. Most of the time we have a hard time just getting information from them. This would put a burden on a lot of agencies that hire small consulting firms or individual consultants for a one time assignment.

I understand the objective of this regulation is to obtain information of multiple small purchases within the government (25,000 and under), but I also understand the burden placed upon small agencies in implementing this procedure.

I would strongly recommend a threshold be implemented and would suggest 15,000 and above for registration, and that all vendors under the 15,000 not be required to have a DUNS or DUNS+4 number, but be able to operate as now stipulated with banking, Social Security, and address information provided on the purchase order to the paying officer.

Thank you for your time and attention to this matter.

Linda Hiatt
Management Analyst
Nuclear Waste Technical Review Board
2300 Clarendon Blvd.
Suite 1300
Arlington, VA 22201
703-235 -9139

2002-018-27



Jacquelyn Owens
06/03/2003 09:58 AM

To: farcase.2002-018@gsa.gov
cc: Matthew A. Urnezis/PX/CO/GSA/GOV@GSA, Eric A. Dunham/PX/CO/GSA/GOV@GSA
Subject: FAR case 2002-018

In accordance with Federal Register/Vol. 68, No. 64/Thursday, April 3, 2003/Proposed Rule the following comments were solicited from the Regions and are provided for your information and use:

1) The proposed rule places workload on us by requiring that we modify every existing procurement to require that the contractor register with CCR by a 9/30. In addition to having to do this by year-end (our busiest time of year) what do we do if they do not comply?

2) Page 16368 of the Federal Register at 13.102 (see bottom right hand corner of the page) states that each contracting office should maintain a source list. I know that the current FAR currently reads this way in part 13. However, in part 14.205-1 (see below), it states that you don't need to maintain a solicitation mailing list (which in my mind is the same as source list) if electronic commerce is used. (Interestingly, Parts 12 and 15 don't address either source or mailing lists, or any other similar type of list.) Therefore, I recommend that Part 13 be changed to not require source or mailings lists, or any similar type list, if electronic commerce is used. I'm proposing that the language in 14.205-1 be adopted uniformly throughout all parts of the FAR, not just for sealed bids.

14.205-1 Establishment of lists.

(a) Solicitation mailing lists shall be established by contracting activities to assure access to adequate sources of supplies and services. This rule need **not** be followed; however, when (1) the requirements of the contracting office can be obtained through use of simplified acquisition procedures (see Part 13); (2) the requirements are nonrecurring; or (3) **electronic commerce methods are used that transmit solicitations or notices of procurement opportunities automatically to all interested sources.** (Emphasis added.)

3) I agree with Regional comments that the requirement to modify all existing contracts which extend beyond 9/30/02 that contractor's must register in the CCR database by 9/30/02 is poor timing. By the time this proposal is effective, it will put us in the heart of our end of year crunch, and to modify literally hundreds of contracts at this time of year would be burdensome. I actually question why existing contractors have to sign up in the CCR. Could this just be applied to new contracts only?

Any question or comment may be directed to the undersigned.

Jacquie

Jacquelyn Owens
Procurement Analyst (PXR)
Office of Business Operations
202 208-2339

2002-018-28



"Polan Miriam"
<Miriam.X.Polan@irs.gov>
ov>

To: "farcase.2002-018@gsa.gov" <farcase.2002-018@gsa.gov>
cc: "Richard.Miller@do.treas.gov" <Richard.Miller@do.treas.gov>, "Shaughnessy Tim" <Tim.Shaughnessy@irs.gov>
Subject: Comments on FAR case 2002-018

06/03/2003 03:51 PM

The Internal Revenue Service submits the following comments on FAR case 2002-018, Central Contractor Registration:

- We suggest that the FAR Council consider allowing waivers under limited circumstances where it is in the best interests of the Government, financially or otherwise. For example, the exceptions listed at 4.1102 do not seem to recognize the occasional need to contract with sole proprietorships or "mom and pop" operations that are not fully established commercial businesses and do not accept the Government Purchase Card. The authority to grant such a waiver should be delegable by the SPE at least one level down.
- *4.1102 (a) (1) - Purchases that use a Governmentwide purchase card as the purchasing mechanism.* We request clarification of the term "purchasing mechanism." As written here it could be interpreted to include only micro-purchases, but might be meant to include use of the card as a payment method as well.

