



Major Reorganization at Headquarters Procurement

Inside:

**A Letter from
Deidre A. Lee**
pg. 2

**Alternative
Dispute
Resolution**
pg. 4

**Changes
to Small
Purchasing**
pg. 7

ISO 9000
pg. 8

**Bud Maraist
Retires**
pg. 9

Talk is everywhere these days about downsizing. NASA Headquarters is no exception. NASA is being targeted for its share in the reduction of the approximately 272,000 civil service employees by 1999. The Office of Procurement took the lead in redefining itself and its goals through 1999. The Office of Procurement was the first code at NASA Headquarters to restructure based upon the roles and missions studies and the planned reduction in the civil service work force.

A result of this redefining was a major reorganization that took place in September. Code HM, the Procurement Systems Division, is gone. The focus and the composition of most of the remaining five divisions have changed also. Code HC, formerly the Contract Pricing and Finance Division, is now the Analysis Division; Code HP, formerly the Procurement Policy Division, is now the Acquisition Liaison Division; and Code HS, formerly the Competition and Program Operations Division, is now the Program Operations Division. Code HK, the Contract Management Division, has kept its name, but some of its players and functions have been moved; and Code HW, the Headquarters Acquisition Division, has remained basically intact.

One reason for the reorganization was to streamline for the

future. Each organization was carefully reviewed, including the personnel and the functions. Then decisions were made about which functions would be best in which code. Overlap, where several codes handled similar tasks, was reduced.

Another purpose for the reorganization was to adjust the supervisor to employee ratio. For example, before the reorganization, Code HC had a supervisor and three employees. Now, Code HC has a supervisor and 14 employees. This is in line with the National Performance Review's mandate that government offices have a higher ratio of employees to supervisors.

Many of the tasks done by the divisions within the Office of Procurement are now being done by different divisions. The new organizations, along with the majority of their responsibilities, are listed below. This description does not include every facet of each division's work. If you have questions, contact the division for more information.

The Analysis Division, Code HC, is responsible for Contract Financing and Pricing Issues, as before. It is also responsible for major new initiatives including: Cost Control, Source Selection, Past Performance, Contractor Metrics, Performance Based Contracting and EDI. Code HC is also responsible for all data systems, including the NAFIS interface and data collection. As

new major initiatives are developed, they will be worked in HC.

The Acquisition Liaison Division, Code HP, is responsible for agency acquisition support. This includes outreach -- external coordination and liaison, the DAR council, the NASA FAR Supplement, the OIRA Focal Point, Policy Coordination/Tracking, Regulatory Research, Protests, Customs, Congressionals, Debarment/Suspension, the NASA/ Industry PAT, and Unsolicited Proposals. Code HP handles and coordinates Code H's NPR responsibilities. HP also works the non-procurement issues on which Code H is asked to review and concur.

The Contract Management Division, Code HK, is responsible for functional actions. These include procurement functional issues, global contract management, subcontract management, FIP/ADP Process/FIRMR, AO/NRA Procedures, SBIR, grants, property, MidRange, ELVs, Small Business, new policy, Contractor Liability, and Cooperative Agreements.

The Program Operations Division, Code HS, provides a single point of contact for the centers. Code HS is responsible for program support issues. This includes master buys, the PMC, quarterly procurement

(continued on page 6)

To All Procurement Professionals:

Recently, I received an anonymous letter from one of the program codes talking about procurement. You can guess that it was not an endorsement of the way we at NASA handle procurements. I found it a difficult letter to read because there was nothing I could do about it. Someone was angry and they didn't want to tell me who they were or what we had done to upset them. It is unfortunate that it was an anonymous letter, because I take these things seriously. If someone is upset enough to write to me, I want to try to help them. In this case, without more information, there was nothing I could do.

I know that our jobs are difficult. We have changing rules, changing situations, and changing requirements from the program or institutional offices. Procurement is not an easy field to be in right now. With the recent buyouts, some of the centers have seen work increase and become even more difficult because they have less people.

The people outside of procurement, the rest of NASA, are also struggling with the results of the buyouts and the prospect of flat or smaller budgets. These can lead to short tempers or less understanding of us and what we do. Sometimes it can be hard to work with people who blame procurement. This is especially true when the problems are not our fault, but when people are unhappy because of cuts in their budgets, management restrictions on what they are allowed to buy, or regulations they must follow. But it is important to remember that we are a support function. We are here to help these people -- even when they are frustrated with the procurement process. Many of you run up against these situations and handle them well. You are examples to everyone at NASA of customer-oriented professionals. I recognize the trouble you take to help employees from other offices.

We are working more closely than ever with other NASA organizations to educate them about contracts and to help them whenever we can. I am meeting with the other codes at Headquarters and with the senior staffs at the installations to let them know that we need to work as a team; that procurement isn't their enemy. This education is already paying off. It is reducing the number and severity of misunderstandings and it is making the acquisition process less frustrating.

Here's an example of how things are changing. We received a letter from a contractor. The company had been in the competitive range for a large contract, but had not won. After their debriefing, they wrote to commend Headquarters for taking some risk by using a smaller competitive range. The letter also thanked the Headquarters Acquisition Division for the job of debriefing HW did with the contractor. The debriefing was much more open than many of them have been in the past. It paid off. The letter stated that the contractor appreciated the information we gave them and understood why we made the decision we did.

