DEPARTMENT OF THE NAVY

OFFICE OF THE ASSISTANT SECRETARY (Research, Development and Acquisition) WASHINGTON, D.C. 20350-1000

MAR

DAR Tracking No. 96-00002

DFARS CASE: 96-D307

MEMORANDUM FOR DISTRIBUTION

Subj: JUSTIFICATION AND APPROVAL THRESHOLDS

Encl: (1) OUSD DP(DAR) memo of 13 March 1996

Enclosure (1) is forwarded for information and implementation as appropriate. Please note that the increased J&A approval thresholds are not effective until 12 April 1996. Until then, J&A approvals continue to be subject to existing requirements.

To reduce administrative burdens, contracting activities are encouraged, when it is programatically feasible to do so, to delay seeking approval of J&A's for proposed contracts between \$10 million and \$50 million until the new thresholds are in effect.

> Elliott B. Branch Elliott B. Branch

Executive Director Acquisition & Business

Management

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OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON WASHINGTON DC 20301-3000

March 13, 1996



In reply refer to DAR Tracking No. : 96-00002 DFARS Case: 96-D307 D. L. 96-003

MEMORANDUM FOR DIRECTORS OF DEFENSE AGENCIES

DEPUTY FOR ACQUISITION AND BUSINESS MANAGEMENT,

ASN(RD&A)/ABM

DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (CONTRACTING) , SAF/AQC

DIRECTOR, PROCUREMENT POLICY, ASA(RD&A)/SARD-PP DEPUTY DIRECTOR (ACQUISITION), DEFENSE LOGISTICS AGENCY

SUBJECT: Justification and Approval Thresholds

We have amended the Defense Federal Acquisition Regulation Supplement and issued a class deviation to implement Section 4102 of the FY 1996 Defense Authorization Act (Pub. L. 104-106), which revises 10 U.S.C. 2304(f) (1) (B) and 41 U.S.C. 253(f) (1) (B) to raise the dollar thresholds pertaining to approval for the use of other than full and open competition. Section 4102 increases the approval threshold range for the competition advocate for the procuring agency from between "\$100, 000 but not exceeding \$1,000,000" to between `\$500,000 but not exceeding \$10,000,000" and raises the approval threshold for the head of the procuring activity, or designee from "\$1,000,000 but not exceeding \$10,000, 000" to "\$10, 000,000 but not exceeding \$50,000,0000."

The attached class deviation and final DFARS rule are effective 30 days after the date of this memorandum.

The class deviation will remain in effect until the FAR is revised.

Eleanor R. Spector

Director, Defense Procurement

Attachments

cc: DSMC, Ft. Belvoir

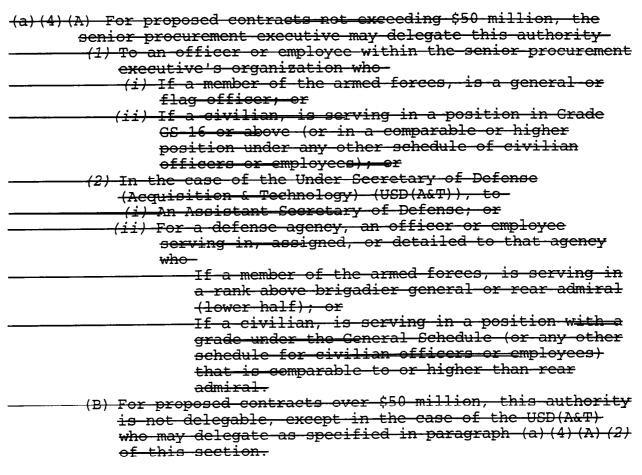
ENCLOSURE(1)



Affected FAR Citations

- 6.304 Approval of the justification.
 - (a) * *
- (1) For a proposed contract not exceeding \$100,000 [\$500, 000], the contracting officer's certification required by 6.303-2(a) (12) will serve as approval unless a higher approving level is established in agency procedures.
- (2) For a proposed contract over \$100-000 but mt exceeding \$10,000, 000], by the competition advocate for the procuring activity designated pursuant to 6.501 or an official described in paragraph (a) (3) or (a) (4) of this section. This authority is not delegable.
- (3) For a proposed contract over \$1 000 000 but not exceeding \$50,000,0001, by the head of the procuring activity, or a designee who--
 - (i) * (ii) * * *
- (4) Except for DOD, NASA, and the Coast Gua d f[F]or a proposed contract over 210 000,000[\$50,000,000], by the senior procurement executive of the agency designated pursuant to the OFPP Act (41 U.S.C. 414(3)) in accordance with agency Procedures— This authority is not delegable [except in the case of the Under Secretary of Defense (Acquisition and Technology) acting as the senior procurement executive for the Department of Defense.]
 - (b) * * *
 - (C) * * *
 - (b) * *

206.304 Approval of the justification.



- (a) (4) The Under Secretary of Defense (Acquisition & Technology) may delegate this authority to--
 - (A) An Assistant Secretary of Defense; or
 - (B) For a defense agency, an OffiCer or employee serving in, assigned, or detailed to that agency who--
 - (1) If a member of the armed forces, is serving in a rank above brigadier general or rear admiral (lower half); or
 - (2) If a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers or employees) that is comparable to or higher than rear admiral.

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Blind copy to:

COMNAVAIRSYSCOM (2.11)

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COMNAVSEASYSCOM (028311)

COMSPAWARSYSCOM (0241)

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OGC (RD&A) (Mr. Townsend)

OUNSECNAV (SADBU)

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OASN (RD&A) ABM-PR

AL WINSTON

CALLAWAY BOX

Case file

Correspondence (File)

Writer: K. Wright, (703) 602-2806
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