



Headquarters Policy Flash

Flash 99-16

DATE: October 5, 1999
TO: Distribution
FROM: Office of Procurement and Assistance Policy, MA-51
Office of Procurement and Assistance Management

SUBJECT: **A. Section 208 Exemption for Procurement Personnel**
B. Woman-Owned Small Business Advocates
C. Javits-Wagner-O'Day Program Week
D. Extension of 8(a) Program - Memorandum of Understanding
E. Small Disadvantaged Business Price Adjustment Factor/Standard Industrial Classification Codes
F. Federal Acquisition Circular (FAC) 97-14

SUMMARY: This Policy Flash transmits information on the following five items.

A. Section 208 Exemption for Procurement Personnel



Attachment 1 is a memorandum from the Assistant General Counsel for General Law, dated September 24, 1999, which transmits a memorandum from the Office of Government Ethics reaffirming that procurement personnel may participate in A-76 procurements where the procurement employee is one of a group of Federal employees affected by the procurement.

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B. Woman-Owned Small Business Advocates

Attachment 2 is a copy of the memorandum from the Director, Office of Small and Disadvantaged Business Utilization, requesting Heads of Contracting Activities to appoint a Woman-Owned Small Business Advocate for each activity.

C. Javits-Wagner-O'Day (JWOD) Program Week

Attachment 3 is a notice from the Committee for Purchase from People who are Blind or Severely Disabled announcing "JWOD Week" which will run from October 11-17, 1999 during National Disability Employment Awareness Month. It is designed to raise awareness of the Government-wide JWOD purchasing program to generate employment and training opportunities for people who are blind or have other severe disabilities. You may visit their website at www.jwod.gov for further information.

D. Extension of 8(a) Program - Memorandum of Understanding

The Memorandum of Understanding (MOU) between the Small Business Administration and DOE governing the 8(a) Program is being extended to January 31, 2000. The MOU allows DOE to contract directly with 8(a) firms (see Acquisition Letter 98-09). SBA is pursuing a single government-wide, uniform MOU and is currently conducting further fact-finding.

E. Small Disadvantaged Business Price Adjustment Factor/Standard Industrial Classification Codes

On September 30, 1999, the Office of Federal Procurement Policy published a "Notification of Determination" in the Federal Register to notify the public that the Department of Commerce has determined that the small disadvantaged business price evaluation adjustment and the authorized Standard Industrial Classification major industry groups are the same in fiscal year 2000 as in fiscal year 1999.

F. Federal Acquisition Circular (FAC) 97-14

The FAR changes relating to the 16 items included in the recently issued FAC 97-14 (published in the Federal Register on September 24, 1999, at 64 FR 51830) are summarized. The effective date for each item is noted in the summary. Contracting personnel should review the details of each item in the full text of FAC 97-14, which is available on the Internet at <http://www.arnet.gov/far>.

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The following items are included in this FAC:

1. **Very Small Business Concerns** (*Effective November 23, 1999*)

This final rule converts the interim rule published as Item II of FAC 97-11 to a final rule with changes. The interim rule amended FAR 5.207, 8.404, 12.303, 19.000, 19.001, 19.102, 19.502-2, 19.901 through 19.904, 52.212-5, and 52.219-5, to implement the Small Business Administration's Very Small Business Pilot Program (13 CFR Parts 121 and 125). This program became effective on January 4, 1999. Its purpose is to improve access to government contracts for small businesses that employ 15 or fewer people and have annual receipts of \$1 million or less. The FAR contains specific criteria for applying the program.

2. **Historically Underutilized Business Zone (HUBZone) Empowerment Contracting Program** (*Effective November 23, 1999*)

This final rule converts the interim rule published as Item I of FAC 97-10 to a final rule with amendments at FAR 6.201, 19.306, 19.307, 19.800, 19.1303, and the provision at 52.219-1. This final rule amends the FAR to implement the Small Business Administration's Historically Underutilized Business (HUBZone) Program. The purpose of the program is to provide Federal contracting assistance for qualified small business concerns located in historically underutilized business zones in an effort to increase employment opportunities, investment, and economic development in these areas. The program provides for set-asides, sole source awards, and price evaluation preferences for HUBZone small business concerns and establishes goals for awards to such concerns. The FAR contains specific criteria for applying the program.

