



Commerce Acquisition Solutions

Procurement News

Holiday Edition



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Quotable: Charles Darwin

“It is not the strongest of the species that survives, not the most intelligent, but the one most responsive to change.”

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Commerce Acquisition Solution's Procurement Newsletter is Unveiled

The Customer Outreach and Programs team is proud to present this newsletter for your edification and enjoyment. Our hope is that this becomes a useful communication tool to distribute information, inspire discussion, and to share relevant experiences with our customers and partners throughout the Department of Commerce. We plan to prepare and distribute this newsletter to you on a monthly basis.

If you have any questions or comments please don't hesitate to let us know. Our mission it to help you attain yours! Please help us do the best job possible by sharing your thoughts.

The Customer Outreach and Programs team of Frank Krempa, Joe Lindsey, and Dan Alexander are here to help and may be reached at dalexander@doc.gov.



Credit Checks for Govt. Card Holders?

Dan Alexander

Credit Worthiness and Background Checks for Government Card Holders may come to a vote early in '04

At the December 2003 Agency (Bank Card) Program Coordinators (APC) conference call, proposed legislation mandating Credit and Background checks for Government



Cardholders was discussed. This would apply to both Purchase Card holders and Travel card holders.

Section 638 of the House Conference Report dated 11/25/03 (accompanying H.R. 2673) Appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the Fiscal Year Ending September 30, 2004 contains the following requirement:

“Each Executive department and agency shall evaluate the creditworthiness of an individual before issuing the individual a government purchase charge card or government travel charge card. The department or agency may not issue a government purchase charge card or government travel charge card to an individual that either lacks a credit history or is found to have an

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unsatisfactory credit history as a result of this evaluation: Provided, That this restriction shall not preclude issuance of a restricted-use charge, debit, or stored value card made in accordance with agency procedures to (a) an individual with an unsatisfactory credit history where such card is used to pay travel expenses and the agency determines there is no suitable alternative payment mechanism available before issuing the card, or (b) an individual who lacks a credit history.

Each Executive department and agency shall establish guidelines and procedures for disciplinary actions to be taken against agency personnel for improper, fraudulent, or abusive use of government charge cards, which shall include appropriate disciplinary actions for use of charge cards for purposes, and at establishments, that are inconsistent with the official business of the Department or agency or with applicable standards of conduct."

For more information see:

http://thomas.loc.gov/cgi-bin/t2gpo/http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=108_cong_reports&docid=f:hr401.108.pdf

What does this mean for the Department?

As of yet, nothing. However, if this legislation passes, several issues may surface as identified by the APC Team:

- ⊗ **Additional workload may be required to process and track credit checks;**
- ⊗ **Debit cards may need to become a reality;**
- ⊗ **Issues of funding credit checks is not clear;**
- ⊗ **Potential embarrassment for those with past or current credit problems;**

In a meeting with Dao X. Vissering

of the Commerce Acquisition Performance, Policy, and Support Division, it was identified that the Senior Procurement Executive is well aware of this issue and that DOC is working with the Hill to address potential adverse issues. More to follow!

So where did this push to mandate credit checks originate?

Senator Chuck Grassley, Republican from Iowa and Chairman of the Finance Committee, has been working for years to decrease fraud, waste, and abuse of the Govt. Card program. In fact, Grassley has testified several times before a House subcommittee on credit card abuse.



The GAO has found that government cards have been used for personal purchases of more than \$100,000 for computers and other electronic equipment, \$45,000 for cruises, and \$7,373 for closing costs on a home. In addition, the GAO has identified some \$2.3 million of improper, potentially improper, and questionable credit card purchases at the Department of Housing and Urban Development. Grassley commented, "It's amazing that of the \$1.8 million purchase card transactions GAO reviewed, \$1.4 million of them lacked the proper documentation, but managers approved them anyway. Some of these transactions were obviously abusive. I don't see how spending money at Macy's or Guitar Source could increase affordable housing. Any tax dollar that goes to abuse is a dollar stripped from an affordable housing or home ownership

program. Clearly the department has to get tough on credit card abuse. I don't want to see a duplication of the Defense Department formula. That's few controls, extensive abuse and little accountability."

