

FAR Alert Notice (FAN)
Issuance of Proposed Rules and Federal Acquisition Circular 2005-89

This FAR Alert Notice (FAN) provides awareness to the acquisition workforce about upcoming regulatory changes.¹ This FAN highlights noteworthy proposed rules, and interim and final rules recently published in the released Federal Acquisition Circular (FAC) that impact the acquisition workforce.²

A brief description of each rule is provided below with hyperlinks to an expanded version of the rules. Agencies are encouraged to disseminate this FAN widely across their acquisition workforce.

Rules at a Glance

Proposed Rules

See notice below under Proposed Rules

FAC 2005-89 (published on July 14, 2016)

FAR Case 2014-003, Small Business Subcontracting Improvements

FAR Case 2014-023, OMB Circular Citation Update

FAR Case 2016-008, FPI Blanket Waiver Threshold

FAR Case 2015-025, Revision to Standard Forms for Bonds

Proposed Rules - Proposed rules are published more often than FACs. To provide timely updates to the acquisition community, the proposed rules will now be posted in real time on acquisition.gov - click on Proposed Rules in the moving banner at the top of the page. To receive automatic email notices of the latest proposed rules as well as other FAR related news, go to <https://listserv.gsa.gov/cgi-bin/wa.exe?A0=ACQUISITIONNEWS>, and click on "Subscribe" and select either regular or digest – see below for definitions of regular and digest.³

Final Rules

FAC 2005-89 (Published on July 14, 2016)

[FAR Case 2014-003, Small Business Subcontracting Improvements](#)

This final rule amends the FAR to implement SBA's final rule published at 78 FR 42391 on July 16, 2013. The rule will implement the statutory requirements set forth in section 1321 and 1322 of the Small Business Jobs Act of 2010, (Pub. L. 111-240), as well as other requirements aimed at improving subcontracting regulations to increase small business opportunities. This rule will become effective on November 1, 2016.

[FAR Case 2014-023, OMB Circular Citation Update](#)

This final rule amends the FAR to update outdated OMB Circular citation references. On December 26, 2013, the Office of Management and Budget (OMB) published new guidance at 2 CFR part 200 entitled Uniform Administrative Requirements, Cost Principles, and Audit

¹This FAR Alert was established by the Office of Federal Procurement Policy (OFPP) in 2012 to help improve agency awareness of regulatory changes. GSA prepares the FAN for dissemination to the acquisition workforce via the FAI website. Questions about the individual rules should be directed to the analyst in the "For Further Information Contact" paragraph of the rule.

² Proposed rules announce future changes being considered to the Code of Federal Regulations (CFR), include proposed regulatory text, and solicit public comments. Interim rules announce immediate changes to the CFR and are effective immediately upon publication, or on a specified date after publication, but may be amended based on public comment. Final rules make permanent changes to the FAR after considering public comment, if required. Final rules are effective on a specified date after publication.

³ Definitions/Instructions - "Regular" means you get one message at a time just like regular email. "Digest", of which there are several types means that instead of getting each message as it is sent, the person gets one message per day made up of all the messages sent to the list that day, the digest usually has an index of subject lines at the top linking to all the messages.

Requirements for Federal Awards, adopted by Federal agencies as a set of binding regulations that became effective December 26, 2014. This new guidance supersedes and streamlines requirements from OMB Circulars A-21, A-87, A-89, A-102, A-110, A-122, and A-133, as well as the guidance in Circular A-50 on Audit Followup. This rule will become effective on August 15, 2016.

[FAR Case 2016-008, FPI Blanket Waiver Threshold](#)

This final rule amends the FAR to increase the blanket waiver threshold for small dollar-value purchases from Federal Prison Industries (FPI) by Federal agencies from \$3,000 to \$3,500. No waiver is required to buy from an alternative source below \$3,500. Customers may, however, still purchase from FPI at, or below, this threshold, if they so choose. This rule will become effective on August 15, 2016.

[FAR Case 2015-025, Revision to Standard Forms for Bonds](#)

This final rule amends the FAR to revise five Standard Forms prescribed for contracts involving bonds and other financial protections. The revisions, aimed at clarifying liability limitations and expanding the options for organization types, are made to Standard Forms 24, 25, 25A, 34, and 35. These changes will minimize questions from industry to the contracting officer. This rule will become effective on August 15, 2016.