3. **Use of Competitive Proposals** (*Effective November 23, 1999*)

This final rule amends FAR 6.401 to delete the requirement for contracting officers to explain in writing their rationale for choosing to use competitive proposals rather than sealed bidding.

4. **Javits-Wagner-O'Day Proposed Revisions** (*Effective November 23, 1999*)

This final rule adds a new section, FAR 8.716, and amends paragraph (a) of FAR 42.1203 to provide procedures for recognizing a name change or a successor in interest for a Javits-Wagner-O'Day Act participating nonprofit agency providing supplies or services on the Procurement List maintained by the Committee for Purchase From People Who Are Blind or Severely Disabled.

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5. **OMB Circular A-119** (*Effective November 23, 1999*)

This final rule amends FAR 11.101, 11.107, 11.201, and adds a provision at 52.211-7 to address the use of voluntary consensus standards in accordance with the requirements of Office of Management and Budget (OMB) Circular A-119. The new provision applies to agencies that use the transaction-based reporting method. DOE does not use this reporting method, consequently, use of the provision is optional for DOE Contracting Officers.

6. **Determination of Price Reasonableness and Commerciality** (*Effective September 24, 1999*)

This interim rule revises FAR 12.209, 13.106-3(a)(2), and amends Subpart 15.4 to implement Section 803 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Pub. L. 105-261). Section 803 requires amending the FAR to provide specific guidance concerning –

- the appropriate application and precedence of various price analysis tools;
- the circumstances under which contracting officers should require offerors of exempt commercial items to provide information other than cost or pricing data; and
- the role and responsibility of support organizations in determining price reasonableness.

This interim rule also revises FAR 15.403-3(a) to implement Section 808 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Pub. L. 105-261). Section 808 requires amending the FAR to--

- clarify procedures associated with obtaining information other than cost or pricing data when acquiring commercial items;
- establish that offerors who fail to comply with requirements to provide the information shall be ineligible for award; and
- establish exceptions, as appropriate.

7. **Conforming Late Offer Treatment** (*Effective November 23, 1999*)

This final rule amends FAR 14.201-6, 14.304, and 15.208, the provisions at 52.212-1, 52.214-7, 52.214-23, and 52.215-1, and removes 52.214-32 and 52.214-33 to provide uniform guidance regarding receipt of late offers for commercial, sealed bid, and negotiated acquisitions.

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8. Evaluation of Proposals for Professional Services (Effective November 23, 1999)

This final rule amends FAR 15.305(a)(1) and 37.115-2(c) to provide guidance on the evaluation of proposals that include uncompensated overtime hours.

9. Option Clause Consistency (Effective November 23, 1999)

This final rule amends FAR 17.208(g) to clarify that the time period for providing a preliminary notice of the Government's intent to exercise a contract option in the clause at FAR 52.217-9 may be tailored and amends the clause at FAR 52.217-8 to make the format of the Option to Extend Services clause consistent with the format of other option clauses in the FAR.

10. Compensation for Senior Executives (Effective September 24, 1999)

This final rule covers the interim rule published as Item VIII of FAC 97-11 to a final rule without change. The rule amends FAR Part 31 to implement Section 804 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Pub. L. 105-261). Section 804 revises the definition of "senior executive" at 10 U.S.C. 2324(1)(5) and at 41 U.S.C. 256(m)(2) to be "the five most highly compensated employees in management positions at each home office and each segment of the contractor" even though the home office or segment might not report directly to the contractor's headquarters.

11. Interest and Other Financial Costs (Effective November 23, 1999)

This final rule amends FAR 31.205-20 to make minor changes to the cost principle concerning "interest and other financial costs."

