SF 33 for Industry Partner

SECTION B

SUPPLIES OR SERVICES AND PRICES/COST

B.1 General

This contract is titled the Veterans Technology Services Governmentwide Acquisition Contract (VETS GWAC or VETS) and is available for use by both Federal Civilian Agencies and the Department of Defense by virtue of the GSA's Executive Agent Designation from the Office of Management and Budget. It has a base period of five years and one five-year option for a total of ten contract years (actual calendar dates will be set beginning with the date of the notice to proceed).

VETS GWAC consists of a number of indefinite-delivery, indefinite-quantity (ID/IQ) contracts designed to provide Federal Government information technology (IT) services and solutions primarily consisting of IT services

The contracts are solution-based. VETS GWAC contractors are free to propose the best solution to the specific task order requirement provided each order consists principally of IT services. Unless excepted (see FAR 16.505(b)(2)), each task order will be competed under the fair opportunity competitive procedures. The Fair Opportunity competitive procedures will maintain an ongoing competitive environment throughout the life of the contracts

B.2 CONTRACT MINIMUM/MAXIMUM

The minimum guaranteed amount for each award will be $2,500. Orders beyond the minimum will be determined by user needs and the results of fair opportunity competitions. The exercise of the option period does not re-establish the contract minimum.

The Government has no obligation to issue task orders to the Contractor beyond the minimum amount specified above. While the awarded contractors will receive the minimum, it is intended that the contractors will compete for that amount under the contract's fair opportunity procedures. If at the end of the base period of the contract, a contractor has not been awarded a task order(s) of at least $2,500 in total value, the program office may direct awards to meet the contractual obligation pursuant to FAR 16.505(2)(iv).

The maximum cumulative dollar amount that may potentially be awarded, to all contractors combined, is $5 Billion

B.3 WORK ESTIMATES (HOURS AND ODCS) & ROLES

This is a new Government Wide Acquisition Contract (GWAC) program of the General Services Administration (GSA), Federal Acquisition Service (FAS), Small Business GWAC

Center. There is no relevant historical sales trend that may be utilized to project with reasonable certainty, with any degree of reasonable accuracy, the nature or volume of work likely under these Contracts. GSA does not have projects designated/earmarked for this Contract program and they are not guaranteed to be forthcoming. The different Federal Government entities/potential clients of these Contracts will make their own decisions on the benefits of utilizing VETS GWAC (SB) contracts for IT requirements. Furthermore, the Multiple Award Indefinite-Delivery Indefinite-Quantity (MAIDIQ) contracts awarded under this GWAC are subject to Fair Opportunity procedures emphasizing competition among firms in the selected Functional Areas (FAs). At this time, the breakdown of fixed-price, time & materials and labor hour order distribution is unknown. Also unknown is the location of work and the breakdown of Government site and Contractor site work. Additionally, there is uncertainty regarding the amount of supplies, travel, incidental construction and other direct costs that will be required, although market research reveals that they will be necessary in some cases. Furthermore, requirements may range from simple to highly complex.

The Government will be obligated to Contract holders only for services, items and quantities specified, approved and definitized in a valid Order issued under an awarded Contract, or, in the event of no Order issuance, for the minimum guarantee established in Section B and elaborated upon in Section H.

B.4 SUPPLIES/SERVICES AND PRICES/COSTS

Task orders awarded under this contract may be issued as Fixed-Price (FP), Time and Materials (T&M) or Labor-Hour (L-H), plus Incentive arrangements coupled to the previous types, as defined in FAR Part 16. The prices/costs will be applied to individual task order types as follows:

(SEE EXCEL SPREADSHEETS FOR PRICING IN LEFT HAND NAVIGATION OF VETS WESITE UNDER VETS CONTRACT LIBRARY ENTITLED, “VETS CONTRACT PRICING INFORMATION”)

B.4.1 Fully Loaded Ceiling Rates

These price schedules contain the loaded hourly rates for work performed at any location within CONUS. “Fully loaded hourly ceiling rate” is defined as the direct hourly labor rate that include wages, overhead, general and administrative expenses, profit, fringe benefits, direct tax/labor/payroll burden and contract access fee. The loaded hourly ceiling rates set forth in this schedule are fully burdened, not-to-exceed, ceiling prices. The contractor may, at its discretion, propose lower loaded hourly ceiling rates on a task-by-task order basis (and this result is typical). Contractors shall post their ceiling rates at their individual VETS GWAC Web Sites.

B.4.2 Adjustments to Contract Ceiling Rates

The fully loaded ceiling rates set forth in the price schedules apply to contract years 1 through 5. For contract years 6 through 10, Option Period One (1), the fully loaded ceiling rates will be adjusted in accordance with Section B.9 of this contract. Any adjustments to ceiling rates will be enacted by contract modification and will become effective on the date shown in the modification.

B.4.3 Adjustments to Task Order Hourly Rates

Labor-hour (L-H) and time-and-materials (T&M): Task order loaded (loaded pursuant to the specific terms for T&M and L-H loading discussed in this Section B) hourly rates may be adjusted, if specified in the task order Statement of Work (SOW), for each of the option years by applying no more than the same adjustment factor to the task order rates as was applied to the loaded contract ceiling hourly rates. The specific escalation shall be fully definitized in the applicable order, else escalation is not permitted. If an order does not specifically provide for such adjustment, no such adjustment is permitted (order level escalation is not automatic, shall not be presumed, and doesn't inhere from the Contract to task orders) – the parties to the order may not write it in after the fact.

Fixed Price (FP) tasks:

Fixed price task orders and their option periods, if any, shall be fully definitized and pre-priced. Unless the Order definitizes an Economic Price Adjustment (EPA) or escalation, none applies (Contract level EPA or escalation doesn't apply to task orders).

Economic Price Adjustment when Escalation of Order Prices Isn't Applied - if a task order contains option periods, the task order shall be pre-priced for every period. Such pricing may be pre-priced for each of the option years and coupled with an order specific EPA if order specific EPA terms are fully definitized in the applicable order, else order specific EPA is not permitted. If an order does not specifically provide definitized EPA, no order specific EPA is permitted (order specific EPA is not automatic and shall not be presumed) – the parties to the order may not write it in after the fact.

Escalation of Order Prices when an Economic Price Adjustment Isn't Applied - if a task order contains option periods, the task order shall be pre-priced for every period. Such pricing may be pre-priced for each of the option years by applying no more than the same adjustment factor to the loaded hourly rates negotiated for the task as was applied to the loaded contract ceiling hourly rates in B.7. Such adjustments shall be fully definitized in the applicable order, else escalation isn't permitted. If an order does not specifically provide definitized escalation, no escalation is permitted (escalation is not automatic and shall not be presumed) – the parties to the order may not write it in after the fact.

B.4.4 (Removed May 2010)

B.4.5 Application of the Service Contract Act (SCA)

The vast majority of labor categories identified in this solicitation are professional IT positions and thus exempt from the SCA. In accordance with Title 29 of the Code of Federal Regulations, Labor Standards for Federal Service Contract, the General Services Administration (GSA) considers the Service Contract Act (SCA) to not apply to this contract based upon its principal purpose.

B.4.6 Information Technology Task Orders Involving Some Construction Work

In accordance with FAR 22.402(b) and Section C.8 of this contract, the Davis-Bacon Act may not apply to certain non-construction contracts where some minor construction occurs incidental to the rest of the task order. Specifically, if the construction work is incidental to furnishing IT services and is so merged with the IT portion of the contract that the construction is not capable of being segregated as a separate contractual requirement, it may not be subject to Davis-Bacon.

When minor construction is required as an integral part of a task order, the Ordering Contracting Officer (OCO) is required to document the Task Order file that the construction portion of the task order is 1) within scope, 2) subject or not subject to the Davis Bacon Act, and 3) fairly and reasonably priced and the basis therefore.

Should the Davis-Bacon Act apply to the construction portion of a Task Order, it is the responsibility of the Ordering Contracting Officer (OCO) to address any previous union agreements and obtain the applicable Wage Rate Determinations from the Department of Labor. Construction contracting is a contracting specialization in the Government, and ordinarily requires highly specific requirements, specifications, plans, terms and conditions. OCO's are cautioned to only include construction up to the defined limits and with proper attention to detail.

There is additional coverage on construction in Section C.

B.5 RESERVED

B.6 FULLY LOADED HOURLY CEILING RATES

The labor pricing schedules that follow call for hourly ceiling rates, which are the maximum fully loaded hourly rates to be proposed for work for entities authorized in the current version of GSA ADM 4800.2? which is currently GSA Order ADM 4800.2H. (http://www.gsa.gov/portal/mediaId/176231/fileName/SignedGSADirective48002H.action)

When formulating each hourly ceiling rate, the CAF shall be applied last.

The Government will neither pay a premium/differential for overtime (work in excess of 40 hours in a week), nor for work during irregular hours, weekends or holidays.

The ceiling rates do not serve as a mechanical measure of the rates to be quoted or proposed at the order level. All order rates must be lower than or equal to the ceiling rates (work scope specifics and competition will influence the rates a contractor chooses to quote or propose for a task order opportunity.)

EACH OFFEROR SHALL PROPOSE CEILING PRICES IN THE PRICING SCHEDULES FOR ALL LABOR CATEGORIES AND ALL PERIODS OF THE FAS APPLIED FOR. FAILURE TO PROPOSE PRICING FOR ALL LABOR CATEGORIES AND ALL PERIODS OF THE FAS APPLIED FOR SHALL RESULT IN DISQUALIFICATION OF THE OFFER IN THE FA(S) IN WHICH THE OMISSION OCCURS.

The hourly ceiling price proposed shall apply uniformly regardless of actual utilization (i.e., even if only 5 hours of the estimated hours are ordered, the hourly ceiling rate shall be the same.)

All line items shall be separately orderable. Pricing for all line items must stand-alone and not be dependent upon the ordering of any other line items.

The labor categories and ceiling rates apply to a prime Contractors' subcontractor support at any tier.

The attached labor category descriptions are stated in terms of minimum qualifications/responsibilities and do not attempt to delineate the universe of responsibilities associated with a labor category by the commercial market. Contractors shall not be allowed to divert work from pre-defined labor categories to other labor categories based on a restrictive or hyper technical reading of labor category descriptions.

The following numbered notes apply to all pricing tables:

1. Minor (incidental) construction work subject to the Davis-Bacon Act that is ordered under this contract pursuant to the acceptable use terms established for its inclusion shall not exceed 10% of cumulative earned order value at any time during the life of this contract

2. The price evaluation case will be made on 100% of the extended item totals. This methodology doesn’t constitute a promised level of business or alter the minimum guarantee

3. In no event will the Government agree to an individual item price or rate that is unreasonable, even if the arithmetic is satisfactory in the price evaluation case

B.7 CONTRACT LINE ITEMS - FUNTIONAL AREA ONE (1) - SYSTEMS OPERATIONS AND MAINTENANCE

SEE EXCEL PRICING TABLES RELEASED IN AMENDMENT 1 ATTACHMENT 5. B.8 was replaced by the Excel Spreadsheet in Amendment #2.

B.8 CONTRACT LINE ITEMS - FUNTIONAL AREA TWO (2) – INFORMATION SYSTEMS ENGINEERING

SEE EXCEL PRICING TABLES RELEASED IN AMENDMENT 1 ATTACHMENT 5. B.8 was replaced by the Excel Spreadsheet in Amendment #2.

B.9 OPTION PERIOD ONE (1) – YEARS SIX (6) THROUGH TEN (10)

Pricing for Option Period One (1) will be evaluated using the ceiling rates and ceiling multipliers designated in Year Five (5) of the pricing tables for the base period. The base period Year Five rates and multipliers will be extrapolated out to years six through ten automatically by the Government for proposal evaluation purposes.

The actual ceiling rates and ceiling multipliers for Option Period One (1) will be determined by escalating the proposed Year Five (5) ceiling rates and ceiling multipliers utilizing the latest methodology and basis for the Bureau of Labor Statistics' (BLS) Employment Cost Index (ECI). The ECI for "Professional, Specialty, and Technical Occupations" will be controlling. A simple "percentage" method will be used.

The Government does not intend to perform redeterminations or apply escalated rates retroactively. The escalation will not apply to orders already awarded (in place) unless they specifically definitize its inclusion. The specific ECI we are using as the basis for adjustment is titled "WAGES AND SALARIES (**not seasonally adjusted**): Employment Cost Index for wages and salaries, private industry workers, by industry and occupational group".

B.9.1 Frequency of Adjustment

The contract adjustment will be calculated three months prior to Option Period One using the latest ECI information available at that time (providing GSA a three month window to prepare the escalation documentation) and implemented at the beginning of year six (Option Period One – if exercised). The Government intends to use the average of the five previous full years of ECI data to make a one time contract escalation. This escalation will be applied one time to years six through ten ceiling rates and ceiling multipliers – to remain fixed thereafter.

The calculated escalation rate will be applied consecutively for years six through ten. This means that the escalation rate will have compounding effect for years six through ten. It will be applied one time for the option period as the RFP currently states. Each year in the option period will have separate pricing as a result.

B.9.2 Materially Unbalanced Offers

Offerors shall offer pricing on all items correctly and price each item as specified. The Government will reject a mathematically unbalanced offer if the offer is also materially unbalanced. A mathematically unbalanced offer is an offer containing lump sum or unit price items that do not include reasonable labor, equipment, and material costs plus a reasonable proportionate share of the Offeror's overhead costs, other indirect costs, and anticipated profit. An offer is materially unbalanced when the Government determines that an award to the Offeror submitting a mathematically unbalanced offer will not result in the lowest ultimate cost to the Government and/or not fair to other Offeror's whose pricing is balanced.

The Government will pay particularly close attention to the Year Five (5) ceiling rates and ceiling multipliers being proposed by Offerors. These rates and multipliers will be used for extrapolating the Option Period One pricing for evaluation purposes. If the Government detects any unbalanced pricing in Year Five of the base period and/or "gaming" in order to have more favorable evaluated pricing for the Option Period, those offers will be rejected.

B.10 FOREIGN AREA TRAVEL/WORK

The U.S. State Department, Bureau of Administration, Office of Allowances (http://www.state.gov/m/a/als/) develops and coordinates policies, regulations, standards, and procedures to administer the government-wide allowances and benefits program abroad under the Department of State Standardized Regulations (DSSR).

The U.S. State Department sets per diem rate maximums for foreign areas, which are authorized for incorporation on individual orders by Ordering Contracting Officers (OCOs). For more information refer to http://aoprals.state.gov/content.asp?content_id=184&menu_id=78. The contractor's handling rate for travel applies to all travel, be it domestic, non-contiguous or foreign.