Sometimes we feel we are working in a vacuum with no support from NASA administration, but that is not true. When the NPR suggested a 50 percent cut in procurement personnel, our administration said they would rather spread the cuts out than target procurement. They think procurement is too important to take those drastic cuts. While the final word on those cuts will not be known for sometime, I want you all to know that our Administrator, Dan Goldin, supports the work we do.

As I said earlier, it is not always easy being in the procurement field. But our work is a vital part of NASA. All of you make a difference. I thank you for the work that you do.

Sincerely,



Deidre A. Lee



People on the Move

Headquarters: Below is a list of people within Code H who have moved from one division to another.

Now in the Analysis Division (Code HC): **Francis Sullivan, Roger Wilson, Ken Stepka, and Ken Sateriale**, all formerly of the Contract Management Division; **Peggy Kates** (still collecting procurement statistics), **Donna Sprinkle, Beverly Smith, and Brenda Makle**, formerly of the Procurement Systems Division; and **Bill Childs**, formerly of the Procurement Policy Division.

Now in the Contract Management Division (Code HK): **Tom Deback, Deborah O'Neill, and Jim Pesnell** (still handling SBIR), all formerly of the Procurement Policy Division; **Bruce King** (still working surveys), and **Tom Dussault**, formerly of the Procurement Policy Division; and **Lil Stone**, formerly of the Headquarters Acquisition Division.

Now in the Acquisition Liaison Division (Code HP): **Joan Brooks, Rich Kall, Zoa Dodd, and Jack Horvath**, all formerly of the Procurement Systems Division; **Jane Martin**, formerly of the Competition and Programs Operations Division; and **Dennis Douvarjo**, formerly of the Headquarters Acquisition Division.

Now in the Program Operations Division (Code HS): **Theresa Williams, Karen Weaver (detailed to Code F), Patrick Flynn, and Mary Ridgway**, all formerly of the Procurement Systems Division.

Upcoming Events

Dec 1-2	NCMA 15th Annual East Coast Education Conference; Washington
Dec 5	Course: Introduction to Computer Security; NIST, Gaithersburg, MD (For more information: Computer Security Institute, (415) 905-2626)
Dec 5	10th Annual Computer Security Applications Conference; Orlando, FL (For more information: Ann Marmor-Squires, (703) 803-5503)
Dec 6-9	Information Processing Interagency Conference; Atlanta, GA
Dec 7	NASA/Industry PAT; Washington Design Center, 300 D St., S.W. 9:00-1:00
Dec 7	Course: Becoming a More Effective ISSO; NIST, Gaithersburg, MD; (For more information: Computer Security Institute, (415) 905-2626)
Dec 12-13	National Academy of Public Administration's Information Technology Acquisition Reform Conference; Washington
Feb 21	NCMA -- Deidre A. Lee; Dallas
Mar 8-10	Reducing Space Mission Cost Workshop -- Deidre A. Lee; Colorado

E-mail addresses (with the exception of Karen Weaver's) have not been affected by the reorganization.

Other changes in personnel/ assignments: **Becky Brewer**, formerly the secretary to Deidre A. Lee, is now the Administrative Assistant in the Code H. **Scott Thompson**, the director of the Contract Management Division, is on detail to Johnson Space Center as the Acting Procurement Officer. Joining the Office of Procurement are: **Willis Lockett**, Code HP student aide; **Nadia Monroe** and **Samantha Murray**, Continuing Office Education students in Code HW. **Kisha Shorter**, who worked as a part-time secretary in Code HS, is now in Code HW as a Co-op. **Dave Muzio**, formerly of Code HP, left

NASA and is now at the Office of Federal Procurement Policy.

Congratulations to **Jim Pesnell**. He was the first recipient of the Quality Assurance Special Achievement Award (QASAR), which is given by the Office of Safety and Mission Assurance. Jim was commended for his vision and analytical ability in "achieving innovative change to the Small Business Innovation Research (SBIR) procurement operations."

KSC: Jim Hattaway has been selected as Kennedy Space Center's Deputy of Procurement, replacing Linda Rogers who was confirmed earlier this year as Director.

(continued on page 9)

ALTERNATIVE DISPUTE RESOLUTION

by Thomas J. Whelan

Vice President Gore, in his National Performance Review (NPR), requested agencies to consider the use of Alternative Dispute Resolution (ADR) as a means of resolving disagreements in lieu of litigation and traditional administrative procedures. This NPR initiative is founded in the Administrative Dispute Resolution Act, P.L. 101-552, which encourages agencies to be creative in resolving all sorts of public

But in many cases no one really wins - and the taxpayer loses. It is cheaper to resolve conflicts through techniques known collectively as ADR.

disputes. ADR can be applied to labor/management and EEO disputes, Social Security System Hearings, environmental and other regulatory disputes, as well as contract disputes.

The NPR points out that "In some cases, litigation is important: it interprets the law, sets important precedents, and serves as a deterrent to future wrong doing. But in many cases no one really wins - and the taxpayer loses. It is cheaper to resolve conflicts through techniques known collectively as ADR."

For procurement professionals, it is important to understand from the outset that some forms of ADR have been used by NASA for sometime now in resolving both disputes arising under a contract and protests involving preaward questions and challenges - we just haven't called it ADR.