12. Cost-Reimbursement Architect-Engineer Contracts (Effective November 23, 1999)

This final rule amends the clause prescriptions at FAR 36.609, 44.204, 49.503, and the clause preface at 52.236-25, Requirements for Registration of Designers, to include application of certain clauses to cost-reimbursement architect-engineer contracts.

13. Conditionally Accepted Items (Effective November 23, 1999)

This final rule amends FAR 46.101 to add a definition of conditional acceptance; and FAR 46.407 to require that, when conditionally accepting nonconforming items, amounts withheld from payments should be at least sufficient to cover the cost and related profit to correct deficiencies and complete unfinished work. FAR 46.407 has also been revised to require that the basis for the amounts withheld be documented in the contract file.

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14. Value Engineering Change Proposals/PAT (Effective November 23, 1999)

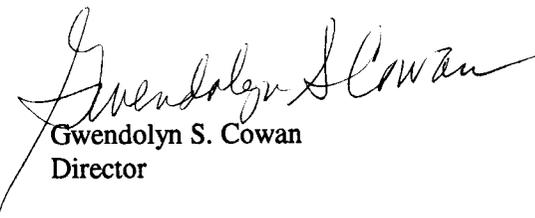
This final rule amends the value engineering change proposal (VECP) guidance in FAR 48.001, 48.102, 48.104, 48.201, and the FAR clause at 52.248-1 to allow the contracting officer to increase the sharing period from 36 to a range of 36 to 60 months; increase the contractor's share of instant, concurrent and future savings under the incentive/voluntary sharing arrangement from 50 to a range of 50 to 75 percent; and increase the contractor's share of collateral savings from 20 to a range of 20 to 100 percent on a case-by-case basis for each VECP.

15. Cost Accounting Standards Post-Award Notification (Effective November 23, 1999)

This final rule revises paragraph (e) of the clause at FAR 52.230-6, Administration of Cost Accounting Standards, to reduce the subcontractor information that a contractor is required to provide to its cognizant contract administration office (CAO) when requesting the CAO to perform administration for Cost Accounting Standards matters.

16. Technical Amendments (Effective September 24, 1999 except for sections 19.102 and 52.219-18 which are effective November 23, 1999)

Amendments are being made at 1.106, 15.305, 19.102, 52.211-6, and 52.219-18 to update references and make editorial changes.


Gwendolyn S. Cowan
Director

3 Attachments



Department of Energy
Washington, DC 20585

SEP 24 1999

MEMORANDUM FOR RICHARD H. HOPF
DIRECTOR OF PROCUREMENT AND ASSISTANCE
MANAGEMENT
OFFICE OF MANAGEMENT AND ADMINISTRATION

MARY A. MASTERSON
ASSISTANT GENERAL COUNSEL FOR
PROCUREMENT AND FINANCIAL ASSISTANCE

FROM: ASSISTANT GENERAL COUNSEL FOR GENERAL LAW

SUBJECT: Section 208 Exemption for Procurement Personnel

Attached is a copy of a recent Memorandum from the Office of Government Ethics regarding Federal procurement personnel and privatization, which may be of interest to you.

The Office of Government Ethics reaffirmed that its regulatory exemption from 18 U.S.C. § 208 at 5 C.F.R. § 2640.403(d) permits procurement personnel to participate in procurements that are conducted under OMB Circular A-76 procedures, where the procurement employee is one of a group of Federal employees affected by the procurement.

A handwritten signature in black ink, appearing to read "R. Goldenberg".