The U.S. Department of State publishes quarterly report indexes of living costs abroad, quarters' allowances, hardship differentials, and danger pay allowances (http://aoprals.state.gov/web920/allowance.asp?menu_id=95). Table 1 – Indexes of Living Costs Abroad; and Table 3 – Hardship Differentials and Danger Pay (with the exception of Danger Pay - see last paragraph in this section concerning travel warnings to Americans and Danger Pay locations) are specifically incorporated into the contract.

Concerning Table 1. The appropriate column to use for adjustments is "Local Index". These allowances are the maximum adjustment permitted to pre-

established professional service line item ceiling rates for work in the applicable foreign area.

Concerning Table 2 – Quarters Allowance. The contractor does not automatically gain this allowance for foreign country work. OCOs may negotiate and incorporate this allowance on individual orders.

Concerning Danger Pay. Work is not authorized in areas the State Department has warned Americans not to travel to or to areas the U.S. State Department has issued Danger Pay Differentials. If there is a change in area status during order performance (e.g., the U.S. State Department warns Americans not to travel there or issues a Danger Pay Differential for the area), then the ordering contracting officer shall determine if it is, or isn't, in the Government's best interest for that work to continue, document their findings in the written order record and take appropriate contractual actions. Contractors have an affirmative duty to monitor area status during order performance and promptly coordinate with the applicable OCO(s) on changes in area status.

B.11 DEFINITIONS

a. The terms Skill Category and Labor Category are synonymous.

b. On-Site: Work performed on Government facility
   Off-Site: Work performed on Contractor facility.

SECTION C

STATEMENT OF WORK

C.1 GENERAL/BACKGROUND

Government-wide Acquisition Contracts or GWACs are indefinite delivery/indefinite quantity (IDIQ) contracts for various information technology (IT) resources negotiated, awarded and administered by one particular agency but available to other Federal agencies for purchases. Each GWAC is operated by an executive agent, such as the General Services Administration, designated by the Office of Management and Budget (OMB) pursuant to section 5112(e) of the Clinger-Cohen Act. In accordance with Section 5112(e) of the Information Technology Management Reform Act (ITMRA), 40 U.S.C. § 1412(e), "the Director [of the Office of Management and Budget] may designate one or more heads of Executive agencies as executive agents for Government-wide acquisitions of information technology." GWACs are not subject to the requirements and limitations of the Economy Act, 31 U.S.C. § 1535.

GWACs are valuable tools for the acquisition of information technology services and supplies, but the Ordering Contracting Officer (OCO) must ensure that: (1) the GWAC is not used to circumvent applicable agency policies or regulations; (2) the ordering agency properly administers all contract terms and conditions and adheres to Federal Acquisition Regulations and policy; (3) agency requirements are within the scope of the master GWAC contract; and (4) subsequent task orders are within the scope of the contract.

C.2 OBJECTIVE

The objective of this solicitation and the resulting VETS GWAC is to provide civilian agencies and the Department of Defense (DoD) the ability to obtain a broad range of Comprehensive IT support services in a timely and cost-effective manner under a multiple award contract. VETS GWAC is a Multiple Award Indefinite Delivery, Indefinite Quantity (MA/IDIQ) contract providing a wide range of information technology support services, while providing the greatest amount of flexibility possible to efficiently and effectively support agency daily operations, protection of infrastructure, the fight against terrorism, and the development and marketing of emerging technologies. The VETS GWAC is accessible to civilian agencies and DoD and is designed to achieve innovative solutions and best value products and services to support Federal Agencies worldwide.

C.3 SCOPE

VETS GWAC is a Multiple Award/Indefinite Delivery Indefinite Quantity (MA/IDIQ) to provide worldwide Information Technology (IT) solutions to client agencies. VETS GWAC is designed to provide the greatest amount of flexibility possible to efficiently and effectively support the federal government's needs in its daily operations, its protection of infrastructure, the fight against terrorism and the development and marketing of emerging technologies. To this end, VETS GWAC was created to fulfill the Information Technology (IT) requirements of GSA and other Federal Agencies. Work may be performed at headquarters and/or field offices located throughout the world, as specified in each task order, to provide a variety of IT support services, including new and emerging

technologies which will evolve over the life of VETS GWAC. The scope of work under this contract is defined as within the North American Industrial Classification System (NAICS) codes defined in C.9 of this statement of work. The Government shall order services under this contract by means of task orders with specifically defined scopes, deliverable products, and schedules. "VETS order terms include fixed-price (all in FAR 16.2), time-and-materials (per FAR 16.6) and labor-hour (per FAR 16.6). VETS also allows requiring activities to choose among the incentive features found in FAR 16.4 that are tied to fixed-price, time-and-materials and labor-hour terms."

C.4 TASK ORDERS

The work description is intended to outline the general requirements of contractors awarded VETS GWAC contracts. Specific details of work assignments, deliverables, documentation, training, applicable government/departmental/industry standards, etc., will be provided in individual task orders, preferably performance based. The anticipated services require a diversity of skills suitable to a multitude of information technology environments in support of a variety of IT support areas. The contractor shall perform work under this contract only as directed in task orders issued by authorized COs. The Contractor shall ensure adequate resources are dedicated to satisfy the requirements of work assignments including, but not limited to, furnishing the necessary personnel, material, services, and facilities, as required. In addition, inherent in providing these goods and services, the Contractor shall provide the supervision and management effort necessary for efficient and effective administration and control of work performed under VETS GWAC.

C.5 SECURITY CLEARANCES

Performance of this contract may require access to varying levels of secured information and/or areas. This will be determined on individual task orders. As such, contractor personnel must have a current clearance appropriate to the level of security identified in the task order. See Section H.8 for information on security requirements.

C.6 TRAVEL

Contractor travel may be required for this contract in performance of an individual task order and will be reimbursed to the Contractor in accordance with the Federal Travel Regulations, Joint Travel Regulations, and Joint Federal Travel Regulations.

C.7 HARDWARE, SOFTWARE, AND/OR LICENSING

Integral to the services necessary in performing task orders in the designated functional areas, acquisition of hardware/software and/or licensing of software from 3rd party sources may also be required of the Contractor. Under any of these functional areas, a task order may be used to acquire hardware/software that is integral to the services being provided. Purchase of hardware/software or licenses of software from 3rd party sources in support of task orders in any functional area shall not impact the determination of the appropriate functional area classification of the task order. Functional area classification shall be determined solely upon the preponderance of services provided. The types of hardware/software envisioned would include, but are not limited to, such items as: network devices, switches, routers, bridges, hubs, protocol translators, modems, cabling, wiring closet hardware, wireless access devices, voice and data integration products, Defense Message System (DMS) peripherals, Internet and electronic commerce access gateways, IT infrastructure

hardware/software utilities, CASE tools (e.g., Oracle Case, ER-WIN, Predict, System Architect, Knowledgeware, Frontier Super TCP, Netscape, Web Browser), models, database management systems, personal computers, workstations, servers, printers, application software products, compact disk/read only memory (CD/ROM), digital libraries, imaging and optical character recognition equipment, commercial off-the-shelf (COTS) items, general supplies, etc. Technological refreshment/enhancements of hardware/software as well as special access considerations for IT resources may be required by individual task orders.

C.8 INFORMATION TECHNOLOGY TASK ORDERS INVOLVING SOME CONSTRUCTION WORK

In the event that alteration or minor construction of real property is required to achieve the primary purpose of a Task Order issued against the VETS GWAC contract, such alteration or minor construction shall be deemed within the scope of this contract.

The expressed purpose of the VETS GWAC contracts is to provide ordering agencies a wide range of information technology support services using the latest technology and systems. It is not the intent of the VETS GWAC contracts to do “minor construction” unrelated to Information Technology requirements. Minor construction is considered as acceptable work under the VETS GWAC contracts **only** when it is **incidental** to a larger Information Technology task order.

In any event, the “minor construction” portion of an Information Technology task order issued against this contract may not exceed any statutory, regulatory, or policy limitations imposed by the Ordering Agency applicable to construction. For example, if the Ordering Agency regulates and/or imposes thresholds for the use of O&M dollars for “minor construction” imbedded in Task Orders for other than construction, those same limitations will apply to task orders issued against the VETS GWAC contracts.

The Davis-Bacon Act requirements apply to construction work to be performed as part of Information Technology task orders under this contract if-

(1) The construction work is to be performed on a public building or public work;
(2) The contract contains specific requirements for a substantial amount of construction work exceeding the monetary threshold for application of the Davis-Bacon Act (the word "substantial" relates to the type and quantity of construction work to be performed and not merely to the total value of construction work as compared to the total value of the contract); and
(3) The construction work is physically or functionally separate from, and is capable of being performed on a segregated basis from, the other work required by the contract.

The Davis-Bacon Act requirements do not apply if-

(1) The construction work is incidental to the furnishing of supplies, equipment, or services (for example, the requirements do not apply to simple installation or alteration at a public building or public work that is incidental to furnishing supplies or equipment under a supply contract; however, if a substantial and segregable amount of construction, alteration, or repair is required, such as for installation of heavy generators or large refrigerator systems or for plant modification or rearrangement, the requirements of this subpart apply); or

(2) The construction work is so merged with non- construction work or so fragmented in terms of the locations or time spans in which it is to be performed, that it is not capable of being segregated as a separate contractual requirement.

Should the Davis-Bacon Act apply to the construction portion of a Task Order, it is the responsibility of the Ordering Contracting Officer (OCO) to obtain the applicable Wage Rate Determinations from the Department of Labor.

C.9 ORDERING AGENCY STANDARDS

Each ordering agency/organizational component will specify the standards, which the Contractor shall follow in performance of a prospective task order. The Contractor shall be required to work according to the architectures, standards, guidelines, and procedures as stated in individual task orders, including, but not limited to, various standards as set forth in agency guidance.

C.10 NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS) CODES (OCT 2012)

The following NAICS codes are applicable to the VETS GWAC.

541512	**Computer Systems Design Services**
541511	Custom Computer Programming Services
541513	Computer Facilities Management Services
541519	Other Computer Related Services
518210	Data Processing, Hosting, and Related Services
611420	Computer Training

All the above mentioned codes are applicable to both Functional Areas of the VETS GWAC. This procurement is set-aside for small businesses. For the purposes of the VETS GWAC contract the primary NAICS Code is designated as 541512. The current size standard for NAICS Code 541512 is at **www.sba.gov/sizestandards**.

C.11 IT SUPPORT FUNCTIONAL AREAS

Separate and distinct contracts will be awarded in two (2) Functional Areas which will cover the full range of IT solutions. The Functional Areas, and examples of the types of tasks included, are listed below. Many types of tasks will overlap both Functional Areas and may be competed across both Functional Areas. Additional IT efforts, as required, can be obtained under this Statement of Work as long as the requirement fits within the scope of the designated NAICS Codes in C.10 and the Functional Areas specified herein.

C.11.1 FUNCTIONAL AREA ONE (1) – SYSTEMS OPERATIONS AND MAINTENANCE

(1) Chief Knowledge Officer (CKO) Support
  i) Informatics
  ii) Knowledge Management
(2) Configuration Management and Licensing
(3) Database Design and Administration and Data Storage Management

- i) Database Design

(4) E-Business Planning and Support
(5) Electronic Commerce (EC) and Electronic Data Interchange Support
(6) Emerging Technologies
- i) IT Research and Development
- ii) Nanotechnology

(7) Independent Verification and Validation
(8) Information Architecture Analysis and Web Object Indexing
(9) Information Management Life Cycle Planning/Support
- i) Information Management Support

(10) Integration Support
(11) Internet System Architecture and Webmaster Support
- i) Website Development and Support

(12) Mainframe/Data Processing System Support
(13) Media/Training Center/Video Teleconferencing Support
(14) Network Support (including Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Internet access, etc.)
- i) Connectivity and IT infrastructure Support (including Data Networks, Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Storage Area Networks (SAN)

(15) Office Automation Support/Help Desk Support
(16) Performance Measures and Metrics Planning
(17) Seat Management
- i) Systems Operations

(18) Section 508 Compliance Assistance
(19) Supply Chain Management (Logistics)
(20) Systems Management Support
- i) Information Systems Support

(21) Technical Support
- i) Computer Center Technical Support

(22) Telemedicine
(23) Test and Evaluation Support
(24) Training, Training Development, and Training Center Support (including Computer Based Training)
- i) Distance Learning
- ii) Training Requirements Analysis and Planning

(25) Virtual Data Center
- i) Data Warehousing

(26) Anti-Virus Management Service
- i) Intrusion Detection and Prevention Service
- ii) Virus Detection, Elimination, and Prevention

(27) Biometrics
- i) Smart Card Technologies

(28) Computer Security Awareness, and Training
- i) Computer Security Incident Response
- ii) Computer Security Planning
- iii) Security Policy Compliance

(29) Disaster Recovery, Continuity of Operations, and Contingency Planning

i) Critical Infrastructure Protection
ii) Hot-site and Cold-site Support Services
iii) Incident Response Service
iv) System Recovery Support Services

(30) Hardware and Software Maintenance and /or Licensing
i) Software/Hardware Maintenance and /or Licensing

(31) Independent Verification and Validation (Security)
i) Certification of Sensitive Systems
ii) Mainframe Automated Information Security Support
iii) Security for Small Systems, Telecommunications, and Client Service

(32) Managed E-Authentication Service
(33) Managed Firewall Service
(34) Privacy Data Protection
(35) Public Key Infrastructure (PKI)
i) Crypto Systems
ii) Digital Signature Technology

(36) Secure Managed Email Service (SMEMS)
(37) Security Certification and Accreditation
(38) Systems Vulnerability Analysis/Assessment and Risk Assessment
i) Quantitative Risk Analysis of Large Sensitive Systems
ii) Vulnerability Scanning Service

C.11.2 FUNCTIONAL AREA TWO (2) – INFORMATION SYSTEMS ENGINEERING

(1) System and Software Design, Development, Engineering, and Integration
i) Software Development
ii) System Design Alternative Studies
iii) Software Distribution, Licensing, Maintenance

(2) Information Technology (IT) Strategic Planning, Program Assessment, and Studies
i) Feasibility Studies
ii) Information Technology (IT) Strategic Planning and Mission Need Analysis
iii) Information Technology Organizational Development
iv) Information Technology Program Analysis, Assessments and Studies
v) Information Technology Research and Development

(3) Automated Workflow System Development and Integration
(4) Business Process Reengineering (BPR)
i) Benchmarking/Operational Capability Demonstrations
ii) Change Management

(5) Chief Information Officer (CIO) Support
i) Enterprise Resource Systems Management
ii) Enterprise Resource Systems Planning
iii) Information Assurance Activities
iv) Information Operations
v) Inter/Intra-Agency Enterprise Resource Planning

(6) Global Information Systems
(7) Software Life Cycle Management (SLCM)
i) Cost Benefit Analysis, Cost Effectiveness Analysis
ii) Risk Analysis and Assessment

iii) Stakeholder Analysis
iv) Total Cost of Ownership Studies
(8) Software Engineering (SWE)
i) Software Quality Assurance
(9) Customer Relationship Management
(10) Information Technology Architecture (ITA) Support
(11) Infrastructure Quality Assurance
(12) Instructional Design, and Modeling & Simulation
(13) SCE/CMM/CMMI Analyses and Implementation Support
(14) Anti-Virus Management Service
i) Intrusion Detection and Prevention Service
ii) Virus Detection, Elimination, and Prevention
(15) Biometrics
i) Smart Card Technologies
(16) Computer Security Awareness, and Training
i) Computer Security Incident Response
ii) Computer Security Planning
iii) Security Policy Compliance
(17) Disaster Recovery, Continuity of Operations, and Contingency Planning
i) Critical Infrastructure Protection
ii) Hot-site and Cold-site Support Services
iii) Incident Response Service
iv) System Recovery Support Services
(18) Hardware and Software Maintenance and /or Licensing
i) Software/Hardware Maintenance and /or Licensing
(19) Independent Verification and Validation (Security)
i) Certification of Sensitive Systems
ii) Mainframe Automated Information Security Support
iii) Security for Small Systems, Telecommunications, and Client Service
(20) Managed E-Authentication Service
(21) Managed Firewall Service
(22) Privacy Data Protection
(23) Public Key Infrastructure (PKI)
i) Crypto Systems
ii) Digital Signature Technology
(24) Secure Managed Email Service (SMEMS)
(25) Security Certification and Accreditation
(26) Systems Vulnerability Analysis/Assessment and Risk Assessment
(i) Quantitative Risk Analysis of Large Sensitive Systems
(ii) Vulnerability Scanning Service

C.12 INTEGRATED SOLUTIONS AND DESCRIPTIONS

The Government requires assistance with integrated solutions and services. This section addresses all things integrated at all organizational levels as well as describing the functional requirements and provides information that the Contractor may need to know in order to perform the tasks.

