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Subject: Circular A-76 (Revised) Comments

SAG Corporation is pleased to submit the attached comments regarding the OMB proposed changes to Circular A-76.

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SAG Corporation, established in 1985, is an industry leader in manpower-focused research, economic analysis, econometric modeling and software design. A veteranowned small business, SAG offers multi-disciplinary technical support services

SAG has reviewed the OMB Circular A-76 proposed revision and attended the Perspectives on the New A-76 Circular conference on December 2, 2002. Creating transparency between the FAR and OMB Circular A-76 and creating a level playing field for both the public and private sectors are worthy objectives. We are pleased to submit the following comments:

- A 12 month study—given proper planning and agency discipline this objective is achievable in most cases and will contribute significantly to streamlining the process.
- Requiring "Past Performance" criteria for the contractor's proposal, but not for the government's "tender" on the first competition—how will the government MOE be compared equitably to private sector proposals for the first competition?
- How to compete Interservice and Intraservice Support Agreements (ISSAs)—the process for handling this area needs further clarification.
- How to compare working capital fund and fee for service activities needs further clarification.
- Now that "cost--based on the basic requirements" is no longer the primary determinant for contract award, how will/who will determine "best value."
- How will the transition from the current to the new system take place, given the number of ongoing studies?
- How to handle legal challenges if the government MEO loses—who pays for the defense and lost time, and who impartially represents the government in such cases?

For additional information please contact: Richard Parodi, (703) 916-8330, rparodi@sagcorp.com or visit SAG's website at http://www.sagcorp.com