Ralph D. Goldenberg

Attachment

cc: Mary H. Egger

1



United States
Office of Government Ethics

1201 New York Avenue, NW., Suite 500
Washington, DC 20005-3917

Attachment 1

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September 9, 1999
DO-99-035

MEMORANDUM

TO: Designated Agency Ethics Officials

FROM: 
Stephen D. Potts
Director

SUBJECT: Section 208 Exemptions for Disqualifying
Financial Interests that are Implicated by
Participation in OMB Circular A-76 Procedures

A recent decision by the Comptroller General has generated several inquiries about the applicability of the exemption under 5 C.F.R. § 2640.203(d) for employees who evaluate contractor proposals for procurements conducted under Office of Management and Budget (OMB) Circular A-76 procedures.¹ In that decision, fourteen of the sixteen employee evaluators held positions that were subject to being contracted out. The employees evaluated the technical proposals of contractors who were offering to perform the maintenance, operation, repair and minor construction services currently performed in-house by the Government employees. A total of 495 employees worked in the affected component. The Comptroller General concluded that it was a conflict of interest for the affected employees to participate in the evaluation of the contractor proposals, citing various provisions of the Federal Acquisition Regulation (FAR).

The Comptroller General decision did not address the Office of Government Ethics (OGE) exemption under 18 U.S.C. § 208 for employees who participate in particular matters where the disqualifying financial interest arises from Federal Government employment. We are issuing this Memorandum to reaffirm the applicability of the exemption at 5 C.F.R. § 2460.203(d) for employees who participate in matters conducted under OMB Circular A-76 procedures.²

¹ The decision was DZS/Baker LLC; Morrison Knudsen Corporation, B-281224, January 12, 1999.

² We address in this Memorandum only our interpretation of
(continued...)

Designated Agency Ethics Officials
Page 2

The Federal Acquisition Regulation at 48 C.F.R. § 3.101-1 requires that

[g]overnment business be conducted in a manner that is above reproach and, except as authorized by statute or regulation, with complete impartiality and with preferential treatment for none. Transactions relating to the expenditure of public funds require the highest degree of public trust and an impeccable standard of conduct. The general rule is to avoid strictly any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships. While many Federal laws and regulations place restrictions on the actions of Government personnel, their official conduct must, in addition, be such that they would have no reluctance to make a full public disclosure of their actions. [underscoring supplied]

While the Comptroller General opinion cited part of this FAR provision as a basis for the decision, it did not include or discuss the first sentence of the provision. Additionally, although raised by the attorney representing the Department of the Air Force, the opinion made no mention in the decision concerning the conflict of interest statute in 18 U.S.C. § 208 nor of the exemptions that OGE has issued by regulation implementing that statute. We believe that these were significant omissions that may well have affected the conclusion in that case.

Unless permitted by 18 U.S.C. § 208(b)(1)-(4), an employee is prohibited by 18 U.S.C. § 208(a) from participating personally and substantially in an official capacity in any particular matter in which to his knowledge, he, or any other person specified in the statute, has a financial interest, if the particular matter will have a direct and predictable effect on that interest. A "particular matter" includes evaluation of contract bids or proposals. An employee who evaluates bids or proposals of contractors who are offering to perform the work that the employee performs in-house is participating personally and substantially in a particular matter that will have a direct and predictable effect on his financial interest. In the absence of an exemption or an individual waiver, the employee could not evaluate such bids or proposals without violating Section 208(a).

²(...continued)

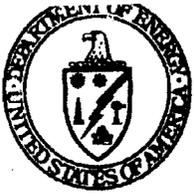
18 U.S.C. § 208 and the exemption at 5 C.F.R. § 2640.403(d) that is authorized by 18 U.S.C. § 208(b)(2). This Memorandum does not purport to interpret OMB Circular A-76 nor the Revised Supplemental Handbook to OMB Circular A-76.

Designated Agency Ethics Officials
Page 3

In accordance with 18 U.S.C. § 208(b)(2), OGE has provided an exemption for such employees who participate in particular matters where the disqualifying financial interest arises from Federal Government employment. While an employee may not make determinations that would individually and specially affect his own salary and benefits, the exemption does permit an employee to make determinations that would affect an entire office or group of employees, even though the employee is a member of that group. Under those circumstances, employees who participate in matters connected with OMB A-76 procedures, including the evaluation of bids or proposals, are not in violation of Section 208(a). As noted in 5 C.F.R. § 2635.501, a determination that an exemption in 5 C.F.R. § 2640 applies also constitutes a determination under the standards of conduct that the interest of the Government in the employee's participation outweighs the concern that a reasonable person may question the integrity of agency programs and operations.