C.12.1 FUNCTIONAL AREA ONE (1)

C.12.1.1 Chief Knowledge Officer (CKO) Support

The Chief Knowledge Officer is responsible for knowledge management within an organization. They are senior corporate executives with "knowledge" in their titles. In other words, we could assume that they had been appointed specifically to orchestrate a knowledge management program. They are all first incumbents in the role, most having been in office less than two years with their collective experiences.

C.12.1.1.1 Informatics

The study of information and the ways to handle it, especially by means of information technology (e.g. computers and other electronic devices). The study of the application of computer and statistical techniques to the management of information.

C.12.1.1.2 Knowledge Management

The use of computer technology to organize, manage, and distribute electronically all types of information, customized to meet the needs of a wide variety of users. The information is stored in a special database called a knowledge base and is used to enhance organizational performance. Capturing, organizing, and storing knowledge and experiences of individual workers and groups within an organization and making it available to others in the organization.

C.12.1.2 Configuration Management and Licensing

C.12.1.3 Database Design and Administration and Data Storage Management (C.11.1(3))

Database Design - The function of composing records, each containing fields together with a set of operations for searching sorting, recombining, and other functions. This includes determination of content, internal structure, and access strategy for a database, as well as defining security and integrity, and monitoring performance. A database is considered to be a collection of information organized in such a way that a computer program can quickly select desired pieces of data.

C.12.1.4 E-Business Planning and Support

C.12.1.5 Electronic Commerce (EC) and Electronic Data Interchange Support (C.11.1(5))

The Contractor shall provide resources to support, define, develop, and maintain electronic inter-organizational business networks. EC functions include, but are not limited to electronic exchange of requests for quotations, quotes, purchase orders, notices of award, electronic payments, document interchange, supporting databases, and other activities associated with the procurement and payment process. Guidance on the use of EC in the procurement process can be found in the Federal Acquisition Regulation.

C.12.1.6 Emerging Technologies

C.12.1.6.1 IT Research and Development
C.12.1.6.2 Nanotechnology

A field of science whose goal is to control individual atoms and molecules to create computer chips and other devices that is thousands of times smaller than current technologies permit.

C.12.1.7 Independent Verification and Validation

The Contractor shall provide technical resources to define, develop, and conduct Independent Validation and Verification (IV&V) Tests to assess: 1) the capacity of BPR to improve system services and capabilities; 2) Software Life Cycle Management (SLCM) functions; 3) the support provided for electronic commerce; and 4) other IV&V as required or identified in TO. Validation tests shall be designed to ensure that the software developed fully addresses the requirements established to provide specific system operation functions and capabilities. Verification testing shall be designed to determine whether the software code is logically correct for the operation functions for which it was designed. It is expected that the operational areas listed above will be contracted as separate IV&V tasks.

C.12.1.8 Information Architecture Analysis and Web Object Indexing

Analysis of the hardware and/or software, or a combination of hardware and software, of a system. The architecture of a system always defines its broad outlines, and may define precise mechanisms as well. Web Object Indexing is a website intended to enable a user to obtain other resources on the web. The web index may contain a search facility or may merely contain individual hyperlinks to the resources indexed.

C.12.1.9 Information Management Life Cycle Planning/Support

C.12.1.9.1 Information Management Support

C.12.1.10 Integration Support

Assistance in assembling diverse hardware and/or software components together to work as a system.

C.12.1.11 Internet System Architecture and Webmaster Support

C.12.1.12 Mainframe/Data Processing System Support

C.12.1.13 Media/Training Center/Video Teleconferencing Support

The Contractor shall provide planning, analysis, troubleshooting, integration, acquisition, installation, operations, maintenance, training, documentation, and administration services for multi-media and education centers. The Contractor shall also maintain a centralized technical assistance service that supports problem resolution and distributes general multi-media and learning information.

C.12.1.14 Network Support (including Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Internet access, etc.)

The Contractor shall provide planning, analysis, troubleshooting, integration, acquisition, installation, operations, maintenance, training, documentation, and administration services for all types of data networks, including, but not limited to, enterprise systems, the Interdepartmental Data Network (IDN) "backbone", Local Area Networks (LAN), Wide Area Networks (WAN), client-server, Internet access, and videoconferencing. The Contractor shall also maintain a centralized technical assistance service that supports problem resolution and distributes general network information.

C.12.1.14.1 Connectivity and IT infrastructure Support (including Data Networks, Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Storage Area Networks (SAN)

C.12.1.15 Office Automation Support/Help Desk Support

C.12.1.16 Performance Measures and Metrics Planning

C.12.1.17 Seat Management

The Contractor shall provide desktop computing as a service and the Government will purchase these services as a utility and will pay for them by the "seat." The services include the entire suite of hardware, COTS software, connectivity, and support services required to deliver the support to the desktop.

C.12.1.18 Section 508 Compliance Assistance

Unless specifically exempted, all task orders issued under this contract shall comply with Section 508 of the Rehabilitation Act Amendments of 1998 to ensure IT accessibility to disabled persons. For information see the web site at www.section508.gov.

C.12.1.19 Supply Chain Management (Logistics)

The design and management of seamless, value-added processes across organizational boundaries to meet the real needs of the end customer. The development and integration of people and technological resources are critical to successful supply chain integration.

C.12.1.20 Systems Management Support

C.12.1.20.1 Information Systems Support

C.12.1.21 Technical Support

Computer Center Technical Support - The Contractor shall provide planning, analysis, troubleshooting, integration, acquisition, installation, operations, maintenance, training, documentation, and administration services for computer centers. The Contractor shall also maintain a centralized technical assistance service that supports problem resolution and distributes general computer center information.

C.12.1.22 Telemedicine

Telemedicine refers to the information technology services in support of it, as opposed to the actual practice of medicine. Practice of medicine is clearly outside the scope of the VETS GWAC.

C.12.1.23 Test and Evaluation Support

C.12.1.24 Training, Training Development, and Training Center Support (including Computer Based Training)

C.12.24.1 Distance Learning
C.12.24.2 Training Requirements Analysis and Planning

C.12.1.25 Virtual Data Center

VDC provides a complete open-source, digital library system for the management, dissemination, exchange, and citation of virtual collections of quantitative data The VDC functionality provides everything necessary to maintain and disseminate an individual collection of research studies: including facilities for the storage, archiving, cataloging, translation, and dissemination of each collection. On-line analysis is provided, powered by the R Statistical environment. The system provides extensive support for distributed and federated collections including: location-independent naming of objects, distributed authentication and access control, federated metadata harvesting, remote repository caching, and distributed ”virtual” collections of remote objects.

Data Warehousing - The Contractor shall coordinate the collection of data designed to support management decision-making. Data warehouses contain a wide variety of data that present a coherent picture of business conditions at a single point in time. Development of a data warehouse includes development of systems to extract data
from operating systems plus installation of a warehouse database system that provides managers flexible access to the data. The term data warehousing generally refers to the combination of many different databases across an entire enterprise.

C.12.1.26 Anti-Virus Management Service (AVMS)

Anti-Virus Management Service enables the detection and removal of system viruses. The service scans executable files, boot blocks and incoming traffic for malicious code. Anti-virus applications are constantly active in attempting to detect patterns, activities, and behaviors that may signal the presence of viruses. AVMS enables Agencies to procure anti-virus capabilities that protect their infrastructure.

C.12.1.26.1 Intrusion Detection and Prevention Service (IDPS)

Agency enterprise networks, like their commercial counterparts, continue to be challenged with increasing security risks. Intrusion Detection and Prevention Service (IDPS) will serve as a component of the Agency’s security infrastructure by providing an extra layer of protection for its internal networks. IDPS is a security offering that helps reduce network service disruptions caused by malicious attacks.

C.12.1.26.2 Virus Detection, Elimination, and Prevention

The Contractor shall provide virus detection, elimination, and prevention support.

C.12.1.27 Biometrics

The Contractor shall provide biometrics services including the reading of the measurable, biological characteristics of an individual in order to identify them to a computer or other electronic system. Biological characteristics normally measured include fingerprints, voice patterns, retinal and iris scans, faces, and even the chemical composition of an individual's perspiration. For the effective "two-factor" security authorization of an individual to a computer system, normally a biometric measure is used in conjunction with a token (such as a smartcard) or an item of knowledge (such as a password). Biometrics might include fingerprints, retina pattern, iris, hand geometry, vein patterns, voice password, or signature dynamics. Biometrics can be used with a smart card to authenticate the user. The user's biometric information is stored on a smart card, the card is placed in a reader, and a biometric scanner reads the information to match it against that on the card. This is a fast, accurate, and highly secure form of user authentication.

C.12.1.27.1 Smart Card Technologies

C.12.1.28 Computer Security Awareness and Training

The Contractor shall provide computer security awareness and training.

C.12.1.28.1 Computer Security Incident Response
C.12.1.28.2 Computer Security Planning
C.12.1.28.3 Security Policy Compliance

C.12.1.29 Disaster Recovery, Continuity of Operations, and Contingency Planning

The Contractor shall provide disaster recovery, continuity of operations, and contingency planning support, including those for software applications, which are processed on various computer platforms (e.g., personal computers, mainframes, and mini-computers.

C.12.1.29.1 Hot-site and Cold-site Support Services

Contractor will provide disaster recovery sites, computer systems, network resources and technical professional services to support disaster recovery test exercises and disaster recoveries within twelve (12) hours of a disaster declaration, or when Government personnel occupy the contractor’s recovery facility, whichever is sooner.

Contractor personnel assigned to support the customer’s recovery exercises and recovery events shall be U.S. citizens and shall be subjected to background investigations to determine suitability for employment, and receive computer security awareness training in accordance with the Computer Security Act of 1987.

C.12.1.29.2 Critical Infrastructure Protection
C.12.1.29.3 Incident Response Service (INRS)

In an effort to combat cyber attacks and crime, Agencies intend to implement Incident Response Service (INRS) as part of their security portfolio. This offering is one of the security tools that will help in responding to potential malicious attacks that can lead to service disruptions. INRS allows Agencies to complement their in-house security expertise, or obtain outside assistance with a greater depth and breadth of experience.

INRS is comprised of both proactive and reactive activities. Proactive services are designed to prevent incidents. They include onsite consulting, strategic planning, security audits, policy reviews, vulnerability assessments, security advisories, and training. Reactive services involve telephone and on-site support for responding to malicious events such as Denial of Services (DoS) attacks; virus, worm, and trojan horse infections; illegal inside activities, espionage, and compromise of sensitive internal agency databases. INRS provides an effective method of addressing these security intrusions, thereby ensuring operational continuity in case of attacks. In addition, INRS provides forensics services that can assist in apprehending and prosecuting offenders.

C.12.1.29.4 System Recovery Support Services

The Contractor shall provide personnel resources to ensure a system recovery capability that will support Government goals and objectives. As a minimum, the Contractor must provide the capability for hot-site/cold-site recovery of all critical software programs and sensitive Government information. The requirements for system recovery support services will be based on the analysis of strategic planning factors; the strengths and weaknesses of the system, as obtained through threat assessment and risk analyses; and cost and benefit trade-offs.

C.12.1.30 Hardware and Software Maintenance and/or Licensing

The Contractor shall provide for software/hardware maintenance and/or software licenses from 3rd party vendors in support of tasks falling within this functional area.

C.12.1.31 Independent Verification and Validation (Security)

The Contractor shall provide technical resources to define, develop, and conduct Independent Validation and Verification (IV&V) Tests for Mainframe Automation Information Security; Certification of Sensitive Systems; and Security for Small Systems, Telecommunications, and Client Server. Validation testing shall be designed to ensure that the software developed fully addresses the requirements established to provide specific operation functions. Verification testing shall be designed to determine whether the software code is logically correct for the operation functions for which it was designed. It is expected that the operational areas listed above will be contracted as separate IV&V tasks.

C.12.1.31.1 Certification of Sensitive Systems

The Contractor shall provide support in the certification of sensitive systems.

C.12.1.31.2 Mainframe Automated Information Security Support

The Contractor shall provide operational and analytical support related to security for mainframe information assets.

C.12.1.31.3 Security for Small Systems, Telecommunications, and Client Service

The Contractor shall provide security for small systems, telecommunications, and client server support.

C.12.1.32 Managed E-Authentication Service (MEAS)

Managed E-Authentication Service (MEAS) provides Agencies with electronic authentication services in order to seamlessly conduct electronic transactions and implement E-Government initiatives via the Internet. The service enables an individual person to remotely authenticate his or her identity to an Agency Information Technology (IT) system. The service shall connect to Agency networking environments including, but not limited to Agency Demilitarized Zones (DMZs) and secure LANs. Managed E-Authentication Service consists of hardware and software components that provide for remote authentication of individual people over a network for the purpose of electronic government and commerce. The service provides for the electronic validation and verification of a user's identity and enables the use of electronic signatures over the Internet and other public networks.

C.12.1.33 Managed Firewall Service

Agencies intend to implement Managed Firewall Service in order to secure their internal networks. Similarly to commercial enterprises, Agencies face increasing network security risks, which they seek to mitigate. This offering is one of the security tools that will help reduce service disruptions caused by malicious access. Managed Firewall Service will prevent unauthorized access to or from private networks, such as Local Area Networks (LANs).