Please contact me if you have any questions.

Thank you,

Miriam Polan
Internal Revenue Service
Office of Procurement Policy
A:P:P:P
202-283-1166
Fax 202-283-1529
miriam.x.polan@irs.gov

2002-018-13



"Amy Bahora"
<abahora@wipp.org>

05/29/2003 06:37 PM
Please respond to
abahora

To: farcase.2002-018@gsa.gov
cc: "Carol Kuc" <ckuc@cccmeetings.com>, "Murphy, Emily W."
<EMurphy@wrf.com>, "Ann Sullivan" <msgi@att.net>, "Terry Neese"
<tneese-wipp@tneesepersonnel.com>, bkasoff@wipp.org
Subject: WIPP comments on FAR Case 2002-018

Please find attached comments from Women Impacting Public Policy in reference to FAR Case 2002-018.

Amy Bahora
Executive Assistant to the President
Women Impacting Public Policy, Inc. (WIPP)
2709 W.I-44 Service Road
Oklahoma City, OK 73112
(405) 943-4474
Fax: (405) 942-2840
www.wipp.org

Don't Forget WIPP's Annual Conference in
Washington, DC September 15-16, 2003

WIPP: A national bi-partisan public policy organization, advocating in behalf of women in business and minorities, strengthening their sphere of influence in the legislative process of our nation, creating economic opportunities and building bridges and alliances to other small business organizations.

(The information contained in this electronic mail transmission and any attachments are intended solely for the addressee(s) named above. If you are not an addressee, or responsible for delivering this email, you have received it in error and are strictly prohibited from reading or disclosing it. The information contained in this email is highly confidential and may be subject to legally enforceable privileges. If you received it in error, please call us at 405.943.4474 or reply via electronic email immediately to the person sending this transmission.)
abahora@wipp.org



5-29-03 WIPP CCR Letter.doc



018-13

Terry Neese
President and CEO

Barbara Kasoff
Chief Operating Officer

Coalition Partners

Black Women Enterprises
Boardroom Bound
Business Women's Network
Catalina Magazine
Enterprising Women
Hispanics Impacting Public Policy
Kansas City Women Business Council
Lighthouse of Oakland County, Inc.
National Association of Female Executives
National Association of Small and Disadvantaged Businesses
National Association of Women Business Owners
National Business Association
National Indian Business Association
Native American Women Business Council
San Francisco Small Business Network
Small Business Survival Committee
Women Construction Owners & Executives
Women Inc.
Women Entrepreneurs, Inc.
Women Inc
Women's Business Enterprise National Council
Women Presidents' Organization

International Coalition Partner

EuroAmerican Women's Council
Europe – Greece

May 29, 2003

Via Email: farcase.2002-018@gsa.gov.

General Services Administration
Regulatory Secretariat (MVA)
1800 F Street, NW
Room 4035
Attn: Ms. Laurie Duarte
Washington, DC 20405

Re: FAR Case 2002-018:
Federal Acquisition Regulation; Central Contractor Registration (68 Fed. Reg. No. 64, p. 16366 (April 3, 2003).)

Dear Ms. Duarte:

On behalf of Women Impacting Public Policy ("WIPP"), I am submitting comments on the above-referenced matter. WIPP represents over 430,000 women and minorities in business nationwide and employ over 27.5 million workers. Our members have identified federal contracting as a top priority, with 94% of respondents to recent survey of members stating that they are ready to and capable of bidding on Federal contracts. Consequently, our members will be directly affected by the proposed regulation.

WIPP believes that requiring prospective contractors to register in the Central Contractor Registration ("CCR") database will benefit our members and the federal procurement system in three ways. First, it will ease the administrative burdens on small business. Second, the proposed regulation will improve Contracting Officer's access to past performance information. Finally, WIPP believes that a more broadly utilized CCR will decrease the opportunities for fraud in Government contracting. Consequently, WIPP urges adoption of the proposed rule.

1. **Government Wide Adoption of the CCR will Decrease the Administrative Burden on Small Businesses**

Time consuming administrative requirements are recognized barriers to the participation of women and minority-owned small businesses in Federal procurement. Therefore, WIPP supports reasonable reforms that alleviate these burdens. The Department of Defense ("DoD") currently requires that all contractors complete CCR registration.

