

truly feasible to implement. It has come to our attention, however, that some agencies are analyzing all alternatives, whether or not they are feasible in the specific circumstance. This unnecessarily complicates and lengthens the acquisition process. Accordingly, section 201–20.202, which states the FIRMR policy on performing analyses of alternatives, is being revised to emphasize that agencies should limit the number of alternatives analyzed to those that are most feasible to implement. Other changes are also being made to this subpart. Section 201–20.203–2 is being revised to increase from \$50,000 to \$1,000,000 the threshold for performing a more detailed analysis of alternatives. Accordingly, agencies must perform an analysis including use of the present value of money if the estimated amount of their proposed acquisition is more than \$1,000,000 or an analysis that demonstrates that the benefits of the acquisition will outweigh the costs if the acquisition is less than \$1,000,000. This change will help to streamline the acquisition process by reducing documentation requirements for a greater number of smaller acquisitions.

Additionally, paragraph 201–20.203–2(c) is being revised to delete the title of OMB Circular A–94 and to move it to the new section 201–4.003.

(u) Section 201–20.303 paragraph (d)(2) is revised to permit agency heads to grant exceptions to FED–STDS provided GSA is notified at least 30 days prior to any granting of an exception to a FED–STD, e.g., in a solicitation. This change empowers agencies to accomplish their missions more effectively.

(v) Section 201–20.304 paragraphs (a) and b(1) deal with capability and performance validation. They are revised to require use of validation techniques that are more economical to Government and industry than use of a benchmark or an operational capability demonstration (OCD). In the early years of computing, comprehensive benchmarks, stress tests, and OCDs were useful for validating reliability, performance and other requirements. In today's mature industry, the reliability and stability of the marketplace offerings are much higher. Also, there is substantial empirical data available from independent sources to assist agencies in assessing how a proposed system will perform in their environment and with their workloads. As a result, the use of benchmarks or OCDs may not be the most advantageous approach in many acquisitions. This is more likely to be the case for those acquisitions that do not require

customized hardware and/or software. Agencies will now be required to select the most economical technique available that will meet their minimum needs. Additionally, paragraph 201–20.304(b)(2) is revised to delete the adjective “actual” in front of the word “requirements”. The word “actual” caused some confusion about the meaning of “When a benchmark is used as part of performance validation, agencies shall ensure, that the FIP software selected for benchmarks is representative of actual requirements” In fact, agencies acquire systems to accommodate a workload over a life cycle of some years. An agency's definition of its requirements at the time of acquisition is its best estimate of workload that will ultimately occur over the ensuing years.

(w) Section 201–20.305 is being amended to recognize the fact that GSA will, at the request of an agency, grant authority to the agency to ratify a contract awarded without the necessary specific acquisition DPA. The amendment also clarifies that procurement actions taken prior to contract award do not necessarily have to be repeated. It should be noted that the agency designated officials already have the authority to permit ratification of contracts valued at less than the agencies' regulatory or specific agency delegation thresholds.

(x) Section 201–20.305–3 is revised to emphasize the agency requirement for the submission of post delegation information to GSA for specific delegations. With the increased emphasis on results oriented performance, GSA will seek information demonstrating that agencies are obtaining the benefits cited in their agency procurement requests. Also, this section's reference to a specific acquisition DPA under the Trail Boss program is being deleted. Although the Trail Boss approach is being retained and its use encouraged, special DPAs will no longer be required.

(y) Section 201–21.201 paragraph (b) is revised to reflect the current name and symbol of a GSA organization.

(z) Section 201–21.301 paragraphs (a) and (d) are revised to delete references to OMB Circular A–130, Appendix III.

(aa) Section 201–21.401 paragraph (c) is revised to remove references to OMB Circular A–130, Appendix II, which is proposed for revision; and to remove the title of the Circular since it appears in the new section 201–4.003.

(bb) Section 201–21.403 is amended to change the annual report date from November 30 to October 20 for reporting the dollar amount charged to users for the sharing of excess FIP resources. This

earlier due date allows for more timely submission of GSA's consolidated Governmentwide report to Congress.

(cc) Section 201–21.601(c)(3) is amended to change the reference from 5 CFR 735.205 to 5 CFR 2635.704, to reflect a change in the regulations covering the use of telephone calls placed over Government provided telephone systems.

(dd) Section 201–21.603 is amended to delete the agency reporting requirement. Agencies that listen-in or record conversations for public safety, public service monitoring or to assist individuals with disabilities must notify GSA in writing at least 30 days before the operational date. This notification provision is being removed because it places an unnecessary burden on agencies. GSA does not have any affirmative enforcement or other function with regard to listening-in that would make this reporting requirement necessary. Such responsibilities rest solely with the reporting agency. Accordingly, in line with placing authority and responsibility at the appropriate level, this reporting requirement will be removed as will the provision that GSA will periodically review agency listening-in activities.

(ee) Section 201–21.604, requires agencies to forward to GSA copies of each order for toll free telephone service. Documentation submitted is to include estimates of monthly costs and usage, and cite the relevant statute, Executive Order, or other regulation directing the toll free service. This provision is being removed because the use of toll-free telephone services is sufficiently routine that close supervision by GSA is no longer needed. Removal of this provision reduces costly and burdensome over-regulation and places authority and responsibility with the agency.

(ff) Section 201–22.303 is revised to expand the scope of the subpart. Currently, this provision requires agencies to review the use of equipment that is already outdated and to determine if continued use is economical. This provision is revised also to expand the scope of the review to include equipment that may be obsolescent. This change is made to encourage agencies to ensure that their FIP equipment always remains economical and efficient. Guidelines are provided to assist agencies in identifying obsolescent equipment. Agencies are encouraged to replace their obsolescent equipment if the cost of continued use exceeds the cost of acquiring and operating newer technology.