Those differences between a

contractor and the contracting officer which have been resolved through negotiation before the issuance of a "final" decision under the disputes clause, have, in effect, been resolved through a form of ADR. Likewise, in protests, the FAR itself fosters ADR in that disappointed offerors are encouraged to bring their concerns directly to the contracting officer before filing a formal protest with the GAO or the GSBCA. The fact that such processes are not always successful in resolving the problem does not mean that ADR has not taken place.

Benefits to be gained through the use of ADR include reduced cost, delay and contentiousness, and improvement in the relationship between the parties which will foster a higher degree of cooperation and hopefully more satisfactory results.

ADR can be applied at any stage of a procurement to help stave off a problem or to correct a conflict before the parties become mired in a dispute. ADR may eliminate interest and attorney's fees on a claim by the terms of a settlement and could significantly reduce the cost of human resources involved by eliminating litigation.

The NPR requests agencies carry this process one step further. In those situations where informal processes have been unsuccessful in bringing about an agreement, the NPR encourages the use of an ADR process in place of the formal disputes process, i.e. in place of filing with the Armed Services Board of Contract Appeals.

To assure "getting off on the right foot" with a new contractor

and to reduce the possibility of a dispute, ADR encourages the use of "partnering techniques" to foster team building. This technique calls for pre-performance and, when viewed as beneficial, during-performance meetings between the contractor and appropriate government technical and contracting officials to openly discuss and identify barriers to performance and to mutually work out "roadmaps" to overcome such barriers. For partnering to be successful, senior managers on both sides must buy into the process.

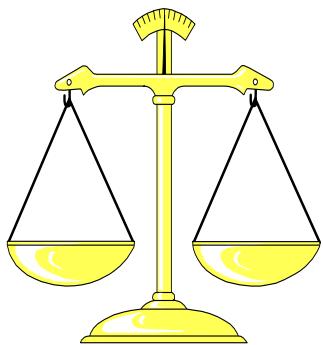
More formalized ADR techniques include mediation, minitrials and arbitration. All three of these processes have aspects in common. Both parties must agree from the outset to enter into the process and both must agree on the individual who will serve as the deciding or mediating official. In all three, the parties file statements of their positions, in writing, orally, or both.

Mediation is the least formal of these processes and usually consists of statements filed by the parties with the mediator assisting the parties in reaching a settlement. The settlement would be based on the parties' view of what is most fair under the circumstances. The agreement may be complete or may offer a solution on some issues and suggest further negotiation or mediation on others.

Arbitration is similar to mediation except that instead of assisting the parties in reaching their own agreement, the arbitrator issues a decision of his/her own. That decision is, of course, based on the filings of the parties

and the arbitrator's sense of fairness and expediency.

Minitrials take the form of formalized mediation. The parties must each select a senior person from their own organization who has authority to settle. Then the parties together agree on a person (or persons) to act as a neutral who, through his/her expertise in the area in question,



assists and facilitates the parties in a process of fair consideration of all issues. The parties then negotiate procedural rules to follow such as limiting discovery, the number of witnesses to be heard, the examination of those witnesses, and document production. Representatives of both sides, usually lawyers, make their best case to the senior managers and the neutral. The neutral is there to assist in this process. An agreement is drawn up by the parties with the assistance of the neutral on all issues where agreement was reached and presented to the senior officials who, absent any further contentions, may accept the settlement.

Under FAR 33.214, Alternative Dispute Resolution, ADR may be used anytime that the contracting officer has authority to resolve the issue in controversy. At the moment, NASA has no FAR Supplement instruc-

tion on how to initiate an ADR action. Generally, it is the contracting officer who first recognizes the possibility of the use of ADR. He/she should request assistance from the installation Office of Chief Counsel before attempting to initiate an ADR action. Counsel will work with the procurement office in arranging the procedure and presenting the position to the senior officials and the neutral.

Note that in any of these processes the government is prohibited from agreeing at the outset to binding arbitration or mediation. The Comptroller General has held that in the absence of expressed authority, agencies may not enter into binding arbitration. At the completion of any form of ADR, the government may reject any or all of the proposed agreements and revert to litigation before a board or a court. This is not to say that after proper consideration and making a determination that the government's interest is protected, the government is prohibited from agreeing to a settlement. On the contrary, the government officials who have the appropriate authority may accept a settlement. What is prohibited is the commitment to "binding" arbitration before the process begins. The government always maintains the right to accept or reject a settlement after it has seen the terms and conditions of that settlement.

It is important to understand that all of these techniques anticipate compromise to some degree. If the government officials are faced with a situation where their expertise and sense of responsibility tells them that there is only one fair solu-

tion to the government and that compromise would be a disservice, then perhaps ADR is not appropriate for that particular situation.

Recently, the Office of Federal Procurement Policy requested agencies to pledge to use ADR techniques. We responded by stating our belief that to be effective, ADR procedures must be as informal and flexible as possible. Although NASA felt that it could not pledge to use the more rigid

The government always maintains the right to accept or reject a settlement after it has seen the terms and conditions of that settlement.

procedures created by the United States Administrative Congress as suggested by the OFPP, we offered a statement of support for the ADR process in general and our commitment to continue to use forms of ADR.