Employees who participate in A-76 procedures, however, should be reminded of other conflict of interest provisions that may apply in Title 18 of the United States Code, in the standards of ethical conduct at 5 C.F.R. part 2635, and in the procurement integrity provisions at section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. § 423) and its implementing regulations at 48 C.F.R. § 3.104.³ For this reason, and because we anticipate that conflict of interest issues will arise more frequently as A-76 efforts increase, we ask that you share this Memorandum with procurement officials at your agency and with those involved in the implementation of A-76 procedures.

³ For a fuller discussion of these restrictions, see OGE Informal Advisory Letter 95 x 10 (originally published as an article in the Government Ethics Newsgram, Summer 1995, entitled "Privatization Issues Affect Federal Employees," Vol. 12, No. 2, pp. 1-3).

**Department of Energy**

Washington, DC 20585

August 25, 1999

MEMORANDUM FOR HEADS OF CONTRACTING ACTIVITIES

FROM: SARAH SUMMERVILLE *Summerville*
DIRECTOR
OFFICE OF SMALL AND DISADVANTAGED
BUSINESS UTILIZATION

SUBJECT: APPOINTMENT OF A WOMAN-OWNED SMALL BUSINESS
ADVOCATE

In accordance with the Memorandum of Understanding (MOU) between the Department of Energy (DOE) and the Small Business Administration (SBA), and Secretary Richardson's memorandum of July 28, 1999, you are requested to appoint a Woman-Owned Small Business Advocate for your activity.

The advocates will serve as direct liaisons to the woman-owned small business community and will aggressively encourage each Head of Contracting Activity (HCA) procurement office and program office to consider woman-owned small businesses for all procurement opportunities. They will work to raise the visibility of woman-owned small businesses in day-to-day procurement activities.

Please forward the name and phone number of your designee to Fern Spivy of my staff. Fern is the Woman-Owned Small Business Advocate in DOE Headquarters and can be reached at (202) 586-6218 or via e-mail at fern.spivy@hq.doe.gov.

This appointment terminates 2 years from the May 25, 1999, execution of the MOU. If the MOU is renewed, a new appointment will be requested.

Attachments

1. DOE/SBA MOU dated May 25, 1999
2. Secretary Richardson's Memorandum dated July 28, 1999





The Secretary of Energy
Washington, DC 20585

Attachment 2
Page 2 of 6

July 28, 1999

MEMORANDUM FOR HEADS OF DEPARTMENTAL ELEMENTS

FROM: BILL RICHARDSON *Bill Richardson*

SUBJECT: Memorandum of Understanding (MOU) between the Department of Energy (DOE) and the Small Business Administration (SBA) on Woman-Owned Small Businesses

The Department of Energy recently signed the attached Memorandum of Understanding (MOU) with the Small Business Administration (copy attached) to work together to maximize procurement opportunities for woman-owned small businesses.

The Federal Acquisition Streamlining Act of 1994 (P.L. 103-355) established the government wide goal for participation by small business concerns owned and controlled by women at not less than 5 percent of the total value of all prime contract and subcontract awards for each subsequent fiscal year.

Although in recent years the Department has implemented several initiatives that focus on woman-owned small businesses, prime contract awards remain under 3 percent and subcontract awards under 4 percent. Therefore, I am requesting that you work with DOE's Office of Small and Disadvantaged Business Utilization and the Woman-Owned Small Business Advocate to implement the MOU, as well as explore any other avenues to improve procurement opportunities for woman-owned small businesses.

The Federal Government awards approximately \$200 billion annually. Woman-owned small businesses receive approximately 2 percent of those awards. The Department is committed to ensuring a fair share of its procurement dollars are awarded to woman-owned small businesses.

