



U.S. ARMY CONTRACTING AGENCY (ACA) NEWSLETTER

“OUR TEAM IS GROWING”

Volume 1, Issue 8

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ACA Establishes Metrics for Performance Evaluations

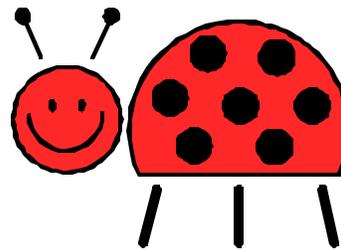
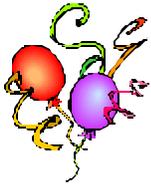
The Army Contracting Agency (ACA) was established on 1 October 2002 to realign a significant portion of the Army's contracting resources and actions into one organization. The ACA will be responsible for over \$5.5 billion in annual obligations and will be one of the three largest contracting activities in the Army. A primary goal of the ACA is to synchronize contract management activities with the Installation Management Agency and to reshape customer support in a manner that is transparent to its customers.

The ACA will generate savings primarily through reduced cost of purchasing by eliminating duplicative overhead and obtaining efficiencies from regionalized and national contracts and by operating the Information Technology, E-Commerce and Commercial Contracting Center (ITEC4).

In a recent memorandum to ACA components, Acting Director Sandra O. Sieber identified the metrics that will be used to evaluate performance of the newly established ACA and its contracting activities at installation level. These measures are divided into four general groups and include one set for use by the Assistant Secretary of the Army (Acquisition Logistics and Technology), two other sets for the Office of the Assistant Chief of Staff for Installation Management (OACSIM), and a fourth set for use by the Army staff.

Although each of the metrics measures the efficiency or effectiveness of a contracting activity by a slightly different “yardstick,” the results are expected to give an overall picture of the relative strength and responsiveness of installation contracting activities to the needs of individual customers and supported activities. General categories will measure customer satisfaction, the effectiveness of the new agency in its efforts to analyze Army spending patterns, consolidate contract requirements where appropriate, achieve economies of scale to save taxpayer dollars, and measure the impact on timeliness, quality, and costs of service. The ACA will also add new focus to Government Purchase Card management controls.

The number one measure of the success of any service organization is customer satisfaction. The ACA will implement the DOD Interactive Customer Evaluation (ICE) system on 30 November 2002 to allow customers to submit real time comments and to receive rapid responses from managers. ICE requires no new hardware, software, or special passwords and can be accessed from any computer that can connect to the Internet. ACA managers will be able to compare performance of contracting activities across an ACA region or even ACA-wide. Log onto <http://ice.disa.mil> for a tour of the customer module. Questions concerning ICE implementation by ACA should be directed to Bill Swan, ICE Site Manager, at (703) 681-1047 or DSN 761-1047 or William.Swan@saalt.army.mil



**HOLIDAY GUIDANCE ON PARTYING WITH
CONTRACTORS AND SUPERVISORS**

It's holiday time, and many offices hold parties and receptions involving food, drink, and even gifts. Such activities among Federal employees are well established, but the inclusion of contractor employees, who are not Federal employees yet who work in your organization, may add some new ethics considerations. The guidance below, which is drawn in large part from a paper published on the Air Force Ethics web page, addresses some of these issues.

THE RULES (5 C.F.R. 2635. 201 - 304)

The following restrictions frequently come into play with holiday parties. (These are not all of the rules and exceptions, only the most applicable ones for holiday events.)

Gifts From Contractors:

1. Federal employees may not accept gifts from contractors or contractor personnel.
 - a. Exception #1: Gifts (other than cash) not exceeding \$20 may be accepted as long as the employee has not accepted other gifts from the contractor that, when accumulated, exceed \$50 for the year.

b. Exception #2: Federal employees may accept gifts from a contractor employee that are based on a bona fide personal relationship. (Such personal gifts are actually paid for by the contractor employee.)

c. Exception #3: Federal employees may generally attend a contractor's open-house or reception if it is a widely-attended gathering, and the employee's supervisor determines that it is in the agency's interest that the employee attends.

d. Exception #4: Federal employees may accept invitations (even from contractors) that are open to the public, all Government employees, or all military personnel.

e. Exception #5: Federal employees may accept invitations offered to a group or class that is not related to Government employment.

