DEPARTMENT OF THE ARMY
HEADQUARTERS UNITED STATES ARMY FORCES COMMAND
1777 HARDEE AVENUE SW
FORT MCPHERSON GEORGIA 30330-1062

REPLY TO
ATTENTION OF

AFLG-PR 24 June 1998

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 98-30

1. This CIL contains information on the following subjects:

a. Service Contract Act Health and Welfare Fringe Benefits Changes,

b. Timely/Accurate Reporting of Contractual Actions,

c. Management Control Plan for Contracting,

d. Website for the Department of Defense Purchase Card Program Management Office (PMO), and

e. Delegation of Authority to Decide Appeals on Rejection of Small Business Administration Recommendations.

2. Service Contract Act Health and Welfare Fringe Benefit Changes. Reference memorandum, DAJA-KL, 21 May 98, SAB (encl 1). Effective 1 June 98, the new SCA health and welfare single fringe benefit rate is $1.39 per hour or $55.60 per week or $240.93 per month. Rather than await receipt of a revised Wage Decision, contracting agencies may make pen and ink changes to effect the rate increase in solicitations that contain the $1.16 per hour benefit level. For additional information, please call Pat Boterweg at DSN 367-5486.

3. Timely/Accurate reporting of Contractual Actions. Reference memorandum, Purchase Card Joint Program Office, 27 May 1998, SAB (encl 2). The Department of Defense has established a goal of 90% of its simplified acquisitions valued within the micro-purchase threshold with the Government Purchase Card by the end of FY 2000. While FORSCOM has far exceeded this goal, please continue to report DD1057 data in a timely and accurate manner.

4. Management Control Plan for Contractual Actions. The FORSCOM Pamphlet 715-9, Contracting Management Review (CMR) Guide, has been reviewed and approved by the U.S. Army Audit Agency and the Principal Assistant Responsible for Contracting (PARC) for use as

the required evaluation tool for contracting and should be included in the installation Management Control Plan (MCP). Even though the Army functional proponents have deleted the requirement to periodically review contracting as part of the Management Control Process, FORSCOM will use FORSCOM Pamphlet 715-9 for the periodic review. The "Year for Completion" will be the year of the next scheduled CMR (every 2-3 years, depending on the rating of the contracting office's previous CMR). Installations may increase the frequency of their own reviews. For additional information, please contact Pat Boterweg at DSN 367-5486.

5. Website for the Department of Defense Purchase Card Program Management Office (PMO). The new DoD Purchase Card PMO homepage is up and running (http://purchasecard.sarda.army.mil/). Check transition/GSA program guide for all information pertaining to the new contract requirements. The vendor selected by DoD for follow-on IMPAC services is the incumbent, U.S. Bank. The current contract expires 30 Nov 98. For additional information, please contact Pat Boterweg at DSN 367-5486.

6. Delegation of Authority to Decide Appeals on Rejection of Small Business Administration Recommendations. This delegation (encl 3) provides the PARC more flexibility and authority to decide appeals by the SBA when the contracting officer rejects an SBA recommendation as prescribed in FAR 19.505 (b).

3 Encls
as

TONI M. GAINES
Acting Chief, Contracting Division, DSCLOG
Acting Principal Assistant Responsible
For Contracting

DISTRIBUTION:
COMMANDERS,
III CORPS & FT HOOD, ATTN: AFZF-DOC
XVIII ABN CORPS & FT BRAGG, ATTN: AFZA-DC
FT RILEY, ATTN: AFZN-DOC
FT CARSON, ATTN: AFZC-DOC
JRTC & FT POLK, ATTN: AFZX-DOC
I CORPS & FT LEWIS, P.O. BOX 33931, ATTN: AFZH-DOC
3RD INF DIV (MECH) & FT STEWART, ATTN: AFZP-DC
101ST ABN DIV (AASLT) & FT CAMPBELL, ATTN: AFZB-DOC
FT DEVENS, ATTN: AFRC-FMD-DOC
FT DIX, ATTN: AFZT-DOC
10TH MTN DIV, FT DRUM, ATTN: AFZS-DOC
FT MCCOY, ATTN: AFRC-FM-DC
NATIONAL TRAINING CENTER & FT IRWIN, ATTN: AFZJ-DC
ARMY ATLANTA CONTRACTING CENTER, ATTN: AFLG-PRC

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

REPLY TO
ATTENTION OF

DAJA-KL 21 May 1998

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Service Contract Act Health and Welfare Fringe Benefits Changes

Enclosed is a memorandum from the Department of Labor, Wage and Hour Division, which explains the changes to the Service Contract Act Health and Welfare Fringe Benefits that will be effective as of June 1, 1998. Please pass this information to each contracting office under your command.