Sanctions Against the European Community

It has come to our attention that some contracting officers may not be aware of the sanctions against contracting for goods and services originating in most European Community countries. These sanctions apply regardless of whether the prime contract is with a U.S. firm or a foreign firm. As described in FAR 25.1002, we are prohibited from awarding contracts with an estimated value between \$25,000

(continued on page 11)

In Touch with Dryden Director Ken Szalai:

Communicate, Communicate, Communicate

Al Harris served a term as Continual Improvement Coordinator in the Directorate Office earlier this year. Al came up with a five word short course in continual improvement -- "people talking to each other."

When I analyze things that go wrong for me, or conflicts that arise, it is usually quite clear that communication breakdown was either part of the cause or all of the cause. What happens when a communication lapse occurs? Projects fail, missions fail, people get hurt, people get angry, errors are made, and we collectively fail to conduct our mission effectively.

After analyzing my own communication failures, I offer a short course in better communication:

1. If you have a problem with someone's work or words, tell them, not others.
2. If you aren't sure someone understood you, be assured they didn't. And it wasn't their fault.
3. When you find yourself asking, "Why don't they..." change it to read, "Why don't I."
4. If you don't understand what is expected of you, ask.
5. When you point out a problem (easy), point out a solution (harder).
6. If you are not sure who is responsible for something, chances are no one is.
7. When you find yourself wondering what someone needs, or wants, ask them.
8. Start from the assumption that the other person is acting in good faith.

These are only a few of the lessons I glean from my own experiences. If we were all robotic members of the Dryden team, oil, tools, and spare parts would solve every problem. But the human element of our center is the life of this center. We must give highest priority to achieving open, honest, and two-way communication.

If you have learned some communication lessons that you think might help me, write me a note or tell me personally.

The above article was reprinted from the Dryden Flight Research Center's newsletter The X-Press.

Sweeping Changes at Headquarters

(continued from page 1)

discussions with the Associate Administrators from other codes, cross waiver of liability, competition advocacy, and the acquisition forecast.

The Headquarters Acquisition Division, Code HW, is still responsible for Headquarters acquisitions. This included all NASA Headquarters procurement actions, grants, cooperative agreements, inter-agency transfers, contracts, small purchases, and close-outs. It also includes the Reinvention Lab, foreign procurements over the simplified acquisition threshold, and experimental or prototype procurements.

Along with the reassignment of responsibilities to different divisions, people have also been moved. More than 40 people were physically relocated within the Office of Procurement as well as being reassigned to different divisions and different responsibilities. (See the People on the Move column on page 3 for more information.) Fortunately, almost all Code H staff kept their phone number in the moves, so you should be able to reach anyone you need to.

This reorganization was designed to make the best use of the personnel we currently have, with an eye to decreasing our size

over the next several years; to redistribute the work along more effective lines; and to improve the supervisor to non-supervisory personnel ratio.

In the near future, Headquarters will be "restacking." All of the codes and office space will be moved around. Since we have already done our reorganization, we volunteered to do our restacking early. Some of the divisions, and a lot of our people have moved, but we have only given up a few spaces where Code HK used to be located. When the Headquarters-wide restacking occurs, we will not be affected.

Reengineering the Small Purchasing Process

The Small Purchase Reengineering Team (SPRT) is one of the ways NASA is revitalizing established systems that have been identified as candidates for reengineering. The team was instituted at the direction of Deputy Administrator (Acting) General Jack Dailey and the NASA Administrative Issues Group (AIG).

The mission of the SPRT was to reengineer the current small purchase process from determination of requirements through final invoice payment and closeout. The effort was directed toward the primary goal of maximum customer satisfaction, minimal regulatory intervention, and optimum use of government resources.

The team of nine NASA employees began their effort in April, circulated a draft report for comment at Headquarters and centers in August, and issued a final report in September. The team presented their findings and recommendations to the Administrative Issues Group, and representatives of all installations, during an October 4 video conference. At that time, seven installations (Headquarters, Ames, Langley, Lewis, Johnson, Marshall, and Goddard) volunteered as pilot centers to implement the

SPRT recommendations.

The team envisions a new small purchase process which offers a flexible, fast, easy way to meet customer small purchase needs, where the resources consumed in the process are commensurate with the value of the purchase. The resulting process will be one in which customers have more choices, authority, and responsibility. Institutional organizations (Finance, Procurement, Logistics, Information Technology) will operate as key facilitators of the new process, regulatory restrictions will be minimized, and technology will serve as an enabler. The team recommends a four phase approach to implementation. Phase 1 involves no statutory changes and no, or very little, investment in hardware.

Highlights of Phase 1 include: maximizing the use of bank cards with reduced documentation requirements for award and payment; reducing use of the imprest fund; eliminating many PR approvals; modifying NASA issuances on FIP resources to exclude applicability to procurement under the simplified acquisition threshold (\$100,000); implementing an electronic PR/PO system either developed in-house or purchased

off-the-shelf; eliminating the requirement to screen local and federal supply stock/NEMS/excess; authorizing direct delivery to customers from suppliers; authorizing just-in-time delivery for non-controlled property; identifying pilot installations to prototype and test aspects of the new small purchase process; and establishing NASA and installation teams to implement the SPRT recommendations.