Attachment



MEMORANDUM OF UNDERSTANDING

between

THE U.S. DEPARTMENT OF ENERGY

and

THE U.S. SMALL BUSINESS ADMINISTRATION

The U.S. Department of Energy (DOE) and the U.S. Small Business Administration (SBA) (the parties) have an interest in increasing the participation of Women-Owned Small Businesses (WOSB) in Federal procurement.

By executing this Memorandum of Understanding (MOU), DOE and SBA support implementation of the Federal Acquisition Streamlining Act of 1994 (P.L.103-355) (FASA) which established the Government-wide goal for participation by small business concerns owned and controlled by women at not less than 5 percent of the total value of all prime contract and subcontract awards for each subsequent fiscal year.

DOE and SBA agree to work together in performing their respective obligations under this MOU.

RESPONSIBILITIES

SBA's Responsibilities In Support of the MOU:

1. SBA will provide DOE with a list, as requested, of WOSB 8(a) firms.
2. SBA will report regularly to the President and to the Cabinet about the progress of Federal agencies in fostering women's business enterprise in the Federal marketplace and in meeting the 5 percent goals.
3. SBA will offer formal Government and press recognition of this MOU.
4. SBA will link its Internet web site to the DOE's Office of Small and Disadvantaged Business Utilization (OSDBU) web site.
5. SBA will help DOE use PRO-Net to identify WOSB with products and services that fill DOE procurement needs.

6. SBA and DOE will meet at the conclusion of each fiscal year to review the accomplishments under this MOU and to define methods for increasing the participation of women-owned small businesses in the next fiscal year.
7. SBA will participate, at DOE's request, in training programs held for WOSB, subject to the availability of funds.
8. SBA will support and advise the Women-Owned Business Advocate Working Group, made up of representatives of OSDBUs from various procurement agencies. This Group will meet quarterly to provide a forum for issues pertaining to WOSB.
9. The Program Manager for the WOSB Procurement Program will be the point of contact from the SBA and will provide assistance and advice to DOE on methods to increase the participation of women-owned small businesses.
10. SBA, through its Office of Women's Business Ownership, will establish and maintain a list of women-owned business associations and organizations for DOE's use, upon request, in distribution of procurement information for the benefit of women-owned businesses.
11. Representatives of SBA will participate in DOE OSDBU's sponsored outreach activities, to the extent possible.

DOE's Responsibilities in Support of the MOU:

1. DOE will appoint a Women's Business Advocate in DOE Headquarters and in each Head of Contracting Activity (HCA). These advocates will serve as direct liaisons to the women-owned small business community and will aggressively encourage each HCA procurement office and program office to consider WOSB for all procurement opportunities. They will work to raise the visibility of women-owned small business in day-to-day procurement activities.
2. DOE's OSDBU will form a WOSB advisory committee, made up of representatives from DOE contracting activities, to discuss methods to promote contracting and subcontracting opportunities for WOSB.
3. DOE's OSDBU will organize a program for recognition of contracting activities that are the most successful in promoting and awarding WOSB prime contracts and subcontracts.

4. The Secretary of Energy will issue a statement describing his desire to maximize the participation of women-owned small businesses in contracting with DOE and in subcontracts under DOE contracts.
5. DOE will plan and organize a "women business enterprise day" throughout the Department to provide a forum for DOE OSDBU officials, other small business officials, procurement personnel and program personnel to discuss procurement opportunities with WOSB.
6. DOE will use SBA's PRO-Net database and its own database to match WOSB with DOE procurement opportunities.
7. DOE's OSDBU will publish a special edition of its small business newsletter, "IMPACT", focusing on WOSB issues, highlighting WOSB success stories, and encouraging mentoring between successful WOSB and other women-owned small businesses which have recently begun a business.
8. DOE will actively highlight information on procurement opportunities for WOSB by establishing a link on the OSDBU web site to DOE's Office of Procurement and Assistance Management's web site.
9. DOE will support the Interagency Committee on Women's Business Enterprise and the National Women's Business Council in fostering women-owned small business enterprise.
10. DOE's OSDBU will work with SBA in an attempt to increase subcontracting opportunities for WOSB.
11. DOE's OSDBU will encourage its prime contractors to consider WOSB as proteges for its Mentor-Protege Program.
12. DOE's OSDBU will design training programs for WOSB to educate WOSB on marketing strategies and on doing business with the Federal Government.

