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Subject: Army Civil Works Comments on Draft A-76 Changes

On behalf of the Assistant Secretary of the Army (Civil Works) and the Corps of Engineers, I offer the following coment and reocmmendation for your consideration in the revision of Circular A-76. This is in addition to comments you have received (or may receive) from the Army and/or DoD. Thank you.

## Civil Works Comment:

Attachment B, paragraph A.2., itemizes the conditions under which a Standard Competition is required to change a source (to meet an existing requirement) or to justify a new requirement or an expanded requirement. Attachment C, paragraph A, provides a list of criteria under which Direct Conversion may be used instead of Standard Competition to change a source to or from agency, private sector, or public reimbursable performance. However, Attachment C apparently does not apply these criteria to the source of a new or expanded requirement. Logically, the criteria should apply to new and expanded requirements as well as to existing requirements (change of source). The same arguments would apply. These criteria include 10 or fewer FTE, no impact on work force, and exemptions for R&D, direct patient care, and a few other activities.

Attachment C, paragraph A, <u>CRITERIA</u>, should be expanded by adding a second sentence. Together, the two sentences would read as follows: "A Direct Conversion is permitted when changing to or from an agency, private sector, or public reimbursable source if a commercial activity meets any one of the following criteria. Likewise, selection of the source to provide a new or expanded requirement without a Standard Competition is permitted if a commercial activity meets any of the following criteria."

Claudia Tornblom Deputy Assistant Secretary of the Army (Management and Budget)