SPRT membership crossed organizational functions and centers. Procurement, logistics, and finance, as well as customer organizations, were represented. Team members are: Sally Branson, JSC/JH/LJ; Debbie Carraway, LaRC/356; Carl Eichenlaub, Headquarters/Code HW; Bernice Johnson, ARC/241-1; Rick Keegan, GSFC/240; Kyle Longstreth, KSC/IM-SST; Bill Potter, GSFC/510; John Scully, Team Leader, GSFC/200; and Connie Stott, LaRC/126. Contact points were established at the other centers as follows: Jane Johnson, SSC; Carol Van Gelder, DFRFC; Nancy Horton, LeRC; and Glynda Meeks, MSFC. If you have any comments, ideas or suggestions, or would like a copy of the report, please contact a team member or contact point at your center.

The mission ... was to reengineer the current small purchase process from determination of requirements through final invoice payment and closeout.

Updating NODIS

NODIS, the NASA On-line Directives Information System, was created to provide every NASA employee with access to the most current issue of the agency's regulations. One of the most useful features of NODIS is its on-line search capability. This system makes finding the information you want much easier than searching through thousands of pages of paper.

Expansion plans are already underway in the procurement arena. In the next six months the NASA FAR supplement, OMB circulars, all NASA handbooks, and all center directives should be on NODIS.

One of the major difficulties with NODIS is that currently only 25 users may be on at any one time. This can be frustrating, especially if you are in a hurry and need the information

now. Even this problem is being worked and should be resolved in upcoming months.

Perhaps the most exciting news about NODIS is that within a year, NODIS will be hooked up to the Internet. This will open up vast possibilities, including access by outside users.

Once these changes take place, all people at NASA will have a vast array of up-to-date regulations at their fingertips.

ISO 9000: HIGHER-LEVEL CONTRACT QUALITY REQUIREMENTS

by Ken Sateriale, HQ Contract Management Division

ISO 9000

The government has the right to expect that its contractors will deliver quality supplies and services. Moreover, there are circumstances under which the government specifies a higher-level contract quality requirement. For instance, higher-level contract quality requirements are specified when the end item is complex and/or critical, or when the technical requirements of the contract require control of such things as work operations, in-process controls, and inspection.

Higher-level contract quality requirements are indicated when special attention is needed for such factors as organization, planning, work instructions, document control, and advanced metrology. In the past, higher-level contract quality requirements routinely were conveyed by putting NHB 5300.4(1B) or (1C) on the contract. While these handbooks are still authorized for use, you can expect that your requiring offices will increasingly be specifying ISO 9000 instead. The Office of Safety and Mission Assurance expects that eventually NHB 5300.4(1B) and (1C) will be withdrawn from use entirely in preference to ISO 9000.

Substantively, there are two main points to remember about ISO 9000. The first is that it is a radical departure from the philosophy of quality that relies on inspection. ISO 9000 focuses on rigorous documentation and audit of management processes. (Inspection will not be eliminated but rather limited to where it is essential.) The second point is that ISO 9000 is an international standard which has already been implemented by over 70 nations, including the United States, the European Union (formerly European Community), and Japan. Any company that intends to do business abroad will find that it must have a quality system compatible with ISO 9000.

The authorized U.S. translation of the ISO 9000 series is the ANSI/ASQC Q90 series. NASA and the Department of Defense are in the process of publishing a handbook which will provide guidance on the application of the ISO 9000-ANSI/ASQC Q90 Series. To implement ISO 9000 contractually, the clause at 52.246-11 Higher-Level Contract Quality Requirement (Government Specification) will be included in the solicitation/contract and

either the specific ISO 9000 or Q90 series document will be cited, e.g. ISO 9001 (for international contracts) or Q91 (for domestic contracts) as appropriate. The handbook will not be put on contract, but applicable language from that handbook will be included in the Statement of Work. The contractor will provide a Quality Manual which describes the contractor's own internal quality system and a Quality Plan which will address how the contract quality requirements will be met. The Quality Plan will be evaluated, negotiated, and made a binding part of the contract.

ISO 9000 is authorized for use now! However, ISO 9000 is copyrighted, so be sure that your center has authorization before reproducing or distributing copies. Furthermore, because ISO 9000 is new, there may be unforeseen contract issues. If any of you acquire "lessons learned" please share them with us so that the Office of Procurement can properly monitor the ISO 9000 saga as it unfolds. If you have questions about ISO 9000, please send an e-mail to sulliva@proc.hq.nasa.gov or you can call Frances Sullivan on (202) 358-0488.

Contractor Meals and Lodging: No Change - Yet

The Federal Acquisition Streamlining Act of 1994 (S 1587) that was signed into law on October 13, 1994, repealed 41 USC 420 which made contractor meals and lodging costs unallowable when they are in excess of the rates to which government employees are subject (Joint Travel Regulations and Federal Travel Regulations).

Although the repeal of 41 USC 420 removes the statutory requirement for contractors to be limited to the same meal and lodging limitations as government employees, it does not automatically remove that requirement from the FAR cost principle at 41.205-46. That requirement could be retained in its present regulatory form.

Therefore, the repeal of 41 USC 420 has no effect on contracts until such time as the FAR cost principle at 31.205-46 is changed. This means that contracts awarded since October 13, 1994, and until FAR 31.205-46 is changed are still subject to the current meals and lodging limitations. Contact Joe Le Cren at (202) 358-044 with questions regarding this matter.