Offices: 2709 W I-44 Service Rd, Oklahoma City, OK 73112 * 405.943.4474 * Fax: 405.942.2840 *
48 San Antonio Place, San Francisco, CA 94133 * 415.434.4314 * Fax: 415.434.4331 *
Bkasoff@wipp.org * tneese@wipp.org
Website: www.wipp.org

018-13

Registration permits a business to provide DoD with key information, such as Taxpayer Identification Numbers and Electronic Funds Transfer information, only one time. This negates the business' need to continually refile the same paperwork. Many women and minority-owned businesses of these businesses were registered in the Small Business Administration's Procurement Marketing and Access Network ("PRO-Net") when it was integrated into the CCR in October 2002. Consequently, government-wide adoption of the system will not impose additional burdens on these businesses.

The use of the CCR database at the DoD has proven a success when the data is correctly entered and personnel are properly trained on the use of the database. Therefore, it serves no practical purpose to continue requiring that each business provide the same information time and time again when doing business with other Federal entities rather than placing that information into a database which can be accessed by each agency. The current system merely generates unnecessary paperwork for the businesses and the agencies. Adopting the CCR as the government-wide registration database will spare our members this tedium while also permitting these businesses to have their registration information validated and securely shared with an array of Federal agencies. This will save these businesses time and money by facilitating paperless procurement and payment through electronic funds transfers.

2. **Government Wide Adoption of the CCR will Improve Access to Past Performance Information**

Currently, contracting officers are required to evaluate a contractor's past-performance history when considering that contractor for future awards. However, the current system does not provide all contracting officers with access to all pertinent information. When all contracting officers are accessing the same primary information repository, each will be able to access to the Past Performance Information Retrieval System ("PPIRS"), which is currently incorporated into the CCR. WIPP specifically urges that federal agencies seize this opportunity to more vigorously assess whether contractors have previously met any subcontracting plans before awarding new contracts, and then only award contract to contractors who have successfully achieved significant small business participation in relevant subcontracting.

3. **Government Wide Adoption of the CCR will Decrease Fraud**

According to the Department of Defense's Office of the Inspector General, when contractors are properly registered in the CCR, it decreases the potential for fraud and furthers government efforts for debt recovery and collection of income taxes. **Financial Management--Validity of Registration in the Central Contractor Registration Database** (D-2003-018) (Oct. 30, 2002). According to the Inspector General's audit finding, requiring electronic payment will decrease the risk that when a vendor is using an invalid tax identification number, or that the contractor's payment code does not match its identity code.

018-13

These benefits are premised on the implementation of appropriate safeguards to ensure that the information in the CCR is accurate, and WIPP urges that steps be taken to ensure that listings of small, disadvantaged, women-owned or HUBZone concerns in the CCR are accurate and reliable. Given such precautions, universal use of the CCR by properly trained contracting personnel is a fiscally sound policy which will improve government contracting.

For these reasons, WIPP urges that the proposed be made final. WIPP appreciates the opportunity to provide these comments and is available to provide additional information or assistance as you may require.

Sincerely,

Terry Neese
President & CEO
Women Impacting Public Policy

Cc:
Fred Armenderiz – Associate Deputy Administrator,
Office of Government Contracting and Business Development,
U.S. Small Business Administration



2002-018-29

SOCIAL SECURITY
The Commissioner

June 5, 2003

Mr. Rodney Lantier, Director
Federal Acquisition Regulation Secretariat
General Services Administration
1800 F Street, NW., Room 4035
Washington, DC 20405

Dear Mr. Lantier:

The Social Security Administration (SSA) has reviewed the proposed rule to amend the Federal Acquisition Regulation (FAR) regarding Central Contractor Registration (CCR) (FAR Case 2002-018). Our detailed comments on the proposed rule are attached for your consideration in drafting the final Regulation.

The utilization of the CCR database is one of the "Quicksilver" initiatives developed as part of the "expanding e-government" initiative under the President's Management Agenda. SSA is actively taking steps to implement these initiatives as part of the Agency's ongoing commitment to provide the best service possible to citizens, and for improving the management and performance of government. SSA fully supports using the CCR database as part of the Agency's integrated acquisition environment. However, the requirement to implement this rule on October 1, 2003 conflicts with the implementation of the Agency's new financial accounting/payment system also scheduled for implementation on October 1, 2003. This new system is being implemented to ensure SSA compliance with another Federal mandate, the Federal Financial Management Improvement Act, to replace existing accounting systems with commercial off-the-shelf software.