C.12.1.34 Privacy Data Protection

C.12.1.35 Public Key Infrastructure (PKI)

A type of electronic signature that is generally considered the most reliable and secure. Digital signatures use public key infrastructure (PKI) to authenticate the sender and verify the information contained in the document. With the passage of the electronic signatures act, digital signatures are expected to become increasingly popular for exchanging information, conducting transactions and signing contracts over the Internet. The Contractor shall provide a set of policies, processes, server platforms, software, and workstations used to administer certificates and public-private key pairs, including the ability to issue, maintain, and revoke public key certificates. The architecture, organization, techniques, practices, and procedures that collectively support the implementation and operation of a certificate-based public key cryptographic system. The PKI consists of systems which collaborate to provide and implement the PCS and possibly other related services. The term generally used to describe the laws, policies, standards, and software that regulate or manipulate certificates and public and private keys. In practice, it is a system of digital certificates, certification authorities, and other registration authorities that verify and authenticate the validity of each party involved in an electronic transaction.

C.12.1.36 Secure Managed Email Service (SMEMS)

Secure Managed Email Service (SMEMS) provides Agencies with a complete secure and fully managed email security solution. Email security solutions implemented at Agency gateways and desktops usually attempt to handle events that have already breached the network. Any delay in applying security updates to this infrastructure exposes the network to rapid outbreaks and dynamic threats. SMEMS offers an additional layer of protection by proactively scanning and monitoring email traffic at the contractor's security platform, before it enters the Agency's network. The service supports email security functions such as Anti-Virus Scanning, Anti-Spam Filtering, and Content Control. Security engines are continuously updated to maintain effectiveness against threats and inappropriate material. SMEMS works in conjunction with existing Agency email systems, and is implemented without additional investment in hardware and software at Agency sites.

C.12.1.37 Security Certification and Accreditation

C.12.1.38 Systems Vulnerability Analysis/Assessment and Risk Assessment

C.12.1.38.1 Quantitative Risk Analysis of Large Sensitive Systems

The Contractor shall provide support in performing quantitative risk analyses of large sensitive systems, generally including the risk analysis package as an attachment to the system security plan.

C.12.1.38.2 Vulnerability Scanning Service (VSS)

Vulnerability Scanning Service (VSS) allows agencies to conduct effective and proactive assessments of critical networking environments, and correct vulnerabilities before they are exploited. This offering helps to guard Agency systems and network infrastructure against emerging threats.

C.12.2 FUNCTIONAL AREA TWO (2)

C.12.2.1 System and Software Design, Development, and Integration

C.12.2.1.1 Software Development

A set of activities that results in software products. Software development may include new development, modification, reuse, re-engineering, maintenance, or any other activities that result in software products. Providing for project management, planning, design, building and implementation of client specific applications, taking responsibility for achieving contractually specified results.

C.12.2.1.2 System Design Alternative Studies
C.12.2.1.3 Software Distribution, Licensing, Maintenance

The Contractor shall provide for software maintenance and/or software licenses from 3rd party vendors in support of tasks falling within this functional area

C.12.2.2 Information Technology (IT) Strategic Planning, Program Assessment, and Studies

The Contractor shall provide resources to support in the development, analysis, and implementation of IT strategies, architectures, program planning and assessment, and risk, trade-off, requirements, alternatives, and feasibility studies that advance the goals and objectives of the Government.

C.12.2.2.1 Feasibility Studies

The Contractor shall provide resources to facilitate evaluation of a prospective project for the purpose of determining if the project should be undertaken. Feasibility studies normally consider the time, budget, and technology required for completion.

C.12.2.2.2 Information Technology (IT) Strategic Planning and Mission Need Analysis
C.12.2.2.3 Information Technology Organizational Development
C.12.2.2.4 Information Technology Program Analysis, Assessments and Studies
C.12.2.2.5 Information Technology Research and Development

The Contractor shall provide the resources to identify and research emerging technologies in the IT area. Based on this research, the Contractor shall develop and evaluate prototype solutions and present findings and recommendations to the Government for their consideration.

C.12.2.3 Automated Workflow System Development and Integration

The defined series of tasks within an organization to produce a final outcome. Sophisticated workgroup computing applications allow you to define different workflows for different types of jobs. The workflow software ensures that the individuals responsible for the next task are notified and receive the data they need to execute their stage of the process.

C.12.2.4 Business Process Reengineering

The Contractor shall provide resources to support in the development, analysis, and implementation of improvements in the flow of business, work, and program processes and tool utilization.

C.12.2.4.1 Benchmarking/Operational Capability Demonstrations
C.12.2.4.2 Change Management

C.12.2.5 Chief Information Officer (CIO) Support

Typically, a CIO is involved with analyzing and reworking existing business processes, with identifying and developing the capability to use new tools, with reshaping the enterprise's physical infrastructure and network access, and with identifying and exploiting the enterprise's knowledge resources. Many CIOs head the enterprise's efforts to integrate the Internet and the World Wide Web into both its long-term strategy and its immediate business plans.

C.12.2.5.1 Enterprise Resource Planning Systems Development and Integration

An approach to organizational integration management that relies on integrated application software to provide data on all aspects of the enterprise, such as finance, inventory, human resources, sales, etcetera. The objective of an Enterprise Resource Planning Systems is to provide data, when as needed, to enable an entity to monitor and control its overall operation.

C.12.2.5.2 Enterprise Resource Systems Management
C.12.2.5.3 Enterprise Resource Systems Planning
C.12.2.5.4 Information Assurance Activities
C.12.2.5.5 Information Operations
C.12.2.5.6 Inter/Intra-Agency Enterprise Resource Planning

C.12.2.6 Global Information Systems

C.12.2.7 Software Life Cycle Management (SLCM)

The Contractor shall provide resources to support any or all phases and stages of SLCM, including planning, analysis, troubleshooting, integration, acquisition, installation, operation, maintenance, training, documentation, and administration. The Contractor may be responsible for obtaining and/or supporting the necessary software, hardware, firmware, resources, etc. required for a system project.

C.12.2.7.1 Cost Benefit Analysis, Cost Effectiveness Analysis
C.12.2.7.2 Risk Analysis and Assessment
C.12.2.7.3 Stakeholder Analysis
C.12.2.7.4 Total Cost of Ownership Studies

C.12.2.8 Software Engineering

The Contractor shall provide software engineering support (including planning, analysis, design, evaluation, testing, quality assurance, and project management) in the application of computer equipment through computer programs, procedures, tools, and associated documentation.

C.12.2.8.1 Software Quality Assurance

C.12.2.9 Customer Relationship Management

CRM entails all aspects of interaction a company has with its customer, whether it is sales or service related.

C.12.2.10 Information Technology Architecture (ITA) Support

C.12.2.11 Infrastructure Quality Assurance

C.12.2.12 Instructional Design, and Modeling & Simulation

The Contractor shall provide instructional design, and modeling & simulation. Instructional Design is the systematic development of instructional specifications using learning and instructional theory to ensure the quality of instruction. It is the entire process of analysis of learning needs and goals and

the development of a delivery system to meet those needs. It includes development of instructional materials and activities; and tryout and evaluation of all instruction and learner activities. Instructional Design is that branch of knowledge concerned with research and theory about instructional strategies and the process for developing and implementing those strategies. Instructional Design is the science of creating detailed specifications for the development, implementation, evaluation, and maintenance of situations that facilitate the learning of both large and small units of subject matter at all levels of complexity. Instructional Design can start at any point in the design process. Often a glimmer of an idea is developed to give the core of an instruction situation. By the time the entire process is done the designer looks back and she or he checks to see that all parts of the "science" have been taken into account. Then the entire process is written up as if it occurred in a systematic fashion.

C.12.2.13 SCE/CMM/CMMI Analyses and Implementation Support

SOFTWARE CAPABILITY EVALUATION (SCE) -- It may be necessary on certain task orders to perform software capability evaluations (SCE). The Government may use the SCE developed by the Software Engineering Institute (SEI) Carnegie Mellon University (CMU) www.sei.cmu.edu , Pittsburgh, PA, 15213, in evaluating the contractor's/subcontractor's task order proposal. The SCE level required will be specified in individual task orders.

CAPABILITY MATURITY MODEL (CMM) -- The Capability Maturity Model for Software (or SW-CMM) is used for judging the maturity of the software processes of an organization and for identifying the key practices that are required to increase the maturity of these processes.

CAPACITY MATURITY MODEL INTEGRATION (CMMI) -- The Capability Maturity Model Integration (CMMI) provides models for achieving product and process improvement. The output of the CMMI project is a suite of products, which provides an integrated approach across the enterprise for improving processes, while reducing the redundancy, complexity and cost resulting from the use of separate and multiple capability maturity models (CMMs). To improve the efficiency of model use and increase the return on investment, the CMMI project was created to provide a single integrated set of models.

C.12.2.14 Anti-Virus Management Service (AVMS)

Reference Section C.12.1.26 for description.

C.12.2.15 Biometrics

Reference Section C.12.1.27 for description.

C.12.2.16 Computer Security Awareness and Training

Reference Section C.12.1.28 for description.

C.12.2.17 Disaster Recovery, Continuity of Operations, and Contingency Planning

Reference Section C.12.1.29 for description.

C.12.2.18 Hardware and Software Maintenance and/or Licensing

Reference Section C.12.1.30 for description.

C.12.2.19 Independent Verification and Validation (Security)

Reference Section C.12.1.31 for description.

C.12.2.20 Managed E-Authentication Service (MEAS)

Reference Section C.12.1.32 for description.

C.12.2.21 Managed Firewall Service

Reference Section C.12.1.33 for description.

C.12.2.22 Privacy Data Protection

C.12.2.23 Public Key Infrastructure

Reference Section C.12.1.35 for description.

C.12.2.24 Secure Managed Email Service

Reference Section C.12.1.36 for description.

C.12.2.25 Security Certification and Accreditation

C.12.2.26 Systems Vulnerability Analysis/Assessment and Risk Assessment

Reference Section C.12.1.38 for description.

C.13 INFORMATION SYSTEM SECURITY (ISS)

The General Services Administration, other civilian Federal Agencies, the Department of Defense, federally recognized Native American tribes, and state and local Government entities require assistance in developing ISS products, including implementation. ISS addresses the security of information and computing resources at all organizational levels. All security requirements were included in both Functional Area One (1) and Functional Area Two (2). The descriptions in Section C.11 describe the ISS functional requirements and cover the location, source, and contact for any other information that the Contractor may need to know in order to perform ISS tasks. This includes the results of any previous audits, reviews, studies, certifications, risk, and vulnerability analyses, etc. that address the computer security of a system(s). All work completed under this contract shall comply with the latest versions of all applicable agency ISS guidance (e.g., Office of Management and Budget (OMB) circulars, General Services Administration (GSA) issuances, Public Laws (PLs), American National Standards Institute (ANSI) standards, and National Institute of Standards and Technology (NIST) standards, including Federal Information Processing Standards (FIPS)

publications. Also, individual task/delivery orders will reference applicable versions of standards or exceptions as necessary.

SECTION D

PACKAGING AND MARKING

D.1 GENERAL

The requirements of this Section D apply when supplies are included in an order. The ordering Agency may include additional packaging and marking requirements, other than those enumerated in this section, on individual orders. **In the event of conflict between an order and this contract, the contract shall control.**

D.2 PACKING, MARKING AND STORAGE OF EQUIPMENT

All packing, marking and storage expenses which are incidental to Contractor's shipping of the materials under this Contract shall be made at the contractor's expense (and not on a reimbursable basis).

D.3 552.211-73 MARKING (FEB 1996)

(a) General requirements. Interior packages, if any, and exterior shipping containers shall be marked as specified elsewhere in the Contract. Additional marking requirements may be specified on Orders issued under this Contract. If not otherwise specified, interior packages and exterior-shipping containers shall be marked in accordance with the following standards:

(1) Deliveries to civilian activities. Supplies shall be marked in accordance with Federal Standard 123, edition in effect on the date of issuance of the solicitation.

(2) Deliveries to military activities. Supplies shall be marked in accordance with Military Standards 129, edition in effect on the date of issuance of the solicitation.

(b) Improperly marked material. When Government inspection and acceptance are at destination, and delivered supplies are not marked in accordance with contract requirements, the Government has the right, without prior notice to the Contractor, to perform the required marking, by contract or otherwise, and charge the Contractor therefor the reasonable actual cost of that performance. This right is not exclusive, and is in addition to other rights or remedies provided for in this contract.

D.4 552.211-75 PRESERVATION, PACKAGING, AND PACKING (FEB 1996)

Unless otherwise specified, all items shall be preserved, packaged, and packed in accordance with normal commercial practices, as defined in the applicable commodity specifications. Packaging and packing shall comply with the requirements of the Uniform Freight Classification and the National Motor Freight Classification (issue in effect at time of shipment) and each shipping container of each item in a shipment shall

be of uniform size and content, except for residual quantities. Where special packing is specified in an order, but not specifically provided for by the contract, such packing details must be the subject of an agreement independently arrived at between the ordering agency and the Contractor.

D.5 552-211-77 PACKING LIST (FEB 1996)

(a) A packing list or other suitable shipping document shall accompany each shipment and shall include:

(1) Name and address of the consignor;

(2) Name and complete address of the consignee;

(3) Government Order or requisition number

(4) Government bill of lading number covering the shipment (if any); and

(5) Description of the material shipped, including item number, quantity, number of containers, and packaging number (if any).

(b) When payment will be made by Government commercial credit card, in addition to the information in (a) above, the packing list or shipping document shall include:

(1) Cardholder name and telephone number and

(2) The term “Credit Card.”

D.6 Equipment Removal

Unless otherwise specifically addressed in an Order issued hereunder, the Contractor shall be solely responsible for removing (at its expense, not on a reimbursable basis) within ninety (90) days after expiration or earlier termination of the applicable Task Order, all of its personal property (e.g., equipment, supplies, etc) which it has placed at Government premises during the course of performance for the applicable Order.

SECTION E

INSPECTION AND ACCEPTANCE

E.1 GENERAL

The ordering Agency may include additional inspection and acceptance requirements, other than those enumerated in this section, such as: (1) higher level contract quality requirements, (2) specifically tailored acceptance testing procedures, and (3) quality assurance plans. . **In the event of conflict between an order and this contract, the contract shall control.**

Some orders may have work containing a combination of fixed-price (FP), time-and-materials (T&M), and labor-hour (LH) terms. The ordering Agency is responsible for identifying the applicable order type(s), which must be stated in the order.

