

March 17, 2004

**PROCUREMENT MEMORANDUM 2004-01**

**INFORMATION**

MEMORANDUM FOR            Heads of Contracting Offices (HCO)

FROM:                        Michael S. Sade */signed/*  
                                     Director for Acquisition Management and  
                                     Procurement Executive

SUBJECT:                    Lifting of MCI/WorldCom's Proposed Debarment and  
                                     Cancellation of Procurement Memorandum 2003-06

The purpose of this procurement memorandum is to advise you that the General Services Administration has lifted its proposed debarment of MCI/WorldCom and the company is once again eligible to receive federal business.

On January 7, 2004, GSA issued a Notice of Termination of Proposed Debarment of WorldCom, Inc., dba MCI (Attachment 1). The notice acknowledges the extensive remediation efforts undertaken by WorldCom and the Administrative Agreement between GSA and WorldCom (Attachment 2) to ensure reforms at WorldCom continue and that WorldCom regularly reports to GSA on the effectiveness of its efforts. This Administrative Agreement with GSA is effective for the next three years and a violation of the agreement constitutes grounds for debarment.

As indicated in Procurement Memorandum 2003-06, at <http://oamweb.osec.doc.gov/default.htm>, GSA issued a Notice of Proposed Debarment to WorldCom, Inc., dba MCI (WorldCom) on July 31, 2003, finding that the company lacked the internal controls and business ethics necessary to be considered "presently responsible." Due to GSA's lifting of the proposed debarment, Procurement Memorandum 2003-06 is hereby cancelled effective January 7, 2004.

Commerce contracting officers should be aware that GSA has exercised the second option year on its MCI WorldCom FTS2001 telecommunications services contract for federal agencies, which extends the period of performance from January 11, 2004 through January 10, 2005.

Any questions may be directed to Nancy Barrere in the Commerce Acquisition Performance, Policy, and Support Division at [Nbarrere@doc.gov](mailto:Nbarrere@doc.gov) or 202-482-5519 or to Edward Weber in OGC's Contract Law Division at [Eweber@doc.gov](mailto:Eweber@doc.gov) or 202-482-2661.

Attachments

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     T. Pyke, CIO, Commerce  
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