We do not believe that we can jeopardize the development and implementation of this critical accounting system by also developing the financial interface and systems requirements needed to implement the proposed rule. With an implementation date of October 1, 2003, for both SSA's new accounting system and the proposed rule, there is not enough lead time and resources for SSA to accomplish a proper automated interface between its financial software and the CCR database. The interface with the CCR database will require modifications to the accounting system and other internal databases that currently do not require "DUNS" number information. Moreover, until SSA validates the new accounting system and it is operational, we cannot establish an interface with CCR. Therefore, if the effective date of this rule remains October 1, 2003, we anticipate authorizing a deviation from the requirement in accordance with FAR 1.404.

2002-018-29

We also have concerns regarding how this proposed rule will affect other types of SSA payments. SSA has a large unique vendor database with a variety of workloads. Some contractors are not subject to the FAR or do not receive payment via Electronic Funds Transfer (EFT). For example, SSA's payments for attorney's fees (resulting from disability cases), medical evidence, examinations, and to financial institutions for claimant account information are exempt from the EFT requirements. This is due to the rotation and variety of the vendor and payee universe, the low dollar value of these transactions, and legal ramifications. We believe clarification is needed concerning whether or not the proposed Regulation is intended to cover the individuals receiving these types of payments. Information regarding these types of transactions are included in the enclosed detailed comments.

Thank you for the opportunity to comment. The enclosure contains detailed comments regarding the proposed rule from SSA's Office of Finance and SSA's Office of Acquisition and Grants. Should members of your staff have questions, they may contact Mr. Stan March, Deputy Associate Commissioner, Office of Acquisition and Grants, at 410-965-9455, or Mr. Ron Sayers, Director, Office of Finance, at 410-965-3403.

Sincerely,



Jo Anne B. Barnhart

Enclosure

SOCIAL SECURITY ADMINISTRATION COMMENTS**Central Contractor Registration (CCR)****Federal Acquisition Regulation (FAR) Case 2002-018)**

SSA's Office of Acquisition and Grants contracting staff comments:

(Numbers correspond to the Federal Register numbered changes.)

Supplementary Information, B. Regulatory Flexibility Act. -- We have a question regarding the intent of a statement under Supplementary Information, B. Regulatory Flexibility Act. The next to last paragraph therein states "Administrative or financial personnel, who have general knowledge of the contractor's business, including the contractor's bank account and financial agent, are able to register by providing the pertinent information into the CCR database."

Question: Where are these administrative or financial personnel? Do they work for the contractor? Or are they government personnel? One might infer from this statement that an entity other than the contractor (provided it has the requisite knowledge) may register the contractor in the CCR database.

4. 4.1102(a) -- "Prospective contractors shall be registered in the CCR database prior to award of a contract or agreement, except for"- Since there is no dollar threshold cited and "micro-purchases" is not listed as an exception here, it is assumed that this requirement applies to all awards, even micro-purchases (if the Governmentwide purchase card isn't used.) Is this a correct assumption? If it is, then the language at FAR 13.201(d) that states "micro-purchases do not require provisions or clauses, except as provided at 32.110" needs to be changed to add "and the clause at 4.1104" to the sentence.

4. 4.1102(a) -- "Prospective contractors shall be registered in the CCR database prior to award of a contract or agreement, except for"- We recommend expanding the exceptions to this requirement to include those contractors that an agency has determined to be exempt from Electronic Funds Transfer (EFT) requirements. (See additional information/background at *Other Miscellaneous Comment, Imprest Funds and Third Party Draft; SF 44, Purchase Order-Invoice-Voucher*.)

4. 4.1102(a)(1) -- "Purchases that use a Governmentwide commercial purchase card as the purchasing mechanism;" Please clarify this. What is a purchasing mechanism? Does this mean any award, including written awards, where the purchase card is used to make a payment? Is there a dollar threshold associated with this? While many people associate "Governmentwide purchase card" with micro-purchases only, in fact some agencies use the purchase card for awards exceeding the micro-purchase threshold.