Gifts Between Federal Employees:

1. Superiors may not accept gifts from subordinates or employees who receive less pay

a. Exception #1: On an occasional basis (like during the holidays) superiors may accept gifts (other than cash) of \$10 or less from a subordinate.

b. Exception #2: Superiors can accept food and refreshments shared in the office.

c. Exception #3: Superiors may accept personal hospitality in the residence of a subordinate of the type and value customarily given on such an occasion.

d. Exception #4: Superiors may accept gifts of the type and value customarily given for personal hospitality at their residences.

(Please note, there are no restrictions on gifts given to peers or subordinates)

Rules Applicable to Contractor Employees:

Many contractors have rules of ethics or business practices that are similar to the Federal rules. Take these rules into consideration before offering contractor employee's gifts or opportunities they may not be able to accept.

APPLICATION OF THE RULES

1. Office Party (non-duty time): Your office is having a holiday party during the non-duty lunch hour or after work and asks each person attending to pay \$5 to cover refreshments and to bring a pot luck dish or dessert. Contractor employees may attend, pay \$5, and bring food because these contributions are not considered to be gifts, but a fair share contribution to the refreshments. Remember, contributions must be voluntary, so soliciting must be done with care to ensure there is no pressure. Also, ensure this is non-duty time for the contractor employees as well.

2. Office Party (duty time): What about a party that cuts into duty hours? The government usually may not reimburse a contractor for its employees' morale and welfare expenses. The contractor has to decide whether to let its employees attend and forego payment for their time, or insist that they continue to work. If contractor employees are allowed to attend, the contractor must also decide whether it would pay its employees for that time, even though the government wouldn't reimburse it. The contractor does not have to pay its employees for that time. Consult the contracting officer and ethics counselor before inviting contractor employees to a function during their duty hours.

3. Gift to Supervisor: Your office wants to give the office supervisor a gift. However, you can't solicit other employees for contributions to a group gift at a recurring occasion such as the holidays. This goes double for contractor employees. You can't ask them to contribute any cash toward a gift, as it is considered soliciting a gift from a prohibited source. Even if the contractor employees volunteer to contribute cash, it may not be accepted because the \$20 exception does not apply to cash.

4. Exchange of Gifts: Your office, including the contractor employees, wants to exchange gifts at the party. If gifts are chosen at random or traded, there are no monetary limits (except common sense) because the purchaser of the gift does not know who will eventually receive it. Gift exchanges, in which employees purchase gifts for other employees whose names they drew at random, are more troublesome. Where an employee may buy a gift for a superior, the \$10 limit is prudent. Where contractor personnel are involved, a \$20 limit eliminates any concerns. Some organizations consider such a gift exchange to be exchanges of items of equivalent value, and that everyone participating is paying market value for the items, so no one is receiving a gift. As such, the suggested monetary limits above are not applicable.

5. Private Parties (Federal Employee): One of your government co-workers is having a party at his house and has invited the whole office, including the contractor employees. This is ok because a gift of food and refreshments to a contractor employee does not violate government ethics rules. He may, however, want to check with his contractor's rules before accepting since many contractors have similar ethics rules. If the contractor employee brings a gift to the host as thanks for the hospitality, it may not exceed \$20. If it is more, but is immediately edible, the host could accept it on behalf of all the guests and share it.

6. Private Parties (Contractor Employee): If a contractor employee is having a party and invites government employees, normally the government employee must decline, since the food, drink, and entertainment is a gift from a prohibited source. Several exceptions may permit attendance, however. Under the \$20 rule, if the average cost per guest does not exceed \$20, the government employee may accept. (However, if the cost per guest is \$40, the "I won't eat more than \$20 worth of food." defense will not work.) Also, the government employee may accept if the invitation is based on a bona fide personal relationship with the contractor employee. Finally, if the party qualifies as a widely attended gathering (involving a large number of persons representing a diversity of views) and the employee's supervisor determines that it is in the agency's interest for the employee to attend, the employee may enjoy the food, drink, and entertainment. Government employees who desire to take a gift to show their appreciation for the hospitality should consult with the contractor employee to determine if he or she may accept such a gift in accordance with the contractor's rules of ethics.