E.2 FAR 52.252-2 CONTRACT CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es): *https://www.acquisition.gov/far/index.html.*

CLAUSE	CLAUSE TITLE	DATE	FP	TM/ LH
52.246-2	Inspection of Supplies—Fixed Price –	AUG 1996	x	
	Alternate I (July 1985).	July 1985		
52.246-4	Inspection of Services—Fixed Price	AUG 1996	x	
52.246-6	Inspection—Time And Material And	MAY 2001		x
	Labor-Hour			
52.246-12	Inspection Of Construction	AUG 1996	x	
52.246-15	Certificate Of Conformance	APR 1984	x	
52.246-16	Responsibility of Supplies	APR 1984	x	

SECTION F

DELIVERIES OR PERFORMANCE

F.1 GENERAL

The Ordering Agency may include additional deliveries or performance requirements in orders, other than those enumerated in this section, such as (1) optional FAR clauses, (2) agency clauses, or (3) order specific clauses. **In the event of conflict between an order and this contract, the contract shall control.**

Some orders may have work containing a combination of fixed-price (FP), time-and-material (T&M), and labor-hour (LH) terms. The ordering Agency is responsible for identifying the applicable order type(s), which must be stated in the order.

Where alternate clauses and/or portions of clauses are listed, their FAR prescription for use controls their applicability in orders.

F.2 FAR 52.252-2 CLAUSES INCORPORATED BY REFRENCE (FEB 1998)

This Contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer (CO) will make their full text available. The full text of a clause may be accessed electronically at *https://www.acquisition.gov/far/index.html.*

CLAUSE	CLAUSE TITLE	DATE	FP	T&M/LH
52.242-15	Stop-Work Order	AUG 1989	x	
52.242-15	Stop-Work Order Alternate I	APR 1984		
52.242-17	Government Delay of Work	APR 1984	x	
52.247-34	F.O.B. Destination	NOV 1991	x	x
52.247-35	F.O.B. Destination with Consignees Premises	APR 1984	x	

F.3 TERM OF CONTRACT AND ORDERS

The base term of this contract is five (5) years with one five-year option period. The total duration of this contract, including the exercise of any options, shall not exceed ten (10) years from the date of Contract Award.

Orders may only be issued during the contract's five year base period or the five year option period, if exercised. Those periods of time shall be called the "Contract Ordering Period" (COP). At all times each order's terms shall be consistent with its appropriation. For example, a severable task order may be issued for the balance of a fiscal year and then must be built with option periods contingent upon the availability of future year funds, whereas a non-severable task order may be issued for a period of time commensurate with the appropriation's terms (with or without options), but may not exceed the COP by more than 36 months. If an awardee's size status changes as a result of size status recertification at the contract option period such that the contract option isn't exercised, order performance may still be completed, and order option's may still be exercised. The Government will change the Federal Procurement Data System classification for the contract award such that the options are credited as work with a large business. The COP is the same as the order issue period referenced in FAR 52.216-18 in Section I of this contract.

SECTION G

CONTRACT ADMINISTRATION DATA

The Contractor shall provide all management, administrative, marketing, quotation, proposal, clerical and supervisory functions and actions required for effective and efficient Contract administration without direct cost to the Government.

G.1 GENERAL

The following paragraphs shall be applicable to all Task Orders issued under this contract. Any additional requirements will be specified in individual Task Orders.

G.2 AUTHORITY

G.2.1 GSA PROCURING CONTRACTING OFFICER (PCO)

The right to issue contract modifications, change the terms and conditions of the basic contract, terminate the contract, exercise option renewals, and approve teaming arrangements and contract administration is reserved to the PCO unless otherwise delegated in writing to an Administrative Contracting Officer (ACO).

The Procuring Contracting Officer will provide to the contractor in writing the Government personnel to whom they have delegated responsibility and authority under the contract. These personnel are responsible for ensuring compliance with the terms of the contract, orders issued against the contract, and ensuring adherence to all appropriations law.

For this contract, the PCO is located at the following address:

General Services Administration
Federal Acquisition Service
Small Business GWAC Center
2300 Main Street
Kansas City, MO 64108

Additional responsibilities of the PCO include, but not limited to:

(1) Appointing Administrative Contracting Officers (ACO) as appropriate
(2) Issuing Ordering Contracting Officer (OCO) delegations of procurement authority and Notifying Industry Partners of delegations
(3) Granting contract waivers
(4) Reviewing sole source requirements
(5) Approving all Industry Partners Teaming Arrangements
(6) Managing a Past Performance Database

G.2.2 GSA PROGRAM MANAGER (PM)

The GSA Program Manager (PM) will provide centralized technical oversight and management regarding VETS GWAC contracts to the Contractors, other GSA personnel, and their designated customers. The GSA Program Manager is the representative for the GSA Small Business GWAC Center. Unless specifically identified by GSA, this will be the PCO.

G.2.3 ORDERING CONTRACTING OFFICER (OCO)

G.2.3.1 APPOINTMENT OF THE OCO

The GSA Procuring Contracting Officer (PCO) will delegate OCO duties to Contracting Officers to assure orderly performance of Task Orders. This designation is processed through a Delegation of Contract Ordering Authority (DCOA) and must be requested by the ordering agency through the PCO. The general process for requesting a DCOA is to e:mail the PCO from a ".gov" or ".mil" e:mail account (ending in that nomenclature) requesting it and to provide a copy of the warrant for all parties desiring to be an OCO. Training will be scheduled and must be completed satisfactorily by the designated OCO(s). Upon completion of those prerequisites, a DOCA document will be issued for signature. Once returned and executed by the PCO, and then returned to the newly appointed OCO, the OCO may proceed to use the GWAC. All contracting officers must obtain a Delegation of Contract Ordering Authority from the GSA PCO to issue, modify, and terminate Task Orders under this contract prior to using it. The contractor shall direct all written inquiries, pertaining to specific Task Orders, of a technical or non-technical nature through the OCO. The PCO is available if an OCO is not responsive.

G.2.4 OCO's REPRESENTATIVE

The Ordering Contracting Officer will appoint a Contracting Officer's Representative (OCO COR or OCO COTR) in writing for each Task Order. The OCO COR will receive all work called for by the Task Order for the Government and will represent the OCO in the technical phases of the work. The OCO COR will provide no supervisory or instructional assistance to Contractor personnel.

The OCO COR is not authorized to change any of the terms and conditions of the Contract or the Task Order. Changes in the scope of work of the Task Order will be made only by the OCO by properly executed modifications to the task order.

G.3 SUPERVISION

The contractor shall provide supervision for all contractor personnel on Task Orders. The Government will have no direct supervision over contractor personnel. Government actions with respect to contractor personnel will conform to all applicable

policies, regulations, and law including the Federal Acquisition Regulation Part 37. Contractor employees working under this contract and resultant Task Orders must wear identification that clearly identifies them as contractor employees that identifies the company they represent.

G.4 NOTIFICATION OF TASK ORDER CHANGE

If in the Contractor's opinion, the OCO requests or indicates an expectation of effort which would justify or require an equitable adjustment to the applicable Task Order, the Contractor shall promptly notify the OCO for the Task Order in question in writing, pursuant to FAR 52.243-7 Notification of Changes, but take no other action on that request or effort until the OCO for the applicable Task Order has issued an appropriate contract administration action for the Task Order, or otherwise resolves the issue. Failure to follow the Notification of Changes procedure at the Task Order level shall be solely at the Contractor’s risk.

G.5 RESERVED

G.6 TASK ORDER PRICING/COST

All Task Orders issued against this contract shall be priced out/”costed” out consistent with the identified order terms (FP, T&M or LH and any incentives – or combination thereof – in accordance with the FAR). The Contractor shall not accept unpriced Task Orders.

G.7 RESERVED

G.8 BILLING DISPUTES

All billing disputes arising under or otherwise relating to this Contract or any Task Order issued hereunder shall be resolved pursuant to the procedure set-forth in FAR Clause 52.233-1 Disputes. The OCO for the applicable Task Order is the Contracting Officer for purposes of receiving and processing a claim, and rendering a final decision, as applicable.

For those disputed amounts for which the Contracting Officer issues a decision under the Contracts Disputes Act (CDA), the Government will withhold from a subsequent invoice an amount equivalent to the disputed amount. This type of dispute is a CDA contract dispute to be managed by the Contracting Officer.

G.9 TASK ORDERS (OCT 2012)

At a minimum, the following paragraphs shall be applicable to all Task Orders (TO) issued under this Contract. Additional requirements may be specified in each TO.

Any supplies and services to be furnished under this contract shall be ordered by issuance of written Task Orders. All Task Orders issued under this contract shall be issued in accordance with FAR 16.505 Ordering and the following:

(1) OCOs and contractors must develop a complete integrated understanding of the contract. Certain topics are repeated in various contract sections, often with unique content in each.

(2) All costs associated with preparation, presentation, submission and/or discussion of the Task Order proposals and quotations will be at the contractor's expense (at no direct cost to the government).

(3) No work shall be performed and no payment shall be made except as authorized by a Task Order.

(4) A Task Order is issued when the Government transmits the Task Order to the contractor.

(5) Orders will be within the scope of the contract, will be issued within the period of performance, will be within the maximum value of the contract and will follow the fair opportunity process.

(6) Orders will be placed with the contractor selected by the ordering Agency following established ordering procedures. Orders may be placed using any channel that provides fair opportunity. Such channels/systems as ITSS, **https://portal.fas.gsa.gov)**, e-buy (**www.gsa.gov/ebuy or https://www.ebuy.gsa.gov/**),and a contractor provided e-mail account (that remains constant for the life of the GWAC, so it shouldn't in one person's name, but rather a general e: mail for the firm, perhaps one set up specifically for this purpose), and facsimile are viable. Contractors shall maintain their registrations and accounts in the various systems identified by GSA as "fair opportunity channels", and should diligently monitor them for opportunities. This applies to GSA E-Library too, although it is not a fair opportunity channel. The Government reserves the right to select a single fair opportunity channel after award if it deems it is in its best interest.

(7) Only an authorized and delegated OCO can issue an order under this contract.

(8) All costs associated with post issuance order administration (including applicable personnel cost allocations by TO) shall not be chargeable to the Government as a direct cost. The Contractor is responsible for determining the most appropriate method for inclusion of such costs in indirect pools based on its standard accounting practices.

G.9.1 FAIR OPPORTUNITY PROCESS

(1) Authorized users (or GSA acting on their behalf) will use the fair opportunity process specified in FAR Subpart 16.505(b)(1) in selecting order contractors.

(2) Ordering Contracting Officers from the Agencies will develop and document the process according to FAR standards. OCOs should review and become very familiar with FAR 16.505.
(3) Competitive order contractor selection criteria will be established by the OCO.
(4) Tradeoff or low price - technically acceptable evaluations are authorized.
(5) Price is always a required evaluation factor for source selection based upon merit.
(6)Past performance is always a required evaluation factor for task orders estimated to be valued at over $100,000.00.
(7) The Government may require oral presentations.
(8) The Government may evaluate quotations and proposals without discussions.
(9)Formal evaluation plans or rating of quotes or offers is not required. However, the amount of acquisition planning, evaluation and documentation should be commensurate with the estimated value, inherent risk of performance and importance of the order. For example, the Agency's initial selection of which contractor to utilize should have substantially more planning and evaluation for a higher risk, higher valued order than on a lower risk, lower valued one.
(10) Use of any method (such as allocation or designation of any preferred contractor) that would result in fair consideration not being given to all FA contractors is prohibited.
(11) Use of a multi-phased approach when effort required to respond may be resource intensive is possible – the OCO should confer with the PCO on implementation. Generally, the best practice is to send out an initial notification to all FA based contractors stating a concise requirement synopsis with salient characteristics. Contractors will be afforded a short time in which to elect to "opt in" or "opt out" of receiving the formal RFQ or RFP. Failure to opt in constitutes opting out. Contractors opting in would be sent the formal RFQ or RFP.
(12) Formal RFQs or RFPs should afford offerors a reasonable period of time to respond to, taking into account the unique requirement circumstances – and the OCO will establish that time frame. Contractors <u>are not</u> required to quote or propose for task orders (this does not void the minimum revenue requirement). Time should be allotted to promote competition.
(13) When the Ordering Agency or GSA on the Agency's behalf, makes its decision, the OCO shall document in the order file the rationale for placement and price of each order (price analysis/a price reasonableness determination is always required for FP, T&M and LH work ***), including the basis for order contractor selection and the rationale for any tradeoffs among cost or price and non-cost considerations. Best evaluation practices and agency specific guidance should be followed. The order file shall also identify the basis for using any of the four exceptions to the fair opportunity process. If the OCO uses the logical follow-on exception, the rationale shall describe why the relationship between the initial order and the follow-on qualifies for the exception (the original competition must have been under the same GWAC.) It is the Agency's responsibility to produce and maintain the required documentation for each order regardless of the dollar value of the order.

(14) Following the order placement decision and the documentation of the decision, the ordering Agency or GSA on the Agency's behalf will place the order with the selected contractor.
(15) There must remain at least three active contracts in a FA for the FA to be utilized for Fair Opportunity Competition. If the number of qualified awardees in a FA falls below three, it will act as a stay to the utilization of those less than three contracts for new order competition (but not for issued task orders or for those new orders issued under a bona-fide Fair Opportunity Exception) until such a time as three contract awards in the FA are in effect. The Government will make efforts to maintain the minimum level of three contract awardees per functional area through an open season (and may conduct an open season then without consideration of number of awardees remaining in the FA award pool when in it is in the Government's interest) at the option period, and from time to time, with the understanding that doing so remains at the Government's discretion and that the length of any open season acquisition cycle is a matter subject to many variables outside of the Government's control. No specific promises regarding open season timing, duration or outcomes are expressed or implied.

G.9.2 EXCEPTIONS TO THE FAIR OPPORTUNITY PROCESS (OCT 2012)

Orders may be issued on a sole-source basis whenever circumstances warrant the exercise of any exception set forth in FAR Subpart 16.505(b)(2). In accordance with FAR 16.505(b)(2) fair opportunity need not apply to orders that are under $2,500, and is excepted for service orders above $2,500 where the Contracting Officer determines that:

(1) The agency need for the supplies or services is so urgent that providing a fair opportunity would result in unacceptable delays.
(2) Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized.
(3) The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order.
(4) It is necessary to place an order to satisfy a minimum guarantee.
(5) For orders exceeding the simplified acquisition threshold, a statute expressly authorizes or requires that the purchase be made from a specified source. (6) In accordance with section 1331 of Public Law 111-240 (15 U.S.C. 644(r)), contracting officers may, at their discretion, set aside orders for any of the small business concerns identified in 19.000(a)(3). When setting aside orders for small business concerns, the specific small business program eligibility requirements identified in part 19 apply.

As with any decision under the fair opportunity process, OCO must document the use of any exception to the Fair Opportunity Process. Certain Agencies may

place additional Agency requirements for use of an exception to the fair opportunity process. In all instances the Agency or the Agency conducting the fair opportunity process on behalf of another Agency, must fulfill the requiring Agency's additional requirements for use of an exception and the documentation required.