Thank you for your assistance in this matter. If you have any questions regarding this memorandum, please contact Ms. Moore by telephone at (703) 588-6756 (DSN prefix 228) or by electronic mail at mooreae@hqda.army.mil.

Encl

ALFRED E. MOREAU
Labor Advisor,
OASA (RDA)

DISTRIBUTION:
Commander, U.S. Army Forces Command, ATTN: AFLG-PR, Fort McPherson, Georgia 30330-6000
Commander, U.S. Army Training and Doctrine Command, ATTN: ATBO-A, Fort Monroe, Virginia 23651-5000
Commander, U.S. Army Corps of Engineers, ATTN: CECC-L, 20 Massachusetts Avenue, Washington, DC 20314-1000
Commander, U.S. Army Materiel Command, ATTN: AMCCC-G, 5001 Eisenhower Avenue, Alexandria, Virginia 22333-0001
Commander, U.S. Army Military District of Washington, ATTN: ANPC, Ft. McNair, Washington, DC 20319-5050
Commander, U.S. Army, Pacific, ATTN: APAM, Fort Shafter, Hawaii 96858-5100
Chief, National Guard Bureau, Departments of the Army and Air Force, ATTN: NGB-CP, 5109 Leesburg Pike, Falls Church, Virginia 22041-3201

U.S. Department of Labor

Employment Standards Administration
Wage and Hour Division
Washington, D.C. 20210

MAY 7 1998

MEMORANDUM NO. 191

TO: ALL CONTRACTING AGENCIES OF THE FEDERAL GOVERNMENT AND CONTRACTING AGENCIES OF THE DISTRICT OF COLUMBIA

FROM: JOHN R. FRASER
ACTING ADMINISTRATOR

SUBJECT: Service Contract Act Health and Welfare Fringe Benefit Changes

In accordance with the requirements of section 4.52 of Regulations, 29 CFR Part 4, the prevailing health and welfare fringe benefits issued under the McNamara O'Hara Service Contract Act (SCA) will be increased on June 1, 1998. As prescribed by the phase-in schedule provided in section 4.52(b), the current fringe benefit rate of $1.16 per hour will be increased by one-third of the difference between the current rate and the total benefit amount derived from the latest Bureau of Labor Statistics Employment Cost Index (ECI) summary of Employer Costs for Employee Compensation. Applying this methodology (one-third of the difference between $1.16 and $1.85), produces a **new SCA health and welfare single benefit rate of $1.39 per hour or $55.60 per week or $240.93 per month.**

Solicitation/Contracts Affected

All Invitation for Bids opened, or other service contracts awarded on or after June 1, 1998, must include an updated SCA WD issued in accordance with the regulatory health and welfare fringe benefit determination methodology. In order to facilitate processing of solicitations that currently contain WDs with the $1.16 per hour benefit level, contracting agencies may make pen and ink changes to effect the fringe benefit rate increases on the WDs that have been issued for the procurement rather than await receipt of a revised WD with the new fringe benefit rate.

Wage Determinations for the State of Hawaii

Consistent with past practices, and in recognition of the fact that Hawaii law requires employers to provide health benefit coverage for most employees, SCA WDs for Hawaii will continue to exclude the health insurance portion. The new SCA benefit level for Hawaii is based on the sum of benefits contained in the ECI data excluding vacations, holiday, and health insurance for all employees in private industry. The new Hawaii benefit level will be phased-in in the same manner as all other benefits. **Effective June 1, 1998, the new SCA fringe benefit rate for Hawaii will be $.48 per hour.**

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

REPLY TO
ATTENTION OF

27 MAY 1998

Purchase Card Joint Program Office

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Timely/Accurate Reporting of Contractual Actions

The Department of Defense established the National Performance Review Goal of acquiring 90 percent of its simplified acquisitions valued within the micro-purchase threshold ($2,500 or less) with the Government purchase card by the end of FY 2000. Congress reaffirmed this goal by placing language in the FY 1998 DoD Authorization Act.