FUNDING LIMITATIONS

This MOU shall not be used to obligate or commit funds or as the basis for the transfer of funds.

TERM

This MOU will remain in effect for two years from the date of execution, and may be renewed by written agreement of SBA and DOE.

TERMINATION

This MOU may be terminated by either party upon 30 days written notice to the other party.

RESPONSIBLE OFFICIALS

The officials responsible for this MOU are:

SBA: Judith A. Roussel
Associate Administrator for Government Contracting
(202) 205-6460

DOE: Sarah Summerville
Director
Office of Small and Disadvantaged Business Utilization
(202) 586-7377

SIGNATURES

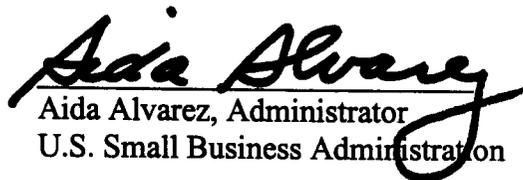
The parties signing below accept the terms of this MOU:



Bill Richardson, Secretary
U.S. Department of Energy

May 25, 1999

Date



Aida Alvarez, Administrator
U.S. Small Business Administration

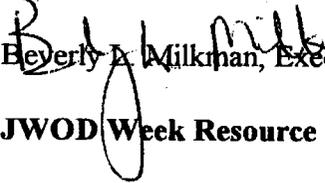
MAY 14 1999

Date

**COMMITTEE FOR PURCHASE FROM
PEOPLE WHO ARE BLIND OR SEVERELY DISABLED**

703-603-7740
FAX 703-603-0655

Crystal Gateway 3, Suite 310
1215 Jefferson Davis Highway
Arlington, Virginia 22202-4302

To: Federal Procurement and Public Affairs Personnel
From:  Beverly A. Milkman, Executive Director
Re: **JWOD Week Resource Guide and Tool Kit**
Date: September 16, 1999

The Committee for Purchase From People Who Are Blind or Severely Disabled is pleased to share with you our Javits-Wagner-O'Day Program "**JWOD Week**" resource guide and tool kit. JWOD Week runs from October 11-17, 1999, during National Disability Employment Awareness Month. It is designed to raise awareness of this unique Governmentwide program, which uses the purchasing power of the Federal Government to generate employment and training opportunities for people who are blind or have other severe disabilities. Please help us recognize both the accomplishments of and the continued need for the JWOD Program at your department, agency or installation.

During the current period of national economic prosperity, with a decades low unemployment rate below 5 percent, the JWOD Program addresses the exceptionally high 70% rate of unemployment that exists among Americans with severe disabilities. By purchasing JWOD supplies and services, Federal personnel have a unique opportunity to help Americans with severe disabilities acquire needed work experience, earn good wages and lead more independent lives.

The theme for JWOD Week 1999 is "**JWOD Makes Good Cents.**" As a result of their employment on Federal contracts under the JWOD Program, people with severe disabilities are often able to reduce their dependence on Government entitlements and contribute back to the taxpayer base. The JWOD Program also works hard to ensure that its supplies and services are best value; equal to or better than similar commercial options.

Please note the "Federal Partners" section, which begins on page 21 of the enclosed resource guide. We hope you will use the suggestions and tools provided here and throughout the guide to help spread the word and recognize JWOD Week in your agency. If you have any questions, or would like additional information, please visit our web site, www.jwod.gov, or contact Robert Hartt of the Committee staff (703-603-7742 or rhartt@jwod.gov).

Thank you in advance for your support of the JWOD Program.

An Independent Agency of the United States Government Established by the Javits-Wagner-O'Day Act.

JWOD