G.9.3 ORDER CONDITIONS

Funding for each Order shall be contained in the Order and not in the Contract. The contract minimum guarantee is intended to be met by Orders and not by an outright payment from the SBSDC. Issuance of a single Order or a series of Orders having a cumulative value equal to or greater than the minimum guarantee satisfies the minimum guarantee.

Services will be Ordered by issuance of written Orders on GSA Form 300, Standard Form 1449 or DD Form 1155. Other Agency specific forms may be considered for approval by the PCO on a case-by-case basis. Oral Orders are not authorized. Facsimile issuance of Orders is authorized and such Orders are considered to be properly issued when error free transmission is complete.

No work will be performed, no debt or obligation accrued and no payment will be made except as authorized by a bona-fide written Order signed by a duly warranted and delegated OCO. Contractors work AT RISK if they perform work under an order that is not bona-fide or is not signed by a duly warranted and delegated OCO – and should implement the necessary checks and balances within their organizations to ensure that doesn't occur.

A bona-fide Order will include all of the following elements as applicable, the lack of a single applicable element makes an Order defective. Non bona-fide Orders shall be <u>brought to the immediate attention of the PCO</u> and all Government personnel listed on the face of the Order for dispositioning:

- Date of Order
- GSA Contract number
- Government Order number
- Appropriation and accounting data
- Description of service(s) to be performed (preferably a performance based statement of work)
- Period(s) of performance, performance timeframe(s) and performance deadline(s)
- Place(s) of performance
- Price/risk arrangements (order terms, i.e. FP or T&M)
- Definitized order pricing
- Definitized ceilings, if any
- Signature of duly warranted and delegated OCO

- Billing/Invoice address
- Name of issuing Agency
- Name, signature and phone number of OCO
- Name of Client Agency (if different from issuing Agency)
- Name of Contractor

The Contractor shall be bound by the terms and conditions in the Contract and in Orders. Every effort shall be made to find the terms and conditions of an Order meaningful and in harmony with/as complementary to those of the Contract. In the event of a conflict between a term in an Order and in the Contract, the Contract shall control. Patent conflicts should be resolved during the RFQ/RFP process, else the risk inheres to the contractor.

Only the PCO is authorized to modify any Contract terms and conditions.

Any required change to an issued Order may only be made in writing by a duly warranted and delegated OCO with proper delegated authority.

G.10 PROTESTS AND COMPLAINTS (MAR 2009)

No protest under FAR Subpart 33.1 is authorized in connection with the issuance or proposed issuance of an order under this contract, (1) except for a protest on the grounds that the order increases the scope, period, maximum value of the contract (10 U.S.C. 2304c(d) and 41 U.S.C. 253j(d)) or (2) A protest of an order valued in excess of $10 million. Protests of orders in excess of $10 million may only be filed with the Government Accountability Office, in accordance with the procedures

An order ombudsman has been appointed to review complaints from contractors and ensure they are afforded a fair opportunity to be considered, consistent with the procedures set forth above. The order ombudsman is a senior GSA official who is independent of the GSA Contracting Officer. The order ombudsman does not have the authority to overturn ordering decisions or to adjudicate formal contract disputes.

The Ombudsman will be responsible for the duties described at FAR 16.505(b)(5). The Ombudsman for GSA is:

Order Ombudsman
U.S. General Services Administration
Office of Acquisition Policy
1800 F Street, N.W.
Washington, DC 20405

G.11 RESERVED

G.12 INVOICE SUBMISSION

Proper invoices shall be submitted to the address designated in orders in accordance with the clauses in Section E and I.

Only original invoices shall be submitted. Invoices must be plainly marked with the heading "**Invoice**" or substantially similar. Invoices marked "**Statement**" or similar are not acceptable and will not be processed**.**

Invoices must contain the following or they will be rejected. Ordering agencies may specify additional mandatory invoice data elements:

- Description of line items, unit prices, quantities and extended prices conforming to their structure in the applicable Order
- Total invoice amount
- Prompt payment discount offered
- Name of the business concern and invoice date
- Government Order number
- GSA Contract number
- Government Project Number & Title
- Accounting Control Transaction (ACT) number (for GSA FTS Orders)
- Period of Performance covered
- Contractor Invoice Number
- Government Client name and address
- Name, title, phone number, and complete mailing address of the responsible Contractor official to whom payment is to be sent. The "remit to" address must correspond to the remittance address in the Contract
- Information necessary to enable the Government to make
- payment by wire transfer

Charges not specifically authorized in a bona-fide Order by the Government shall not be paid.

Copies of Contractor paid invoices and receipts shall be maintained by the Contractor for the life of the Contract, for three years thereafter, and made available to the Government at no direct cost to the Government upon request.

Invoices for final payment must be identified as such and submitted when Order requirements have all been completed and no further charges are to be incurred. A copy of the written client acceptance of completion must be attached to final invoices.

G.13 RESERVED
G.14 RESERVED

G.15 CONTRACT/TASK ORDER CLOSEOUT

The OCO will be responsible for closing out their orders. Notification that a closeout of a Task Order is completed must be provided to the PCO. Order closeout will be accomplished within the guidelines set forth in:

- FAR Part 4 Administrative Matters
- FAR Part 42 Contract Administration and Audit Services

The OCO will determine that the following conditions have been met:

(1) The contractor has completed provision of the required services, service has been terminated, and no additional deliverables will be provided.
(2) The contractor's final invoice has been submitted.
(3) The contractor has been paid and all billing dispute issues have been resolved.
(4) The Task Order is neither in litigation nor under appeal.
(5) The Task Order period has expired.

The contractor agrees to work in partnership with the contracting officer to closeout Task Orders as soon as possible after they are physically complete by using the "Quick Closeout" procedures described in FAR 42.708 as much as practical. Since this is primarily a services contract, it is anticipated that the costs under non-labor CLINS are to be an insignificant amount to the extent that will allow for the provisional rates established to be used as the basis to negotiate final costs on Non-Fixed-Price Task Orders issued under the contract. However, the OCO for each Task Order has the authority to require an audit of final indirect rates, as provided in FAR 52.232-7, when determined necessary to protect the Government's interest.

G.16 REPORTING REQUIREMENTS

G.16.1 RESERVED

G.16.2 REGULAR CONTRACTOR REPORTING

G.16.2.1 CONTRACT STATUS REPORT (April 2010)

This report shall detail all financial, staffing and vacancies, training, marketing, and problems contract-wide by calendar **quarter** (January 1–March 31, April 1–June 30, July 1–September 30, and October 1–December 31). The contract status report shall reflect same dollar values reported on the Subcontracting Report (see G.17). The report is due within 30 calendar days following the end of the reporting quarter to the Small Business GWAC Center via e-mail. **Reports of "0" sales shall be included in the Contract Status Report.**

G.16.2.2 CONTRACTOR SALES REPORTING AND CONTRACT ACCESS FEE REMITTANCE and REPORTING (Dec 2015)

(a) Sales and Invoice Data Reporting

The Contractor shall electronically register and report all task orders under this contract at http://portal.fas.gsa.gov in the Contract Payment and Reporting Module (CPRM). Instructions are included at the website. "Sales" means the dollar amount of the task order, and "Invoice data" means invoice data. The acceptable points at Invoice data may be reported are when payment is received or invoices remitted in accordance with this contract. The contractor shall maintain a consistent accounting method of invoice reporting.

The contractor shall accurately report the dollar value, in U. S. dollars by calendar quarter (January 1–March 31, April 1–June 30, July 1–September 30, and October 1–December 31).

The contractor shall convert the total value of sales made in foreign currency to U.S. dollars using the "Treasury Reporting Rates of Exchange" issued by the U.S. Department of Treasury, Financial Management Service. The contractor shall use the issue of the Treasury report in effect on the last day of the calendar quarter. The report is available from Financial Management Services, International Funds Branch, Telephone: 202-874-7994, Internet: http://www.fms.treas.gov/intn.html.

The report is due within 30 calendar days following the end of the reporting quarter. The contractor shall continue to furnish quarterly reports, including "zero" sales, as follows:

"0" sales information shall be included in the Contract Status Report which is sent by e-mail to vetsgwac@gsa.gov.

Reporting will be by contract at the Task Order level. All non-IT Solutions Shop task order award and modification data shall be reported in the CPRM by calendar quarter (January 1–March 31, April 1–June 30, July 1–September 30, and October 1–December 31). Award/Modification data includes, but is not limited to:

(1) Contractor Name

(2) Basic Contract Number
(3) Order Number
(4) Award/Modification Date
(5) Award/Modification Obligated Amount
(6) Period of Performance
(7) Order Type(s)
(8) Issuing OCO
(9) Use of non-standard/specialized labor categories

Note: Order/Modification Award data issued by GSA Assisted Acquisition Service (AAS) through ITSS will automatically populate in the CPRM.

Failure to submit required reports or the falsification of reports is sufficient cause for the Government to terminate the contract for default under the termination provisions of this contract.

(b) Contract Access Fee Remittance and Reporting

The Contract Access Fee reimburses GSA's Federal Acquisition Service (GSA FAS) for the costs of operating the GWAC program. The CAF represents a percentage of the total quarterly sales reported. The CAF is currently 3/4 % or .0075.

The CAF percentage is set at the discretion of GSA's FAS. FAS has the unilateral right to change the percentage at any time, but not more than once per year. FAS will provide reasonable notice prior to the effective date of any change. FAS will provide notice of any changes to all contract holders.

The contractor shall remit the CAF to FAS in U.S. dollars within 30 calendar days after the end of the reporting quarter. Final CAF payment is due within 30 calendar days after physical completion of the last outstanding Task Order under the contract.

Invoice Data – The contractor shall report data from each remitted or paid invoice within 30 calendar days after the end of the reporting quarter. (As stated above, the acceptable points at which sales and invoice data may be reported are when payment is received or invoices remitted in accordance with this contract. The contractor shall remain consistent in method chosen.) It is essential that the contractor submit CAF payments based on reported data. (Refer to CAF Payment Data) Data includes, but is not limited to:

1. Contractor Invoice Number
2. Date Issued
3. Invoiced Amount

Zero Invoice Data: For all active Task Orders, if no Invoice Data was remitted or paid during a required reporting period for a specific task order, the contractor shall report

zero dollars ($0) in the "Zero Invoice Data" screen located in the CPRM system for that particular task order number.

CAF Payment Data – The contractor shall report all CAF payments, in the CPRM (http://portal.fas.gsa.gov) system within 30 calendar days after the end of the reporting quarter. It is essential that the contractor submit CAF payments based on reported Invoice data. Additionally, if CAF payment adjustments are made (such as those resulting from paid invoices not matching accepting invoices that were reported), the contractor must adjust CAF payment data AND purchase data in the CPRM to ensure that they reconcile. (Refer to Purchase Data)

CAF and Invoice Data Reporting shall be based on calendar year, quarterly reporting.

Calendar Quarters	**Reporting Due Date**
1st Quarter January 1st – March 31st	April 30th
2nd Quarter April 1st – June 30th	July 30th
3rd Quarter July 1st – September 30th	October 30th
4th Quarter October 1st – December 31st	January 30th

CAF payment data includes, but is not limited to:

(1) Total Remitted Amount
(2) Remit Date
(3) Voucher Number (Payment Tracking ID)
(4) Total CAF Payment Amount
(5) Allocated amount applied to each Task Order Number (for the reported payment)

The Contractor shall convert all currency to U.S. dollars using the "Treasury Reporting Rates of Exchange," issued by the U.S. Department of Treasury, Financial Management Service.

Instructions for remitting the CAF are contained at http://portal.fas.gsa.gov. If paying by check, each check shall be annotated with the corresponding contract number.

Where multiple invoices and/or multiple Task Orders under this contract are involved, the CAF may be consolidated into one payment. CAF payments for multiple contracts or reporting quarters shall not be consolidated.

Within 60 days of contract award, an FAS representative will provide the Contractor with specific written instructions on remitting the CAF. FAS reserves the unilateral right to change such instructions from time to time, following notification to the Contractor.

Failure to remit the full amount of the CAF within 30 calendar days after the end of the applicable reporting period constitutes a contract debt to the United States Government under the terms of FAR 32.6. The Government may exercise all rights under the Debt

Collection Improvement Act of 1996, including withholding or setting off payments and interest on the debt (see FAR 52.232-17, Interest). The Contractor's failure to timely pay the CAF is sufficient cause for the Government to terminate the contract for default under the termination provisions of this contract.

G.17 SUBCONTRACTING REPORT (March 2008)

In implementing the requirements set forth in FAR 52.219-14, Limitation on Subcontracting, contractors shall follow the subcontracting reporting process established for 8(a) certified firms at 13 CFR 124.510. Contractors shall maintain up-to-date records concerning subcontracting costs. Contractors shall submit them by task order via method identified at www.gsa.gov/vetsgwac "Subcontract Reporting" semi-annually (using the contract-year) no later than 30 calendar days after each six-month reporting period (RP). The first RP will begin on the effective date of the notice to proceed.

Contract options for contractors not in full compliance with FAR 52.219-14 may not be exercised. Willful failure or refusal to furnish the required reports, or gross negligence in managing the subcontracting limitation, or falsification of reports CONSTITUTES SUFFICIENT CAUSE TO TERMINATE THE CONTRACTOR FOR DEFAULT.

G.18 MEETINGS

G.18.1 GWAC LEVEL MEETINGS (March 2008)

Biannual GWAC Program Meetings (QPM) shall be necessary to market services, resolve problems, or to facilitate understanding of the requirements of the contract. The participants at these meetings shall include the Industry Partner Contract Manager, Small Business GWAC Center staff, and other representatives of the Government. The PCO and the Industry Partner shall schedule these meetings. All Industry Partner costs associated with the attendance at these meetings shall be at no direct cost to the Government. The Government may, at its option, hold QPRs in person, by teleconference or by webinar.

G.18.2 TASK ORDER LEVEL MEETINGS

From time to time meetings should take place between the ordering agency OCO, OCO COTR and other agency representatives invited by the OCO and a contractor management representative. Such meetings are useful to address progress on the task(s), problems that have arisen over the past month, and other matters that are pertinent. The Government encourages open dialogue and communications between the parties. Scheduled meetings may be specified in RFQs or RFPs and resulting orders. Contractors are encouraged to participate in such meetings without direct cost to the Government.

