

## CLASS DETERMINATION AND FINDINGS

Interagency Acquisitions Under the Economy Act and Section 103, Revolving Fund for FEDLINK Program and Federal Research Program of Public Law 106-481, Library of Congress Revolving Funds

### References:

1. Title 31 U.S.C. Section 1535 (the Economy Act)
2. Federal Acquisition Regulation (FAR) 1.7–Determinations and Findings
3. Federal Acquisition Regulation (FAR) 17.5–Interagency Acquisitions Under the Economy Act
4. Defense Federal Acquisition Regulation Supplement (DFARS) 217.5–Interagency Acquisitions Under the Economy Act

### FINDINGS

1. The Fiscal Operations Improvement Act of 2000 (Public Law 106-481, Section 103) created statutory authority and a revolving fund for the Federal Library and Information Network program (FEDLINK) fee-based activities in Fiscal Year 2002.

2. The FEDLINK program provides for the procurement of commercial information, publications in any format, library support, related accounting, related education, information and support services on behalf of participating Federal libraries, Federal information centers, other entities of the Federal Government, and the District of Columbia, on a fee basis.

3. The Library of Congress operates FEDLINK as the business subsidiary of the Federal Library and Information Center Committee (FLICC) to help federal libraries and information centers obtain the most value for their information service dollars by serving as their purchasing, training, and resource-sharing consortium. The Library of Congress Contracts and Logistics Services conducts FEDLINK procurements. It is the Library of Congress policy to follow the Federal Acquisition Regulation (FAR) in its own contracting, even though technically, as a Legislative branch agency, it is not subject to that regulation. The FEDLINK establishes agreements (Basic Ordering Agreements–BOAs) with multiple information services vendors through a formal, open procurement process. Orders can be placed by the Library of Congress or the requiring agency depending upon the agreements reflected in the FEDLINK Interagency Agreement (IAG).

4. Various Army libraries have a need to enter into a FEDLINK IAG in order to continue to receive the services provided by the program. The Army Senior Procurement Executive executed a Class Determination and Findings on September 12, 1997, that expired on December 31, 2002, covering the acquisition of these services.

5. The acquisition of these services through the FEDLINK program is authorized under the Economy Act.

6. More than 1,000 agencies use FEDLINK every year to place more than 5,000 contracts/orders totaling \$100 million. The FEDLINK group discounts on some services are as high as 50 percent off commercial rates. The fee for transfer pay service is 7.75 percent on the first \$300,000 in each account and 7 percent on amounts over \$300,000 in each account of service dollars transferred to the Library of Congress. The fee for direct pay service is \$1,200 for each FEDLINK BOA used plus 0.6 percent of service dollars over \$100,000 in each account. A 1997 consultant study estimated that FEDLINK saves transfer pay customers more than \$21,000 in cost avoidance for purchases in excess of \$100,000 (\$8,000 in the agency contracts office and \$13,000 in library staff time). The results of this study are still considered valid and the possibility of additional savings enhanced due to the reduction in the fees for the transfer pay service from the 1997 level of 8 percent, as stated above.

7. Use of the FEDLINK program is in the best interest of the Army; and the supplies or services cannot be obtained as conveniently or economically by contracting directly with a private source.

8. The Library of Congress, through the FEDLINK program, is specifically authorized by law or regulation to purchase such supplies or services on behalf of other agencies.

DETERMINATION

In accordance with the above references and Findings, I hereby determine that it is in the best interest of the Army to acquire the proposed class of library and library support services described above from the Library of Congress FEDLINK program under the authority of the Economy Act. This class determination expires December 31, 2007.

10 FEB 2003

Date

  
Claude M. Bolton, Jr.

Army Senior Procurement Executive