4. 4.1102(a)(2) -- Cites, as an exception to the CCR requirement, classified contracts or purchases, and cross-references Far 4.401, which used to be, until FAC 2001-04 the definitions

for classified contracts. However, 4.401 is now reserved in the FAR and the definitions are in part FAR Part 2.

4. 4.1102(a)(5) -- "Awards made to foreign vendors for work performed outside the United States, if it is impractical to obtain CCR registration before award" is listed as an exception to the requirement that a contractor must be registered prior to receiving an award. However, the language "if it is impractical to obtain CCR registration before award" implies that CCR registration may still be required but could be obtained after award. Information on the CCR website states, "Foreign companies that perform work outside the United States are not required to register in CCR in order to receive a government contract" and the policy in 4.1102(b) does not include this type of award as one of the types of awards that should be modified after award to require CCR registration. Therefore, delete the language "if it is impractical to obtain CCR registration before award."

4. 4.1102(c)(1) -- Delete this paragraph (1). It is not clear why this guidance is needed here as policy regarding CCR registration prior to award of a contract or agreement. The language here appears to address how novation and Change-of-Name agreements, which are against existing contracts or agreements, affects the contractor's information in CCR. This information would be more suitable in FAR 42.12 or in the clause 52.204-XX, Central Contractor Registration (which it is). That being said, the language in the clause 52.204-XX (g)(1) needs to be streamlined for clarification. It is confusing as it conflicts with the requirements of subpart 42.12 (There is nothing in that procedure that discusses "1-day notification that the contractor is beginning the process," or that the contracting officer (CO) lays out some sort of timeline for the process); and it is superfluous, in that subpart 42.12 adequately covers the process. We offer the following suggestions:

- Delete 52.204-XX(g)(1) in its entirety and replace with the language as follows:

"If a Contractor has legally changed its business name, "doing business as" name or division name, (whichever is shown on the contract), or has transferred the assets used in performing the contract, the contractor shall, after all of the requirements in subpart 42.12 are met and a novation or change-of-name agreement has been properly executed, change its name, and update its information in the CCR database. Information in the CCR that shows the Contractor to be other than the contractor indicated in the contract will be considered to be incorrect information within the meaning of the "Suspension of Payment" paragraph of the electronic funds transfer (EFT) clause of this contract."

- Add information at 42.1203(1) requiring that the Standard Form 30, Amendment of the Solicitation/Modification of Contract include the new "DUNS" or "DUNS+4" number as applicable.

4. 4.1103(a) -- 4.1103(a)(3) states that the contracting officer shall modify a contract or agreement that does not include the CCR requirement and whose period of performance extends beyond September 30, 2003, to incorporate the appropriate clause. We have questions as follows:

- If the CO modifies a contract to insert a clause requiring contractor registration, wouldn't the CO also modify the contract to insert 52.232-33, Payment by Electronic Funds-Central Contractor Registration, and delete the clause at 52.232-34, Payment by Electronic Funds-Other Than Central Contractor Registration, (or any agency clause that is used similarly to 52.232-34)?
- Can COs legally require contractors, under existing contracts, to register in the CCR? What authority will COs cite when modifying existing contracts? We assume that these modifications will have to be bilateral since requiring contractors to register in the CCR database probably changes the terms and conditions of the contract; e.g., most of the contracts have clause 52.232-34, Payment by Electronic Funds Transfer-Other than Central Contractor Registration. What if the contractor claims it is a burden to register in the CCR and doesn't agree to the modification?
- We also have concerns about the delineation of responsibilities here. Our agency has awarded numerous BPAs against Federal Supply Schedule (FSS) contracts. Is it the responsibility of the CO who awarded the BPA against a FSS (or other agency contract such as a GWAC) to modify the existing BPA to include the new clause? Is the contracting officer who issued the FSS contract or GWAC contract responsible for modifying these contracts to include the new clause(s)?

4. 4.1103(b) -- "Need not verify registration before placing an order or call if the contract or agreement includes the clause....." What if a CO wants to place an order against a GSA Federal Supply Schedule contract, or another agency contract (like a GWAC)? Is he/she required to contact the issuing office CO to verify that the clause is in the contract? What if the contract has not been modified? Can an order be placed against it? Does (or should) the ordering office CO then have to verify that the contractor is registered? What happens if the contractor is not registered?