G.19 RESERVED

G.20 CONTRACTOR CONTRACT MANAGER - A KEY PERSONNEL POSITION

Each Contract awardee shall designate a Contract Manager who is the single contractor point of contact with/for the PCO responsible for overall coordination of their Contract with the Government. This person --

- Organizes, directs, and coordinates planning and production of all Contract support activities

- Has excellent oral and written communication skills, with a demonstrated capability for dealing with, and may meet with, all levels of internal personnel and external representatives

- Formulates and reviews strategic plans, marketing plans, subcontracting, and deliverable items, determines Contract costs, and ensures conformity with Contract terms and conditions

- Explains policies, purposes, and goals of the Contractor's organization, and GSA's policies and procedures applicable to this Contract, to Contractor personnel

- Takes appropriate action as required to avoid personal services Orders

- Must be authorized to negotiate on behalf of and bind the Contractor to Orders

- Is the focal point of communications with/for the PCO

Key personnel must be assigned for the duration of the Contract barring circumstances outside the control of the Contractor (e.g., death, resignation, disability, etc.) or otherwise accepted by the Contracting Officer.

G.21 CURRENT & PAST PERFORMANCE INFORMATION (IAW FAR 42.15)

It is the government's intent to collect performance evaluations for each Order. The requiring office will assess the Contractor's performance in areas such as quality, quantity and timeliness. Such ratings may have bearing on the Contractor's likelihood to receive future Orders.

It is incumbent upon the requiring OCO, or the OCO COR if directed by the OCO, to complete a performance record for each Order after completion of work, and at least annually for Orders having a performance period in excess of one year. Performance evaluations should be submitted to the PCO. Contractors should be cognizant of this requirement and exercise their right to contribute to the final performance record.

Organizations of caliber will not only plan for good performance, but also be aware of their current performance as perceived by the Government, and take steps (i.e., requesting interim evaluations, holding meetings with the Government, performing required corrective action, etc.) to ensure performance is satisfactory throughout the life of each Order so that there will be no surprises at the completion of work.

Contractors are invited to document their performance under each Contract Order and submit it to the PCO. This standing invitation constitutes the Government's effort to afford an opportunity for Contractors to address adverse ratings before they are utilized in a future selection process. A file of all received performance records received by the PCO and any Contractor supplemental information received by the PCO will be maintained and made available to interested parties having a bona-fide need to know.

The Government may designate a web-based past performance system for this purpose.

G.22 OBSERVANCE OF FEDERAL HOLIDAYS

(a) Government personnel observe the following holidays, also shown at www.opm.gov/fedhol.

New Year's Day
Martin Luther Kings, Jr.'s Birthday
President's Day
Memorial Day
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Day

Any other day designated by Federal statute, Executive Order or the President's proclamation.

(b) When any holiday falls on a Saturday, the preceding Friday is observed. When any holiday falls on a Sunday, the following Monday is observed. Observance of such days by Government personnel shall not, by itself, be cause for an equitable adjustment, except if specifically authorized in an Order.

(c) It is understood and agreed between the Government and the Contractor that observance of such days by Government personnel shall not otherwise be a reason for an additional period of performance, or entitlement to compensation.

G. 23 EXIT STRATEGY/OFF RAMP AT THE OPTION PERIOD AND RE-CERTIFICATION

The contracts have an exit strategy built in at the option period. Contract holders must have amassed at least $500K in orders on their contract to be eligible for the option period. If the contract holder does not achieve at least $500K in orders during the base period, the Government simply will not exercise the option.

If SBA issues an interim final rule, or final rule, requiring an alternate small business concern size recertification regime, GSA will follow it.

G. 24 SUBCONTRACTORS

The Government has not pre-approved any subcontractors in making contract awards, and will only do so on a task order, by task order, basis – which falls upon the OCO to complete. Consistent with the terms of the Contract (see, for instance, the flow down requirement of FAR 52.222-11 & Government consent requirement and terms of 52.244-2), no Government (PCO or OCO) consent is required for subcontractors under Fixed-Price (FP) order terms for subcontractors that the contractor has provided a completed standard form 1413 on and deemed responsible pursuant to FAR 9.104-4 and the responsibility standards in FAR 9.1. THIS IS A SIGNIFICANT REASON FOR OCOs TO EMBRACE FP TASK ORDER TERMS! Contractors shall provide written evidence of that responsibility determination to the OCO upon request as a prerequisite to subcontractor inclusion in task order performance. Government consent is required of subcontractors under other than FP order terms, as is the information required in FAR 52.222-11 and 52.244-2 unless the contractor has an approved purchasing system; if a contractor has an approved purchasing system pursuant to FAR 52.244-2, that preapproval requirement is considered met. Completed standard form 1413 and responsibility determinations may still be required in writing by OCO's as a prerequisite to subcontractor inclusion in task order performance.

G. 25 END OF CONTRACT REPORTING

Summary reports are required of each Contract awardee at the end of their Contract. Those reports must include a list of all Orders issued to the contractor under the Contract and their associated: Government Order numbers, client agency names, total dollar values, periods of performance, subcontracting percentages and the CAF amounts paid to the Government.

SECTION H
SPECIAL CONTRACT REQUIREMENTS

H.1 OVERALL CONTRACT MAXIMUM AMOUNT

There is a Program maximum (GWAC ceiling) of $5 billion competitively available to all contract holders over the life of all Contracts. As an Order is issued against a Contract, the value of Orders that can be issued under all Contracts decreases the GWAC ceiling available balance by an equal amount.

H.2 OVERALL CONTRACT MINIMUM AMOUNT (GUARANTEE)

The GWAC ceiling IS NOT the minimum guarantee detailed in Section B. The Contractor and Government agree that, given the totality of intent and consideration proposed by the parties evidenced by the facts and circumstances, and given that the minimum guarantee accurately represents to volume of work certain to be ordered, the minimum guarantee is adequate consideration to establish a binding indefinite-delivery, indefinite quantity Contract for the purpose intended by the solicitation. A request for payout of the minimum guarantee balance unmet through orders must be submitted in writing to the Procuring Contracting Officer (PCO) no more than 30 calendar days after the Contract Ordering Period detailed in Section F. Failure to submit the written demand to the PCO within that time period results in forfeiture of entitlement to any minimum guarantee balance unmet through orders.

H.3 OPEN SEASONS

GSA intends to consider an on-ramp/open-season at the option period if it is deemed to be in the Government's best interest. Contracts awarded under open-season authority will share the GWAC ceiling remaining and their award shall not constitute a basis for Contractual adjustment for existing Contract holders. Solicitations and any resulting Contracts awarded under this authority will closely parallel the originals, and will not exceed their remaining duration. A successor GWAC, e.g. a 2nd generation GWAC for the same work scope, isn't constrained by the current GWAC's ceiling.

H.4 ELECTRONIC ACCESS TO THE CONTRACT

Contractors are hereby advised that a conforming (up to date through all amendments, if any) copy of the contract including all modifications, and also including prices for the base period and option period, if exercised, shall be made available on the VETS website for public viewing. Awarded line item pricing is deemed to be public data.

H.5 INDUSTRY PARTNER WEBPAGE

It is a material contract requirement that, for the life of their Contract(s), each Contractor shall design, deploy, operate, maintain, update and manage a 24x7 Section 508 compliant informational web page (or pages) with a static URL that can be linked to

externally solely featuring this GWAC contract(s). The purpose of the webpage is for the Industry Partner to communicate with potential customers regarding the Industry Partner's ability to provide world-class information technology services under the GWAC. The webpage should demonstrate the functional capability associated with different products or business areas awarded under the GWAC. Each Contractor shall provide a prominent hyperlink to the aforementioned web page on their internet home page, after splash screen type introductions - if any, with no scroll down necessary to view the link. The webpage should be easily accessible from the Industry Partner's front page and intuitive for novice computer users. This webpage at minimum must include the following items:

(1) A conforming version of the contract;
(2) A list of all team members proposed and their capability/area of expertise;
(3) A description of the functional area services awarded under the GWAC
(4) A description of the Industry Partner's quality assurance program;
(5) GSA's Ordering Guide for the GWAC;
(6) Corporate points of contact
(7) A prominent link to the GSA Small Business GWAC Center GWAC website

The specific taxonomy and look/feel/aesthetics of the web content remains at the discretion of the Contractor. The web site content shall be deployed and operational within 30 calendar days of Contract award.

H.6 PERFORMANCE-BASED SERVICES CONTRACTING (PBSC)

Pursuant to Federal Acquisition Regulation (FAR) Subpart 37.6, performance-based contracting techniques will be applied to Task Orders issued under this contract to the maximum extent practicable.

H.7 PHASE OUT OF CONTRACT AND CONTINUITY OF TASK ORDER SERVICES

Phase out of contract and continuity of services will be individually addressed under each Task Order if applicable.

H.8 SECURITY REQUIREMENTS

See Section C.5. When applicable, the Contractor shall comply with the Computer Security Act of 1987 and the Industrial Security Manual for Safeguarding Classified Information (DoD 5220.22-M).

The Industry Partner facility that processes personnel security clearances or data must possess Top Secret facility clearance. Individual task requests shall specify the level of security clearance that will be required for assigned Industry Partner personnel. The Industry Partner is responsible for providing properly cleared personnel, providing security briefings, and ensuring compliance by its employees with the Government or

Industry Partner security regulations. This includes the safekeeping, wearing, and visibility of an Industry Partner provided picture name badge, and any special agency badges. The Industry Partner shall ensure the return of all badges, and any other Government property, upon task completion, or when personnel depart a task permanently or for an extended period of time.

Industry Partner management and Task Order personnel shall have a clearance commensurate with the Task Orders they support. Clearances, primarily Top Secret, may require Special Background Investigations (SBI) leading to Sensitive Compartmented Information (SCI) access or Special Access Programs (SAP). The Industry Partner may be required to obtain agency-specific access, such as a Q clearance or clearance for restricted data. Other checks and investigations may be required to verify the Industry Partner employee's trustworthiness and suitability for the position. The Industry Partner shall cooperate with, and furnish information and completed forms to the Task Order client representative or GSA, when required, for the purpose of any special security checks or processing required by the agency, particularly for sensitive positions that require a National Agency Check (NAC), National Agency Check Investigation (NACI), credit check, police/FBI records check, or background investigation. Clearances and checks may be required at the start of Task Order work.

All clearances, checks, research, and associated activities shall be at Industry Partner expense, and shall not result in any direct cost to the Government.

H.9 LIABILTY

H.9.1 RESERVED

H.9.2 Government Liability

The Government shall not be liable for any injury to the Contractor's personnel or damage to the Contractor's property unless such injury or damage is due to negligence or intentional misconduct on the part of the Government and is recoverable under the Federal Torts Claims Act, or pursuant to another Federal statutory authority.

H.10 INSURANCE

Insurance Schedule --

This schedule is in connection with 52.228-5 and 552.228-5 found in Section I.

1. Workman's compensation insurance required by law of the State where performance is conducted.

2. Comprehensive bodily injury insurance with limits of not less than $500,000 for each occurrence.

3. Property Damage liability with a limit of not less than $100,000 for each occurrence.

4. Automotive bodily injury liability insurance with limits of not less than $200,000 for each person and $500,000 for each occurrence, and property damage liability insurance with a limit of not less than $50,000 for each occurrence.

Prior to the commencement of work hereunder, the Industry Partner shall furnish to the PCO and any OCO requesting it a certificate or written statement of the above required insurance. The policies evidencing required insurance shall contain an endorsement to the effect that any cancellation or any material change adversely affecting the interests of the Government shall not be effective (1) for such period as the laws of the State in which this contact is to be performed prescribe, or (2) until thirty (30) days after the insurer or the Industry Partner gives written notice to the Contracting Officer, whichever period is longer.

The Industry Partner agrees to insert the substance of this clause, including this paragraph, in subcontracts under this contract that require work on a Government installation. The subcontractor(s), will be obligated by the prime contractor, to provide and maintain the insurance required by the virtue of this contract. At least five (5) days before entry of each such subcontractor's personnel on a Government installation, the Industry Partner shall furnish (or ensure that there has been furnished) to the PCO and OCO, a current certificate of insurance, meeting the requirements of the above paragraphs.

H.11 DEDUCTIBLES UNDER REQUIRED INSURANCE COVERAGE & COST

The following requirements also apply to this contract:

(a) The Industry Partner is required to present evidence of the amount of any deductibles in its insurance coverage.

(b) For any insurance required the Industry Partner's deductible is not allowable as a direct or indirect cost under this contract. The Government is not liable, and cannot be invoiced, for any losses up to the minimum amounts of coverage required in subsections (a) through (d) above. If the Industry Partner obtains an insurance policy with deductibles, the Industry Partner, and not the Government, is responsible for any deductible amount up to the minimum amounts of coverage stated.

(c) If the Industry Partner fails to follow all procedures stated in this subsection and in FAR 52.228-7(g), any amounts above the amount of the obtained insurance coverage which are not covered by insurance will not be reimbursable under the contract.

(d) The maximum reimbursement for insurance allowable is the Contract minimum guarantee.

H.12 ORGANIZATIONAL CONFLICT OF INTEREST

The guidelines and procedures of FAR Subpart 9.5 will be used in identifying and resolving any issues of organizational conflict of interest.

In the event that Task Orders issued under this contract require the Industry Partner to gain access to proprietary information of other companies, the Industry Partner shall be required to execute agreements with those companies to protect the information from unauthorized use and to refrain from using it for any purpose other than for which it was furnished.

H.13 CONFLICT OF INTEREST MITIGATION PLAN

In the event that a Task Order (TO) is issued to the Industry Partner that would require activity that would create a potential conflict of interest, the Industry Partner shall:

(a) Notify the PCO and OCO of a potential conflict, and;

(b) Recommend to the Government an alternate tasking approach which would avoid the potential conflict, or

(c) Present for approval a conflict of interest mitigation plan that will:

1. Describe in detail the TO requirement that creates the potential conflict of interest; and

2. Outline in detail the actions to be taken by the Industry Partner in the performance of the task to mitigate the conflict, division of subcontractor effort, and limited access to information, or other acceptable means.

(d) The Industry Partner shall not commence work on a TO related to a potential conflict of interest until specifically notified by the PCO and OCO to proceed.

(e) If the PCO and OCO determine that it is in the best interest of the Government to issue a TO, withstanding a conflict of interest, a request for waiver shall be submitted in accordance with FAR 9.503.

H.14 LIMITED USE OF DATA INFORMATION

In the performance of services under this contract, the Industry Partner may be required to perform operations on, have access to, or handle data and information that contain classified, sensitive, proprietary, or privacy information or data. The Industry Partner shall be responsible for safeguarding the information and data while under the control of or available to the Industry Partner, and to prevent it from being compromised, altered, damaged, lost, or improperly disseminated. The CO may require Industry Partner personnel on a particular Task Order to sign "no conflict of interest" and "non-disclosure" statements as a requirement for assignment to a task. Industry Partner personnel who sign such statements shall be briefed on the meaning and restrictions associated with "conflict of interest" and "non-disclosure".

Industry Partner personnel shall not divulge or release privacy data or information developed or obtained in the performance of this contract, until made public or specifically authorized by the Government. Classified information will be handled in accordance with the provided DD254. The Industry Partner shall not use, disclose or reproduce third party companies' proprietary data, other than as authorized and required in the performance of this contract.