Contracting activities must report DD1057 data on a timely and accurate basis in order to gauge and monitor the status of the Department's performance. The Joint Purchase Card Program Office computes each Military Department and Defense Agency performance level using Bank-reported card transactions and contract office-reported (DD form 1057) simplified acquisitions ($2,500 and less). Unfortunately, many DoD activities are not reporting this data in the timeframes required by the DFARS.

The Purchase Card Joint Program Office periodically reports to the Deputy Secretary of Defense, and other senior officials within the Department, our efforts to achieve the stated NPR goal. Untimely and/or inaccurate data reporting may result in inflated program statistics. Subsequent receipt of correct data may cause our performance to drop to a less-than-favorable level. This action would embarrass and place into question the credibility of the individual components as well as the purchase card program office.

I am enclosing a listing of activities which need to improve their reporting performance. These activities have habitually not met the required reporting dates throughout FY 1998. As the organization responsible for reporting your contract actions, I ask that you review the listing and take necessary action to ensure that your activity meets the required 5 day (following month-end) reporting deadlines for this data. In addition, it is requested that you review your adherence to overall contract reporting requirements (i.e., DD1057 and DD350).

J. CRAIG WALSH
Colonel, GS
Director for Contracting

Enclosure

ENCL 2

Printed on Recycled Paper

performance and take personal action to ensure that your activity meets the required reporting deadlines for this data. In addition, you should ensure adherence to overall contract reporting requirements (i.e., DD1057 and DD350).

for J. CRAIG WALSH
Colonel, GS
Director for Contracting

DISTRIBUTION:
Administrative Assistant to the Secretary of the Army, 105 Army Pentagon, Washington, DC 20310-0105
Assistant Deputy Chief of Staff for Research, Development and Acquisition (Acquisition, Contracting and Production Management) HQ, U.S. Army Materiel Command, ATTN: AMCRDA-A, 5001 Eisenhower Avenue, Alexandria, VA 22333-0001
Commander, U.S. Army Communications-Electronics Command, ATTN: AMSEL-CG, Fort Monmouth, NJ 07703-5000
Commander, U.S. Army Industrial Operations Command, ATTN: AMSIO-CG, Rock Island, IL 61299-6000
Commander, U.S. Army Aviation and Missile Command, ATTN: AMSAM-CG, Redstone Arsenal, AL 35898-5000
Commander, U.S. Army Tank-automotive and Armaments Command, ATTN: AMSTA-CG, Warren, MI 48397-5000
Commander, Forces Command, ATTN: AFCG, Fort McPherson GA 30330-6000
Deputy Commander, U.S. Army Forces Central Command, 1881 Hardee Avenue SW, Fort McPherson, GA 30330-1064
Deputy Commander for Health Care Operations, 2050 Worth Road, Fort Sam Houston, TX 78234-6000
Commander, U.S. Army Intelligence & Security Command, ATTN: IACG, Fort Belvoir, VA 22060-5246
Commander, U.S. Army Medical Research and Materiel Command, ATTN: MCMR-ZA, 504 Scott Street, Fort Detrick, MD 21702-5012
Commander, U.S. Army Military District of Washington, Fort Lesley J. McNair, ATTN: ANCG, Washington, DC 20319-5058
Commander, Military Traffic Management Command, ATTN: MTCG, 5611 Columbia Pike, Falls Church, VA 22041-5050

DEPARTMENT OF THE ARMY
HEADQUARTERS UNITED STATES ARMY FORCES COMMAND
1777 HARDEE AVENUE SW
FORT MCPHERSON GEORGIA 30330-1062

REPLY TO
ATTENTION OF

AFLG-PR (715)

15 June 1998

DELEGATION OF AUTHORITY TO DECIDE APPEALS ON REJECTION OF SMALL BUSINESS ADMINISTRATION RECOMMENDATIONS

1. Pursuant to FAR 19.505(b), as Head of Contracting Activity, I hereby delegate to the Principal Assistant Responsible for Contracting (PARC) the authority to decide appeals by the Small Business Administration (SBA) when the contracting officer rejects an SBA recommendation.

2. This delegation is made without the power of redelegation. This delegation is effective immediately and will remain in effect until changed or rescinded.

3. Procedures prescribed in 19.505 of the FAR shall be used in actions taken pursuant to this authorization.

4. This delegation supersedes Delegation of Authority, HQ FORSCOM, dated 15 July 1996.

DAVID A. BRAMLETT
General, USA
Commanding