Also, does the policy that the CO does not have to verify registration when placing orders against a contract that contains the clause, apply to exercising an option to renew the contract? Should CO's verify annually or with option renewals that the contractor is maintaining its registration?

4. 4.1104 -- Solicitation *provision and contract clauses* -- We have the following comments:

- The paragraph's first sentence states: "Except as provided in 4.1102(a), use the clause at 52.204-XX Central Contractor Registration, in solicitations and contracts that require contractors to be registered in the CCR database." Since all awards except as provided in 4.1102(a) require the clause at 52.2.04-XX, the language at the end of the sentence, beginning with "that require....." is redundant and should be deleted, and the word "all" should be added in front of "in solicitations and contracts."
- Does this prescription apply to contracts for commercial items? Based on the proposed language at 4.1103(a)(3)(i), 4.1103(b), and the proposed revisions to 52.212-1 and 52.212-4 it would appear that the clause 52.204-XX would not be used in commercial

item acquisitions. Perhaps this prescription should be rewritten to add language at the end of the prescription to read:

“For a contract for commercial items insert the provision at 52.212-1 and the clause at 52.212-4 in accordance with Subpart 12.301.” If modifying a contract for commercial items, include an addendum to 52.212-4 that requires the contractor to be registered in the CCR database by September 30, 2003, and maintain registration until final payment.”

5. 13.102 -- Who verifies the accuracy of the information that the contractors provide to the CCR database? For instance, a recent review of the CCR database shows the Microsoft Corporation, as of May 9, 2003, as an “emerging small business.”

10. 52.204-XX, *Central Contractor Registration* -- We have the following comments:

- The definition “*Registered in the CCR database*,” #2 states, “the Government has validated mandatory data fields and has marked the record “active.” Who does this? Is this a DOD function of maintaining the database?”
- 52.204-XX(e) states, in part, “Processing time should be taken into consideration when registering.” How long is the processing time? Given that 4.1103(c)(1) states “If the needs of the requiring activity allow for a delay, make award after the apparently successful offeror has registered in the CCR database. The contracting officer shall advise the offeror the number of days it will be allowed to become registered,” it appears, from these two statements, that there is a delay between the time the contractor enters the data and the time it is formally registered. If this is so, then COs need to know approximately how long registration takes in order to know how many days to allow the contractor to be registered and also to determine whether or not contract award can be delayed. If there is a standard processing time, then perhaps the first sentence in paragraph at 52.204-XX(e) could be revised to read “Processing time, *which usually takes “X” Number of business days*, should be taken into consideration.”
- 52.204-XX(g)(1) -- (See comments at 4.1102(c)(1)) -- Delete 52.204-XX(g)(1) in its entirety and replace with the language as follows :

“If a Contractor has legally changed its business name, “doing business as” name or division name, (whichever is shown on the contract), or has transferred the assets used in performing the contract, the contractor shall, after all of the requirements in subpart 42.12 are met and a novation or change-of-name agreement has been properly executed, change its name, and update its information in the CCR database. Information in the CCR that shows the Contractor to be other than the contractor indicated in the contract will be considered to be incorrect information within the meaning of the “Suspension of Payment” paragraph of the electronic funds transfer (EFT) clause of this contract.”

11. 52.212-1(j) & (k) --

12. 52.212-4(t) -- It is apparent that most of the information in the proposed clause 52.204-XX, *Central Contractor Registration* is split between the prescription at 52.212-1, *Instructions to*

Offerors-Commercial Items and the clause at 52.212-4, *Contract Terms and Conditions-Commercial Items*. However not all of the language from the proposed clause is contained in these two clauses and we question why it was not included. For example:

- The definitions of *Central Contractor Registration* and *Registered in the CCR database* in 52.204-XX are not included in new text of either of the referenced clauses. It seems that these two definitions would be included at 52.212-1(k).
- The language at 52.204-XX(c)(2) where the offeror is told it should be prepared to provide certain information to Dun & Bradstreet when requesting a DUNS number is not part of 52.212-1(j) which is where it would logically go.
- The language in 52.204-XX(g)(1) that addresses novation and Change-of-Name agreements is not part of 52.212-4(t) which is where it would logically go.