In a November 7, 2003 press release, Senator Grassley stated that "Government issued credit cards are not meant to be an open line of credit for employees. The Agriculture Department has been operating under outdated or non-existent internal controls that do nothing more than provide lip service to the concept of accountability," Grassley said. "I hope the Department can provide the type of guidelines that will bring this rampant abuse under control before we have to provide a fix for them." For more information regarding this issue check out Senator Grassley's website at: <http://grassley.senate.gov/>

Purchase Card Review

Frank Krempa

As a continuing effort to provide outstanding customer service, manage the government Purchase card program, and to comply with regulation, the Agency Program Coordinator (**Frank Krempa**) from the Customer Outreach and Programs (COAP) team will be visiting each cardholder to conduct a review of purchases made on the Government Purchase card within the coming year.

Visits will be scheduled in advance. As cardholders, you need to make sure that your records, especially your Purchase Card Ordering Log, purchase requests, and receipts are available and complete. For your

information, a copy of the Purchase Card Review Checklist is available in the GSA pamphlet "Blueprint for Success: Purchase Card Oversight" at the following GSA web site: http://www.gsa.gov/gsa/cm_attachments/GSA_DOCUMENT/PurchaseCardOversight_R2FIM2_0Z5RDZ-i34K-pR.pdf (see pgs 51-54) and in the Commerce Acquisition Manual, Part 13, section 1313.301, **Attachment F**, which is available electronically at <http://oamweb.osec.doc.gov/stage/app/docs/CAM%201313.301.pdf>.

Also, be aware that the use of required sources is mandatory, therefore, continues to be an area of major interest. A simple way to improve your performance in that area is to use the Supply Cart store, which is run by the Columbia Lighthouse for the Blind, a JWOD dealer for office supplies.

What is the JWOD Program?

The Javits-Wagner-O'Day (JWOD) Program creates jobs and training opportunities for people who are blind or who have other severe disabilities. Its primary means of doing so is by requiring Government agencies to purchase selected products and services from nonprofit agencies employing such individuals. As a result, JWOD employees are able to lead more productive and independent lives.

Named for its enabling legislation, the Javits-Wagner-O'Day Act of 1971, 41 U.S.C. 46-48c, the JWOD Program is a mandatory source of supply for Federal employees. The JWOD Program is administered by the [Committee for Purchase From People Who Are Blind or Severely Disabled](#). Two national, independent organizations, [National Industries for the Blind \(NIB\)](#) and [NISH](#) help State

and private nonprofit agencies participate in the JWOD Program.

Please provide any and all questions and/or suggestions regarding the Department's Government Purchase Card program and how we can make it better to Frank Krempa at fkrempa@doc.gov.

**CSTARS
CORNER**



Dan Alexander

CSTARS help desk email address established

The Customer Outreach and Programs (COAP) CSTARS System Administration Team now has an email address for any questions or issues that come up for which you require some action or information. To contact the CSTARS team simply address your message to cstars@doc.gov

Upgrading to version 5.8

CSTARS will soon be upgraded to version 5.8. Of particular note, will be the integration of the Government's Central Contractor Registration (CCR) and the Federal Procurement Data System - Next Generation (FPDS-NG) functionality.



CCR Functionality.

Ultimately, the goal of an improved CCR interface to CSTARS will mean that vendor information will be drawn directly from the CCR database. Hopefully, this upgrade means that we will no longer be

required to manually load all vendor related information into CSTARS. Additionally, the socio-economic data should also be automatically transferred directly into the Federal Procurement Data System - Next Generation (FPDS-NG) database. As a result, our data loading effort should be greatly reduced!



FPDS-NG Functionality

There has been much discussion regarding the changes in CSTARS relating to FPDS-NG. In the past, CSTARS required socio-economic data to be loaded into the CSTARS database. At or near the end of the contracting process, that data would be run through a series for CSTARS edits and then the data would be printed and/or uploaded to the FPDS database.

Since October 1, 2003, this process changed. Currently, the CSTARS data base no longer captures all of that socio-economic data, nor does it push that data to FPDS-NG.

With the upgrade effort to CSTARS version 5.8, data elements regarding a firm's socio-economic status should be directly imported into FPDS-NG from the CCR database. When fully operational, CSTARS will directly interface with FPDS-NG to create a record using some 12 data elements. More to follow!

New IT Security Clauses due 1/1/04

Joe Lindsey

The Deputy Director for Acquisition Management issued a Procurement Memorandum (2003-09) regarding Information Technology Security Clauses as follows:

Commerce Acquisition Regulation (CAR) 1352.239-73 – Security Requirements for Information Technology Resources

(CAR) 1352.239-74 – Security Processing Requirement for Contractors /Subcontractor Personnel for Accessing DOC Information Technology Systems

These clauses are mandatory as of January 1, 2004 for inclusion in new contracts. All applicable existing contracts shall be modified to incorporate the new IT Security clauses list above by March 1, 2004.