People on the Move

(continued from page 3)

In addition to teaching graduate level courses in contract management at Florida Tech for many years, Jim's early procurement experience included work with the Air Force at Warner Robbins Air Force Base. At KSC, Jim's experience included work in construction contract placement as both Contracting Officer and supervisor and lots of source evaluation panel and board experience--fixed price and cost reimbursement type. Prior to his selection as Deputy, Jim was the Chief, Operations Contract Office, which included three of the largest contracts at the center: the Base Operations, Payload Ground Operations and Orbiter Logistics Spares contracts.

Sam Lenck, Kennedy Space Center's Chief of Cost & Pricing since 1988, has been selected to fill the position of Chief of KSC's Financial Management Office. Sam's prior experience included stints with the Office of the Inspector General and Internal Revenue Service. Sam is a licensed CPA, active in the local chapter of the Association of Government Accountants, and an adjunct instructor teaching graduate level courses in contract management and accounting at Florida Tech. The KSC Procurement community, as well as those involved in cost and pricing activities throughout the agency, will miss Sam's ready expertise.

Earl Gilbert has been appointed the Executive Manager of Source Evaluation Board Operations for the Kennedy Space Center. In this capacity, Earl is responsible for providing expert oversight, guidance, assistance and policy implementation to all Source Evaluation

Boards and panels. Earl has extensive experience in competitive procurements and contract management at Johnson Space Center and the Kennedy Space Center. For the past ten years, Earl has served in several management capacities at KSC. Most recently, Earl was the Chief of the Shuttle Contracts Office.

KSC Procurement Office Reorganization

Kennedy Space Center's Procurement Office is being reorganized. This reorganization will provide for a customer-based focus through four main offices. Previously, there were two staff offices (policy/small business and cost/pricing) and three operational procurement offices, each of which had three branches beneath them.

One of the four new offices proposed, the Acquisition Management Office, will combine the two former staff offices. Each of the other three new offices, Engineering Support, Operations Support and Mission Support will provide acquisition services to major areas at the center without the hierarchical office-branch structure of the past.

While it is anticipated that each new office chief will have a deputy, the ratio of supervisory to non-supervisory personnel will improve to approximately 1:10.

When implementation is completed, the framework for developing a stronger relationship with our various requiring organizations at KSC will have been set in place. This initiative is related to the National Performance Review objective of putting customers first and streamlining the procurement process.

Bud Maraist Retires

William J. "Bud" Maraist, the Special Assistant to the Associate Administrator for Procurement, retired November 3. Bud came to NASA in 1986. Since then, he served as both the director of the Management Systems Division and director of the Procurement Policy Division before being chosen as the Special Assistant. As the Special Assistant, Bud represented the Associate Administrator in both internal and external meetings and activities. One of his most important endeavors in this position was representing Code H in numerous National Performance Review activities. Bud joined the federal service in 1966.

Prior to coming to NASA, Bud was the Acting Associate Administrator for Policy Development in the Office of Federal Procurement Policy. He also worked at the General Services Administration, the Office of Management and Budget, the Commission on Government Procurement, and the Department of the Navy. Bud and his wife Diane are moving to North Carolina where they are building a house. Good luck in your new life, Bud!



Certified Professional Secretary (CPS) Exam

by Peggy Parrish & Sue Gross, Kennedy Space Center

Often when we think of the people who work in Procurement we think of the procurement professionals in the 1102 job series. There are, however, many people besides 1102s who are part of the procurement offices. Among the most important people in Procurement, or in any office, are the secretaries.

The common bond of all who seek professional status, no matter what the field of endeavor, is the recognition of an established level of competence and knowledge, maintaining professional standards, a quest for growth and development, and pride in putting forth one's best effort.

The Certified Professional Secretary (CPS) rating is a significant, measurable, and attainable goal for career-oriented secretaries who want to be identified as exceptional. Achieving the CPS rating provides the self-assurance that comes from having met a recognized professional proficiency standard. Certification is given after all parts of the examination are passed and specific qualifications are met. Proof of qualifications must be presented before certification is obtained.

Currently at Kennedy Space Center (KSC), approximately eight NASA secretaries have successfully achieved the CPS rating. In the KSC Procurement Office, there are two secretaries, Peggy Parrish and Karen Jansma who have received their certifications. A third secretary, Sue Gross, who now works elsewhere at KSC, received her certificate this spring, while she was in the KSC Procurement Office.

The CPS Examination is developed and administered twice annually, in May and

November, by the Institute for Certifying Secretaries (ICS), a department of nonprofit Professional Secretaries International (PSI). The examination is based on the premise that a professional secretary should know how to apply the principles of good human relations and have basic knowledge of business law, economics, management principles, business organization, psychology, and accounting. It is also expected that a secretary will be thoroughly familiar with current techniques in secretarial practices and procedures, will be aware of developments in office management and technology, and will be proficient in transcription and composition skills.

Candidates for taking the CPS Examination must be full-time secretaries, experienced secretaries, college/university students, or business educators.

The examination covers areas including: 1) Behavioral Science in Business; 2) Business Law; 3) Economics and Management; 4) Accounting; 5) Office Administration and Communication; and 6) Office Technology.

Many colleges and universities grant credit hours for the CPS rating to those enrolled in degree programs. Although credit hours given vary, the American Council on Education recommends 32 semester hours of academic credit.