We have other suggestions relative to the language in the proposed revision to 52.212-4 as follows:

- Delete paragraph (2) in 52.212-4(t) and move it to 52.212-4(b), *Assignment*.
- Allow for requiring that a contractor include its DUNS number on an invoice if the agency requires it. For example, in 52.212-4(g), *Invoice*, add paragraph (ix) that says "Any other information or documentation required by the contract (e.g., DUNS number; evidence of shipment).

SSA's Office of Finance staff comments/recommendations:

To maximize the practical application of the data collected in the CCR system, enhance the utility of the information to be collected and minimize the burden of the data processing; we offer the following comments/recommendations:

- *Create an Interface between CCR and Department of the Treasury*

For maximum efficiency and accuracy in processing payments to vendors, CCR should provide a vendor interface to the Department of the Treasury. Despite the benefits of having vendors register once in CCR when they want to conduct business with the Federal Government, CCR shifts the burden to all Federal agencies to develop an interface between their payment and/or procurement system(s) and CCR. With a CCR/Treasury interface in place, individual agencies would then only be required to submit payment amounts with the appropriate TIN and/or DUNS number necessary for Treasury to issue payments. This would eliminate the need/cost for every Government agency to develop an individual interface with the CCR database. Each federal agency would not have to download thousands of invalid records just to obtain the records needed for their individual agency. In addition, a Treasury interface would preclude the required cumbersome daily updating of all agency vendor files.

- *Unique Clientele Vendor Database and Vendors Not Subject to the FAR*

If federal agencies could register all vendors in the CCR system, this would greatly simplify the process and provide further justification that an interface with Treasury would be more cost effective and efficient for processing payments. SSA has (and we assume other Government agencies do as well) a large unique vendor database with a variety of workloads of which some vendors are not subject to FAR regulations or are not receiving payment via Electronic Funds Transfer (EFT). SSA's payments for Attorney Fees, Medical Evidence, Federal Disability Determination Service (FDDS), and payments to Financial Institutions will be exempt from EFT requirements due to the rotation/variety of the vendor/payee universe, low dollar payment amounts, and legal ramifications. (See discussion below at Other Miscellaneous Comments). Trying to segregate these unique vendors in the financial database would complicate the creation of a CCR interface.

CCR would require SSA to continue to maintain a separate vendor database for these unique categories of vendors and request payment by check through Treasury. With the development of a CCR/Treasury interface, SSA would not have to maintain two internal vendor databases. For SSA to combine these data files would require complex, detailed programming that is outside the scope of our current financial accounting system contract.

- *Prompt Payment Act Modifications*

CCR may require a change to the regulations implementing the Prompt Payment Act to include the DUNS as a requirement for a complete invoice in order for agencies to issue payment. Under the current process, Treasury requires a TIN for payment of invoices. A recent random sampling of our invoices indicated that less than one percent of the invoices currently include the DUNS number.

Other Miscellaneous Comment:

We assume that purchases/awards subject to the FAR regulation are the only type of transactions with the business community that are subject to the proposed Regulation requiring CCR registration. However, SSA, and we assume other Government agencies, does business with or make payments to other entities that fall into a "gray" area as to whether or not certain transactions are covered by the proposed rule. We think some clarification is needed. We have the following comments/recommendations regarding issues that are not addressed in the proposed rule.

Imprest Funds and Third Party Drafts; SF 44, Purchase Order-Invoice-Voucher

We understand that one of the reasons the CCR database was created was to allow a contractor to submit its business information to a common Governmentwide data source for use by contracting offices and payment offices in all Federal agencies. One of the major benefits of this common Governmentwide data source is that the Government can utilize this source to meet the requirements of the Debt Collection Improvement Act of 1996 more efficiently. Making payments via EFT is a major component of the Act. However, the Act (at 31 CFR Part 208) and

the FAR (see FAR 13.305) both allow for a waiver or exemption for making certain payments via EFT and allows agencies to use Imprest Funds and Third Party Drafts, drawn from those funds to make payments. Below are a few examples of the types of transactions that SSA has exempted from the EFT requirement. Based on the nature of these transactions and the fact that payments are not made via EFT, we believe that one of the exceptions to the CCR registration requirement should be when an agency has exempted certain payments from the EFT requirements of the Debt Collection Act, and payment is made with either Imprest funds, or via a Third Party Draft, in accordance with agency procedures.