The Deputy Director emphasizes that these IT Security clauses should be used in all solicitations and contracts for services, especially those that include information technology resources or information technology services in which the Contractor must have physical or electronic access to Department of Commerce information.

Plans are underway to have these clauses incorporated into the Commerce Standard Acquisition and Reporting System (CSTARS). CSTARS system administrator, Joe Lindsey, will keep you posted on this progress.

Additionally, if the March 1, 2004 date is not doable, each HCO must provide notification to the Procurement Executive, through

their respective Bureau Procurement Official, as to the circumstances preventing incorporation of the clauses and a firm date for incorporation.

Questions about this issue may be directed to Dao X. Vissering in the Commerce Acquisition Performance, Policy, and Support Division at Dvissering@doc.gov or 202-482-4185.

Fraudulent E-mails

*Reprinted from the December 2003
Commerce Bankcard Center
Newsletter*

Recently, Citibank customers have reported receiving fraudulent e-mails that appear to be from Citibank but which are, in fact, sent by imposters. How can you tell the difference? Fraudulent e-mails typically include attachments, request personal information, or both.

When such e-mails are sent in Citibank's name, Citibank works aggressively with law enforcement agencies to investigate them. There is an active fraudulent e-mail that links to a Citibank site and triggers a popup window that looks like a Citibank sign on entry box. This popup is NOT from Citibank and is being used to gather your sign-on information to commit fraud.

If you've replied to a suspicious e-mail - and provided personal or sensitive information about your account - please contact Citibank immediately at 1-800-790-7206.

Just as thieves are sending out e-mails with banking industry banners that look like something you might receive from your bank, cardholders

also reported to the Commerce Bankcard Center they were receiving e-mail spoofs from PayPal (a third party processor of credit card transactions). Cyber thieves are also using the PayPal logo for similar attempts at identity theft.

Please be cautious and protect the government credit card programs. Do not release any of your personal information (passwords, social security number, mother's maiden name) to anyone.

Helpful Hints

FPDS PSC Wizard

Product or Service Codes (PSC) are categorizations of the kinds of "things" that the U.S. Government buys. They consist of Federal Supply Classification codes developed to categorize tangible products and service codes developed specifically for use in the Federal Procurement Data System.

Research and Development codes cover all aspects of research, development, and evaluation (including management and support). Services include all other non-tangible services AND purchase or lease of buildings. Looking for a "Product and Service Code?" Try the PSC Wizard at the following web site!

<http://fpdcapp.gsa.gov/pls/fpdsweb/PscWiz>

FPDS NAICS Wizard

NAICS is the acronym for North American Industry Classification System code. NAICS is a categorization of codes developed by the US, Canada, and Mexico to identify the kind of business activity a business "entity" is engaged in. The categories include major product groupings such as agriculture, manufacturing, or transportation. They also include categories for whether the business entity is a producer, a wholesaler, a retailer, or a service provider.

NAICS recently replaced the Standard Industrial Classification (SIC) code system. If you are looking for sources, you may want to search the Small Business Administration (SBA) service known as PRO-Net, using NAICS codes. Procurement often uses PRO-Net when locating sources for their customer's requirements.

Check out the NAICS Wizard at the following Web site.

<http://fpdcapp.gsa.gov/pls/fpdsweb/NAICSWiz>

FAR Search

Trying to research something in the Federal Acquisition Regulation? Find it at <http://www.arnet.gov/far/>.

Happy New Year!



Just for Fun

CSTARS Word Search

P U R C H A S E R E Q U E S T
N L Y L C C R B L F Z T H H N
K T R V W W O P X T R K K W T
D K C J D K B M Y R E X R V M
N T X P N T K K P G Q N Y Y K
G C D X C M M N V R U N C F M
W M C S T A R S R V I D H F L
K G C M Y H J F R R S Z W T Q
K R B Y W B K P J L I L O N C
T K C R P L R D Y R T R Z N L
L N V T W F C S W R I Q X F M
P R Y W G W P N T B O T T X H
K X K C T B V G W T N X D K L
L T Q R C T M N L M H H H D Y
M B K R W R Z K R K L D T M P

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