The CPS Examination was first developed and administered by ICS in 1951. ICS is committed to being the recognized leader of office professionals and enhancing their individual and collective value, image, competence, and influence. This institute has two major goals: 1) to prepare and administer the annual CPS Examination

program; and 2) to promote the CPS program. These goals stem from the basic ICS objective to upgrade the secretarial profession by encouraging secretaries to raise their own standards of professionalism.

Although the CPS rating is never lost, the CPS certification is valid for five years. For CPS recertification, a five-year cycle is used to correspond to the rate at which knowledge changes within the secretarial profession. The CPS certification makes a powerful statement of both having met initial high standards and maintaining those high standards.

From Ames to Sloan

Bernice E. Johnson, Esq., Chief of Purchasing at Ames Research Center, has been named recipient of the Sloan Fellowship at Stanford University. Dr. Johnson is the first female, the first Administration Directorate representative, and the first person of color to receive this honor from Ames. The Sloan Fellowship is one of the premier programs in executive development designed to award a Masters degree of Science in Management to its graduates following an intensive ten-month cooperative study of the changing demands of business. Dr. Johnson already holds a Bachelor of Arts degree from Cornell University and her Juris Doctor from the University of California, Hastings College. She is also a member of the State Bar of California.

Bernice Johnson is well aware of the changing demands

(continued on page 12)

Proposed New SF 141X - Finding an Easier Solution

by Reggie Walker, Headquarters Contract Pricing and Finance Division

In the fall of 1993, representatives of the Aerospace Industries Association (AIA) met with NASA's Associate Administrator for Procurement to discuss the adoption of an alternate proposal cover sheet for competitive cost proposals. This proposed cover sheet was called the SF 141X. Adequate price competition proposals are not subject to a complete audit, do not require a Certification of Current Cost or Pricing Data (CCPD) and require limited or no cost data for evaluation of the realism of the proposal (FAR 15.804-3(b) and FAR 15.804-6(a)(2)). Unfortunately, FAR 15.804-6(b)(1) requires that cost or pricing data, including data submitted in support of proposals expected to be awarded under adequate price competition, be submitted on a SF 1411. The SF 1411, and related instructions in Table 15-2, contain language that grants the government extensive access to records (Table 15-2, 6), requires the contractor to agree to submit a CCPD (Table 15-2,7) and contains detailed instructions for cost breakdowns (Table 15-2,8). The result is the SF 1411 and Table 15-2 inconsistently require more detail and certification for adequate price competition proposals than necessary. AIA believes that the adoption of the SF 141X, requiring much less data, would significantly reduce contractors' proposal costs, as well as the government's audit and analysis costs.

In response to AIA's request, Code HC solicited the views of all Code H Divisions and Procurement Officers on this subject and reviewed related

published directives and guidance on this issue. Subsequent to the review of the comments received, we decided on a simpler solution. Instead of creating an additional form (which is contrary to NPR), we will insert language in the NFS that allows contracting officers to line out the reference to Table 15-2 where it appears on the existing SF 1411 when partial or limited data is requested. The change should be published in the Federal Register soon for public comment.

European Community

(continued from page 5)

and \$182,000 for end item supplies produced in the United Kingdom, Ireland, France, Italy, Belgium, Denmark, Luxembourg, and the Netherlands. We are also prohibited from awarding contracts for performance of services in the sanctioned countries; this prohibition generally applies to services in the above dollar range, but for certain services, including R&D, it applies regardless of value.

There is no blanket exception for sole source or urgent procurements. Exceptions must be processed individually through Code HS and signed by the Administrator, with notification to Congress.

The FAR currently lists Germany as a sanctioned country, and shows the dollar ceiling as \$176,000; however, the U.S. Trade Representative recently lifted the sanction against Germany, and raised the ceiling to \$182,000. FAR corrections are in process, but the changes are already in effect.

NASA's Acquisition Forecast Available Via Internet

by Herb Baker

As part of our continuing efforts to make NASA procurement information and publications more widely available and more easily accessible, the mid-year update to the agency's FY 94 Acquisition Forecast is now available via Internet. We will continue to publish the forecast in hard copy form for those who do not have the capability or desire to use the Internet, but hope that many users will prefer the electronic version. There are at least two advantages to accessing the forecast via Internet — 1) the data (in DBase format) may be downloaded and converted for use in most spreadsheet or database programs and thus be easily manipulated (i.e., sorted by dollar value, type of effort, RFP release date) and 2) it will be available earlier than the hard copy version since the delays normally required for printing and mailing will not apply.

For those who are experienced travelers on the Information Highway, the information necessary for accessing the forecast data via Internet FTP (File Transfer Protocol) is as follows: The server host name is FTP.HQ.NASA.GOV. Any TCP/IP (Transmission Control Protocol/Internet Protocol) client software may be used to download the forecast data which is located in the \PUB\PROCURE\FORCAST directory. This directory also includes a README file which describes the contents of the individual files, both data and text, which make up the complete forecast document. Users should login as "anonymous" and then use any combination of characters

(continued on page 12)

Printing and Copying Reminder

Offices are reminded that by law, the Government Printing Office (GPO) is the only source of printing and substantial duplicating/copying paid with appropriated funds; see FAR 8.8 and NFS 18-8.8. The only exceptions are for non-repetitive jobs under \$1,000 approved in



advance by GPO, or printing done in field printing plants operated by an executive agency. Requests for GPO approval must be processed by the contracting officer through Headquarters Code JTT. GPO has not been known to approve requests. See NMI 1490.1, NASA Printing,

Duplicating, and Copying Management Program, or contact your printing manager.

