



ACQUISITION
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

MAR 25 2008

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(POLICY AND PROCUREMENT), ASA (ALT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION & LOGISTICS MANAGEMENT),
ASN (RDA)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING), SAF/AQC
DIRECTORS, DEFENSE AGENCIES
DIRECTORS, DOD FIELD ACTIVITIES

SUBJECT: Small Business Size Rerepresentation – FAR Case 2006-032

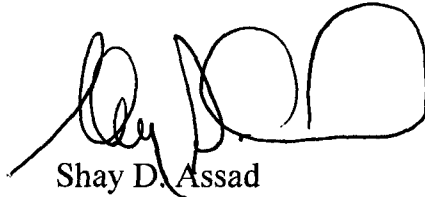
This memorandum relates to the subject Federal Acquisition Regulation (FAR) case published in the Federal Register as an interim rule on July 5, 2007 (72 FR 36852), effective June 30, 2007, and updates direction provided in my July 18, 2007 memorandum on this subject.

The July 18, 2007 memorandum advised you *not* to take the action required by FAR 4.602(f) until further notice. The reason that action could not be taken was the Federal Procurement Data System (FPDS), and the contract writing systems that interface with it, needed to be modified to accommodate having the size status on a contract change during performance. In order to implement the interim rule, FPDS had to be able to count dollars as awarded to a small business until the point when the concern rerepresented that it was now no longer small, when dollars awarded after that point would be counted as dollars awarded to other than small business. The necessary modifications to FPDS are now complete. Effective immediately, agencies should follow the attached guidance in submitting contract action reports as required by FAR 4.602(f).

Questions concerning electronic business systems and submission of contract action reports should be directed to Lisa Romney, 703-607-3542, lisa.romney@osd.mil.



Questions concerning the content of the FAR interim rule should be directed to
Debbie Tronic, 703-602-0289, debbie.tronic@osd.mil.

A handwritten signature in black ink, appearing to read 'Shay D. Assad', written over a horizontal line.

Shay D. Assad
Director, Defense Procurement,
Acquisition Policy, and
Strategic Sourcing

Attachments:
As stated

Instructions for Reporting Rerepresentation Actions in FPDS

When the contractor makes a rerepresentation and its size status has changed, the contracting officer must-

1. Issue a contract modification (modifying the base award not the task/delivery order under a contract or call under an agreement) citing the rerepresentation and the change in size status,
2. Ensure the contract file documents the change in size status that the contractor has made in ORCA, and
3. Submit a modification contract action report to FPDS.

The contracting officer must complete the contract action report as follows:

1. In order to report a rerepresentation action and incorporate the latest contractor information from the Central Contractor Registration (CCR) system, the “Reason for Modification” data element (12C) must be either-
 - a. “Novation Agreement” (code J) – use this for reporting novation agreements, as they automatically include a rerepresentation requirement,
 - b. “Rerepresentation of Non-novated Merger Acquisition” (code P) – use this for reporting rerepresentations that result from merger/acquisition but do not require novation of the contract (see FAR 42.1204(b)), or
 - c. “Rerepresentation” (code R) – use this for reporting rerepresentations that result from growth or contraction of a business. This code is the one that should be used to report business size changes that do not result from either 1.a. or 1.b.
2. If the “Reason for Modification” (12C) is 1.a., 1.b., or 1.c. -
 - a. The data element “Contracting Officer’s Selection of Business Size” (11A) will be required to be completed. Choose “Small Business” (S) or “Other than Small Business” (O), as appropriate, to identify the rerepresented size status of the contractor.
 - b. All socioeconomic information will refresh from the contractor’s record in CCR.
 - c. If 1.a. is chosen, the contractor’s name and address will also refresh from CCR.
3. Complete the remainder of the data elements as they would be completed for any other contract action report.