- *SF 44s, Payments to Financial Institutions*

SSA uses the SF 44 to make payments to financial institutions that provide SSA with financial records for applicants and recipients of Supplemental Security Income benefits. The payments are small dollar value, ranging from \$2.50 to \$25.00 and generally are paid with a Third Party Draft check issued from the Imprest fund. SSA may deal with a few financial institutions on a continual basis, but most requests are on a one-time basis.

NOTE: FAR 13.306 prescribes the use of the SF 44. This form is designed primarily for on-the-spot, over-the counter purchases of supplies and non-personal services. It may only be used if all of the following conditions are met:

- 1) The amount of the purchase is at or below the micro-purchase threshold;
- 2) The supplies or services are immediately available;
- 3) One delivery and one payment will be made; and
- 4) It is more economical and efficient to use than using other simplified acquisition procedures.

The proposed rule for CCR does not indicate any dollar threshold exemptions for the registration requirement. So on the face of it, it would appear that contractors (which generally are financial institutions) receiving orders via the SF 44 would be required to register. One of the exemptions for contractor registration in the CCR is for purchases paid with a Governmentwide commercial purchase card. Therefore, if payment of the SF 44 is made via a Governmentwide commercial purchase card then the purchase would be exempt from the CCR registration requirement. However due to the low dollar value, these payments may be via third party draft or imprest funds. We believe that purchases using this form should be one of the exceptions to the proposed rule at 4.1102.

- *Attorney's Fees*

SSA makes payments for attorney fees under the Equal Access to Justice Act (EAJA). Depending upon the court order, fees are payable to either the attorney or the attorney's client. Checks payable to the client are mailed to the attorney in care of the client so that the attorney knows that payment has been made and he/she can recover a fee. It is not legal for SSA to deposit client's funds into an attorney account and depositing funds directly into a client's account makes it difficult for the attorney to recover his/her fee. Client payments are one-time payments. Payments made to an attorney may be deposited directly in an attorney's

account, but more likely may be a one-time or an infrequent occurrence, depending on how often an attorney is awarded fees for EAJA cases.

- *Federal Disability Determination Services (FDSS)*

SSA assists State agencies that are behind in their disability determinations by requesting medical examination records or examinations for disability applicants from medical providers, and then reimbursing them. Payments are made on SSA form SSA-3004, Medical Evidence Payment Voucher, and are of a low dollar value that averages \$25.00. Once SSA helps a State agency catch up on its cases, we move to another State that is in need of assistance. Because the payee universe is, and always will be constantly changing as SSA provides assistance from state to state it is not cost effective to enroll these medical providers in EFT, (or the CCR database).

- *Medical Evidence*

Medical evidence vouchers are similar to FDSS but originate from SSA's Office of Hearings and Appeals (OHA). SSA makes these payments to medical providers that provide medical evidence records to OHA. The payments are low dollar values that average \$25.00 and can be infrequent, depending upon the number of applicants any physician or facility has treated.

2002-018-30



Jacquelyn Owens

06/04/2003 12:21 PM

To: farcase.2002-018@gsa.gov

cc: Matthew A. Urnezis/PX/CO/GSA/GOV@GSA, Eric A.
Dunham/PX/CO/GSA/GOV@GSA

Subject: FAR case 2002-018

An additional comment is being forwarded herewith for your consideration.

In accordance with Federal Register/Vol. 68, No. 64/Thursday, April 3, 2003/Proposed Rule the following comments were solicited from the Regions and are provided for your information and use:

4) Section 4.1103(a)(3) requires CO's to mod all contracts that extend beyond the 9/30/03 date to incorporate the clause as well as requires Ktrs. to be registered in CCR. I can understand the necessity for this before exercising service options, since we are basically awarding another term, but it doesn't make sense to expend this much administrative time and cost for other contracts already in place, esp. if they are scheduled to be completed in the very near future. I believe it to be a waste of taxpayers' money and totally unnecessary.

Any question or comment may be directed to the undersigned.

Jacquelyn Owens
Procurement Analyst (PXR)
Office of Business Operations
202 208-2339