Grantees, contractors and subcontractors at any tier also must obtain their printing required for government contracts from GPO. This includes center support contractors and JPL. Administrative duplicating/copying is allowed up to 5,000 units (copies) of a page, maximum 25,000 units total per copying job, two-sided pages count as two units. Examples: 5,000 copies of 5 one-sided pages, or 1000 copies of a 25-page research paper. Pages cannot exceed 10³/₄ by 14¹/₄ inches, and only one color can be used (including, not in addition to, black).

Congress' Joint Committee on Printing continues to closely monitor agencies' compliance with these requirements.

Bernice Johnson

(continued from page 10)

facing business, and especially small purchasing. She currently serves as a member of the agency Small Purchasing Re-Engineering Team, and looks forward to implementing new procedures while strengthening her division at Ames. With eight years of government procurement experience and a diverse background including contract law, contract audit, and six years of contract administration and work as a contract specialist to draw from, she has proved an asset to the team.

Dr. Johnson firmly believes "preparedness" has been the key to her successes and offers it as advice to novice procurement professionals. Mental preparation is required to press for

personal development, always refusing to be discouraged by the negations of others; organizational preparation is required to actively seek out mentors interested in your welfare and then fulfill one's responsibility to mentor other individuals. Accordingly, she hopes to inspire those who feel they cannot achieve Sloan Fellowships as an example of an administration expert, an African American, and a female who did.

Dr. Johnson began the Sloan Fellowship in August bringing with her a wealth of experience and enthusiasm. With an eye to the present and an eye to her bright future, we at Ames congratulate Bernice, and wish her much success.

Acquisition Forecast now on the Internet

(continued from page 11)

when prompted for a password. (Although the system will always ask for a password, none is required for "anonymous" users.) If you are totally confused by these instructions, just talk to your computer support personnel and they should be able to help you.

For more information, contact Herb Baker via Internet at hbaker@proc.hq.nasa.gov or at (202) 358-0439.

[The Office of Procurement is planning to put additional information on the FTP server in the PROCURE subdirectory over the coming months. We are also developing an Office of Procurement home page which will have similar information available on the World-Wide Web. An article describing what will be available will be published when these are closer to being on-line. Ed.]

The next issue of *Procurement Countdown* should be out in February 1995. If you would like to submit stories, please send them by January 15, 1995, to Susie Marucci at smarucci@proc.hq.nasa.gov or call her at (202) 358-1896.

Professional: You Bet!

by Joanne A. Comstock

Long-time career veterans in the procurement field know how easy it is to become jaded, complacent, and/or just burned out. Over the course of my sixteen years as a contract specialist and Contracting Officer, I have struggled with the constant pressure of deadlines and the mounting restrictions and responsibilities associated with our profession. It is easy to lose sight of what it means to be a contract specialist and the **value** to be found in choosing this career path.

Sometimes we are lucky enough to find others who bring a new perspective on the subject. Ames has the good fortune of having very talented young people join us in the Acquisition Division. I am delighted to present to you the words of one of them, Ms. Joan D. Cerezo:

“As a child, my family and friends were constantly pressuring me to embrace the professions that were considered to be traditional and well worth the schooling.

“‘Be a doctor, lawyer, nurse, or an accountant,’ was the phrase that reverberated in my mind as long as I can remember.

“When I came to NASA, I

really did not know what to expect. Having been an ASR coop student since February 1992, I have truly experienced the following:

-the warm spirit of camaraderie

-thankfulness to all those who support and cultivate my seedling career

-Government that’s exciting in that it encompasses the thresholds to many disciplines (i.e., English, Speech, Finance, and Accounting, etc.).

“As a contract specialist with Ames, I can truly say that I have found my second home. I love my work, but most of all I like the people that surround me (even the technical folk). I have found a career that I like...that I want for myself.

“To all those that kept chanting in my ears to be this or that, I have truly discovered what tickles my fancy and it’s being a NASA Contract Specialist because—

“1. Yes, I have become the Doctor — I dissect, diagnose, and “cure” problems when dealing with my solicitations and contracts on a daily basis.

“2. Yes, I have become the lawyer — I digest and interpret regulations almost every second of the day.

“3. Yes, I have become the Nurse — When technical folks become very “sick” because they can’t have it their way, I soothe their wounds by offering suggestions or alternative solutions all within bounds of the “regs.”

“4. Yes, I have become the Accountant — I am heavily involved with invoices and spreadsheets ... and boy, oh boy, they all better be precise because I’m a stickler for accuracy.

“Notice how everyone could tell me to become any one of four “noble” professionals ... little did they know that the **CONTRACT SPECIALIST** profession is the way to go!!!”

It is with gratitude that I read and reread these words, for in this she is the teacher and I the student. I thank Joan and her generation of colleagues who keep the flame burning for revitalizing those of us with occasionally flickering pilot lights. We are fortunate indeed to have young professionals of this quality in our midst.

Procurement Countdown

Procurement Countdown is published quarterly by NASA’s Office of Procurement.

Editor.....Susie Marucci
(202) 358-1896