7. Private Parties (Contractor-sponsored): If the contractor is sponsoring an employee's party or open house, and you are invited by the contractor, you may not attend unless one of the exceptions in paragraph #6, above, apply.

Have a wonderful holiday season. Please remember that this guidance only highlight common questions, and does not cover every situation. If you are unsure, contact your Ethics Counselor.

This article is intended for general guidance only and should not be applied to actual ethical issues without careful consideration as to whether the facts of your case are consistent with the guidance and scenarios discussed herein. You should consult with your command Ethics Counselor regarding any "close calls" or other controversial or questionable situations.

"HAIL & FAREWELLS"



Mr. Dan Carro was selected as the Air Force Liaison Officer in the Purchase Card Joint Program Office, ACA. Mr. Carro was most previously assigned to the Defense Contracting Command - Washington as the Director of Contracting. Prior to that he was an Air Force procurement analyst at the U.S. Transportation Command. Welcome Dan!

Mr. Tom Evans Joins us from the Military District of Washington (MDW) Fort Belvoir, VA. Mr. Evans is assigned to Business Systems Directorate.

Mr. Tom Watchko has joined the ACA team and previously worked at the Military District of Washington (MDW) Fort Myers, Virginia. Mr. Watchko is assigned to the Contract Policy and Support Directorate.

CONGRATULATIONS AND WELCOME



By passing the colors Mrs. Sandra O. Sieber passes the responsibility for the Southern Region of the Army Contracting Agency (ACA) to Col Charles J. Guta, during a ceremony held on 30 Oct 02. Col Guta as the Director of the Southern Region of the ACA will ultimately be responsible for twenty Directorates of Contracting spanning the Southern half of the United States.

The new Southern Region Headquarters building for the Army Contracting Agency is dedicated in a ceremony on 30 Oct 02. Participating in the ceremony are (from left to right) Mrs. Toni Gaines, Deputy Director, Southern Region; Col Charles J. Guta, Director, Southern Region and Mrs. Sandra O. Sieber, Acting Director Army Contracting Agency.



The Colors for the Army Contracting Agency's Southern Region Headquarters are uncased for the first time during a ceremony on 30 Oct 02. Participating in the ceremony are (from left to right) Col Charles J. Guta, Director, Southern Region; LTC Dennis Bleckley, Southern Region LNO to FORSCOM and Mrs. Sandra O. Sieber, Acting Director Army Contracting Agency.

CHRISTMAS STORIES/TRADITIONS



In some countries, especially Britain, France, and the Scandinavian nations, many families burned a Yule log at Christmastime. The log was a large piece of a tree trunk, and people kept an unburned part of it to light the next year's log. Early Europeans believed the unburned wood had magic powers. It was thought that bad luck would follow if the Yule log fire went out. Today, these fires are confined to large public fireplaces, such as those in ski resorts.

Large numbers of people enjoy reading Christmas stories and poems during the holiday season. For example, *A Christmas Carol* (1843) by the English novelist Charles Dickens ranks as one of the most famous tales ever written. The poem "A Visit from St. Nicholas" (1823), popularly known by its first line, "'Twas the Night Before Christmas," is read aloud in many homes on Christmas Eve. Clement Moore, an American scholar, supposedly wrote this poem as a Christmas present for his children. Several musical productions are also Christmas traditions. They include *The Nutcracker*, a ballet by Peter Ilich Tchaikovsky of Russia, and *Amahl and the Night Visitors*, an opera by Gian Carlo Menotti of Italy.

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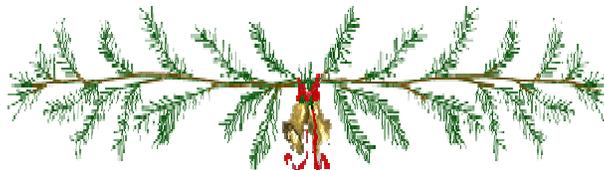
A Word from the Editor

We would like to involve our readers in playing a more active role in guiding the publication. As always, we continue to invite our readers to provide their ideas, views, and opinions. If you have comments and/or suggestions for the newsletter on how we can continue to improve the publication, please don't hesitate to let me know. Email your comments to Shirlee.Knickerbocker@SAALT.army.mil or call me at DSN 761-9158.

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“HAPPY HOLIDAYS”