Data, information, or knowledge obtained as a result of working on a Task Order, may fall into special categories, many of which are indicated above, or may have special client sensitivity. Industry Partner employees working on a Task Order may not know the sensitivity of data, information, or situations observed, therefore, it is best to consider all information obtained on a task as sensitive. The Industry Partner shall ensure that task personnel receive special briefings as required by Government regulations and procedures, and include for all task personnel, briefings on the sensitivity of operations, data, and information on any task, and their responsibility for safeguarding and avoiding unauthorized dissemination of any information obtained as a result of performance on a Task Order.

The limitations noted in the preceding paragraphs do not apply to data or information that has been made public by the Government. Further, this provision does not preclude the use of any data independently acquired by the Industry Partner without such limitations, or prohibit an agreement, at no cost to the Government, between the Industry Partner and the data owner that provides for greater rights to the Industry Partner.

H.15 RESTRICTED ACTIVITIES AND STANDARDS OF CONDUCT

The Industry Partner and its employees shall conduct business covered by this contract only during periods paid for by the Government and shall not conduct any other business on Government premises. The Industry Partner shall not use Government materials except for the express purpose of providing Government support under the contract. The Industry Partner

shall not provide assistance to client personnel in developing client requirements except as directed in performance of task duties by the OCO and order statement of work. If requested by the client to provide such non-task related assistance, the Industry Partner shall immediately contact the OCO and PCO to preclude the possibility of conflicts of interest. If the Industry Partner is required to prepare or assist in the preparation of a SOW to be used in a competitive procurement, GSA or any customer will not consider the Industry Partner, its successor-in-interest, assignee, nor affiliates a prime source of supply for, nor allow it to be a subcontractor or consultant to the competitive procurement.

All Industry Partner personnel, and subcontractors who will be personally and substantially involved in the performance of any TO issued under this contract which requires the Industry Partner to act on behalf of, or provide advice with respect to any phase of an agency procurement, as defined in FAR 3.104-4, shall execute and submit an "Employee/Contractor Non-Disclosure Agreement" Form. This is required prior to the commencement of any work on a Task Order and whenever replacement personnel are proposed under an ongoing TO.

H.16 TRANSITION

The Industry Partner shall not recruit on Government premises or otherwise act to disrupt Government business.

The Industry Partner shall have management and administrative support in place to receive task requests within two weeks of contract award. Addresses, telephone numbers, and functional responsibilities shall be provided the PCO. There will be many initial data calls of awardees by the Government including a corporate profile, on-line system registrations, and other items that it will be mutually beneficial to complete.

H.17 FACILITIES, SUPPLIES AND SERVICES

H.17.1GOVERNMENT-FURNISHED PROPERTY AND ITEMS

Government-furnished property and items (GFI/P) will be identified in individual Task Orders, as appropriate. ALL GFI/P is furnished "as is".

H.17.1.1 TRANSPORTATION OF GFI/P

The Contractor shall be responsible for transporting all GFI/P after pickup at the f.o.b. point in the specifications, where risk of loss transfers to the Contractor.

H.17.1.2 VALIDATION OF GFI/P

The following procedures apply to the validation of GFI/P:

(a) Within five (5) working days of receipt of any GFI/P, the Industry Partner shall validate the accuracy of the materials and notify the Government of any discrepancies.

(b) Validation shall consist of the Industry Partner checking for physical and logical completeness and accuracy. Physical completeness and accuracy shall be determined when all materials defined as Government-furnished minimums are provided. Logical completeness and accuracy shall be determined when all materials defined as minimums and associated with a program, system, or work package are provided.

(c) GFI/P errors or discrepancies shall be consolidated and the Government notified in writing. Action to be taken by the Government on these identified problems will be determined by the OCO.

(d) The Industry Partner shall proceed with the requirements on the remaining materials pending Government resolution. The Government will respond with a resolution of the errors after receipt of the written report.

H. 18 HANDLING OF GOVERNMENT-FURNISHED ITEMS

The Industry Partner shall protect from unauthorized disclosure any materials or information made available by the Government, or that the Industry Partner has access to by virtue of the provisions of this Contract, that the Government has not designated for public disclosure.

The material and information made available to the Contractor by the Government are the exclusive property of the Government. Any information or materials developed by the Contractor in performance of this Contract are also the exclusive property of the Government (unless specifically excepted by Section I clause selection). Upon completion or termination of this Contract, the Contractor shall turn over to the Government all materials (copies included) that were furnished to the Contractor by the Government and all materials that were developed by the Contractor in the performance of this Contract. A requirement to this effect shall be included in subcontracts at any tier. The Ordering Contracting Officer may direct alternate disposition of Government Furnished Items.

H.19 INDUSTRY PARTNER SUPPLIED

In addition to the coverage in Section G, at the Contract level the Industry Partner shall furnish the following at no direct cost to the Government:

(a) Contract-related services are administrative and management functions necessary to support the contract, and the hardware, software, and communications systems necessary to interface effectively and efficiently with the GSA. These include,

but are not limited to: financial management, recruiting, interviewing, training, payroll preparation, travel arrangements, task proposal preparation, obtaining security clearances, contracting, and clerical support.
(b) Office and working space for contract-related services.
(c) Office equipment and related items necessary to perform contract-related services including: IT and network operations, printing, photocopying, communications, postage, express mail, paper and copying supplies, local and long distance telephone service, and other services, equipment and supplies required in support of this contract.

H.20 DELETED

H.21 TRAVEL

All required travel must be specified in the order issued. The cost of transportation, lodging, subsistence and incidental expenses (per diem) incurred by Industry Partner personnel when requested to travel in the performance of an order shall comply with the limitations as set forth in FAR 31.205-46. Travel costs must be consistent with and limited to the approved Government travel regulations (Federal Travel Regulations (FTR) for civilian agency work, Joint Travel Regulations (JTR) for military agency work) or Joint Federal Travel Regulations. This is also addressed in Sections B & C.

H.22 PRIOR APPROVAL OF TRAVEL

Before undertaking <u>any</u> travel to any Government site or any other site in performance of this Contract, the Industry Partner shall have this travel approved by, and coordinated with, the Government COR. The Industry Partner shall notify the Government COR prior to any anticipated travel. Notification shall include, at a minimum, the number of persons in the party, traveler name, destination, duration of stay, purpose, and estimated cost. The COR approval is for coordination purposes. Approval to expend funds for travel must be granted in writing through the Task Order.

H.23 TRAVEL REIMBURSEMENT METHODOLOGY

Individual Task Order Requests (TOR) will include guidance as to whether travel expenses are to be fixed price or if they will be reimbursed in a specified not to exceed amount at Government rates. The number of trips, destinations, length of stay, and cost required for completion of travel will be capped by the travel regulations specified in each task order (the lastest rates at the time of travel apply) when the travel isn’t set as a fixed price.

H.24 TRAINING OF INDUSTRY PARTNER EMPLOYEES

Training of contractor personnel shall be performed by the Industry Partner at its own expense/at no direct cost to the Government.

H.25 LIMITATION OF WARRANTY FOR GOVERNMENT FURNISHED SOFTWARE

In lieu of any other warranty expressed or implied herein, the Government warrants that any programming aids and software packages supplied for Industry Partner use as Government-furnished property shall be suitable for their intended use on the system(s) for which designed. In the case of programming aids and software packages acquired by the Government from a commercial source, such warranty is limited to that set forth in the contractual document covering the product(s). Should Government-furnished programming aids or software packages not be suitable for their intended use on the system(s) for which designed, except where such property is furnished "as is," the Industry Partner shall notify the CONTRACTING OFFICER REPRESENTATIVE and supply documentation regarding any defects and their effect on progress under this contract or resulting Task Order. The OCO will consider equitably adjusting the performance dates or Task Order value, or both, and any other contractual provision affected by the Government-furnished property in accordance with the procedures provided for in the “Changes” clause in Section I of this contract.

H.26 INDUSTRY PARTNERS COMMITMENTS, WARRANTIES, AND REPRESENTATIONS

Any written commitments by the Industry Partner within the scope of this contract shall be binding and shall render the Industry Partner liable for damage to the Government under the terms of this contract. A written commitment by the Industry Partner shall be limited to the proposal submitted by the Industry Partner and to specific written modifications, further defined as including:

(1) Any warranty or representation made by the Industry Partner in a proposal as to software, systems performance, and other physical design or functioning characteristics of a component or system.

(2) Warranties or representations made by the Industry Partner concerning the characteristics of items, made in any literature, descriptions or specifications accompanying or referred to in a proposal.

Written modification, affirmation, or representation as to the above which is made by the Industry Partner in or during the course of negotiations, whether or not incorporated formally into the proposal.

H.27 TECHNICAL REFRESHMENT

After contract award, the Procuring Contracting Officer (PCO) may, pursuant to the FAR Clause 52.243-1, Changes – Fixed Price, Alternate II or FAR Clause 52.243-3, Changes – Time and Materials or Labor Hours, order changes within the scope of the contract to benefit all industry partners, and not a single or subset of industry partners. These changes may be required to improve performance, or react to changes in technology.

(a) The Government may solicit, and the Industry Partner is encouraged to propose independently, improvements to the services, features, or other requirements of the Contract.

These improvements may be proposed to save money, to improve performance, or for any other purpose which presents a service advantage to the Government. Those proposed service improvements that are acceptable to the PCO will be processed as modifications to the Contract.

(b) As a minimum, the following information shall be submitted by the Industry Partner with each proposal:

(1) A description of the difference between the existing Contract and the proposed change, and the comparative advantages and disadvantages of each;

(2) Itemized requirements of the Contract which must be changed if the proposal is adopted, and the proposed revision to the Contract for each such change;

(3) An estimate of the changes in performance and cost, if any, that will result from adoption of the proposal;

(4) An evaluation of the effects that the proposed changes would have on collateral costs to the Government, such as Government-furnished property costs, costs of related items, and costs of maintenance, operation, and conversion (including Government-premise equipment);

(5) Any effect on the Contract or TO completion time or delivery schedule shall be identified.

(a) The Government will not be liable for proposal preparation costs or any delay in acting upon any proposal submitted pursuant to this clause. The Industry Partner has the right to withdraw, in whole or in part, any proposal not accepted by the Government within the period specified in the proposal. The decision of the PCO as to the acceptance of any such proposal under this Contract is final and not subject to the "Disputes" clause of this Contract.

(b) The PCO may accept any proposal submitted pursuant to this clause by giving the Industry Partner written notice thereof. Such changes are intended to benefit the entire industry partner pool, and not a single one, so only engage this process if you want your suggested improvement to be shared in that way, both as a discussion item and as a potential contract modification. This written notice will be given by issuance of a modification to the Contract or TO. Unless and until a modification is executed to incorporate a proposal under the Contract or TO, the Industry Partner shall remain obligated to perform in accordance with the requirements, terms, and conditions of the existing Contract or TO.

(c) If a proposal submitted pursuant to this clause is accepted and applied to this Contract or TO issued hereunder, the equitable adjustment increasing or decreasing the Contract or TO price shall be in accordance with the procedures of the "Changes" clause. The resulting Contract modification will state that it is made pursuant to this clause.

H.28 ALTERNATE DISPUTE RESOLUTION

Alternative Dispute Resolution (ADR) procedure increases the opportunity for relatively inexpensive and expeditious resolution of issues in controversy. These procedures may be used by the Government any time that the Contracting Officer has authority to resolve the issue in controversy. If the Contractor submits a claim, the Contracting Officer may apply ADR procedures to all or part of the claim. Contractor claims must be certified in accordance with FAR 33.207. When ADR procedures are used after the issuance of a Contracting Officer's final decision, the time limitations or procedural requirements for filing an appeal of the Contracting Officer's final decision are not altered.

H.29 AGENCY-SPECIFIC CLAUSES

Provisions and clauses that supplement the FAR, which are prescribed and included in authorized agency acquisition regulations and issued within an agency to satisfy the specific needs of the agency as a whole may be added at the Task Order level so long as they are not inconsistent with the terms of this contract and do not exceed its scope.

Provisions and clauses that supplement the FAR are described as follows:

(a) Prescribed and included in authorized agency acquisition regulations issued within an agency to satisfy the specific needs of the agency as a whole;
(b) Prescribed and included in a regulation issued by a sub organization of an agency to satisfy the needs of that particular sub organization; or
(c) Developed for use at a sub organizational level of an agency, not meant for repetitive use, but intended to meet the needs of an individual acquisition and, thus, impractical to include in either an agency or sub organization acquisition regulation.

H.30 REHABILITATION ACT OF 1973

Goods and services delivered under this contract shall meet the applicable technical provisions of the Access Board found at 36 CFR 1194, parts B, C and D or provide equivalent facilitation and other requirements of the Rehabilitation Act of 1973 as applicable.

H.31 SUPERVISION OF EMPLOYEES

The Contractor's employees and subcontractor's employees of any tier shall remain under the Contractor's direct supervision at all times. Although the Government will coordinate with the Contractor within the scope of the Contract, detailed day-to-day instruction and supervision for the Contractor's and subcontractor's employees shall remain the responsibility of the Contractor. This is not a personal services Contract. The contract and task orders do not establish privity of contract with subcontractors.

H.32 DOCUMENTATION

The Contractor shall provide complete sets of operator, programmer, software system, utility, installation, and user manuals. The Contractor shall also provide other necessary documentation for all hardware and software delivered under this Contract in accordance with product line documentation standards,

All provided documentation shall be available either electronically or in hardcopy. Electronic documentation must be fully viewable via Adobe Acrobat Reader™, MS-Word™ or a furnished graphical user interface (with a full license to the GUI interface conveying to the Government) having intelligent search capabilities and must be easily printable from stand-alone and networked Hewlett Packard™ type printers.

It is desirable that documentation is available in both electronic and hardcopy formats.

Hardware Documentation shall include --

- System hardware manuals detailing specifications for system architecture, CPU, memory, and peripheral devices
- Interface manuals detailing all electrical and mechanical aspects of system interfaces, e.g. I/O channels, peripheral devices, and communication interface devices

Software Documentation shall include --

- Reference manuals detailing all elements and operations of all delivered language processors, text editors, I/O handlers, operating system, system generation, system architecture, software tools and utilities, configuration management, and performance measurement software
- Reference manuals detailing command language, communication software, input/output system, error handling, and diagnostic software
- Computer reference and system programmer manuals detailing every machine instruction and all programming considerations
- Problem determination and debugging guides
- A guide to writing device drivers
- Documentation of known problems and/or suspected system errors
- Introductory manuals for new users to the operating system and computer system environment
- An on-line introductory tutorial for new users

Other Manuals

The Contractor may include any other manuals and program information it considered useful.

H.33 SPECIAL PERSONNEL SKILLS

Special personnel skills are those for which the expertise required or duties performed for task orders are within the contract scope, but are so specialized or rare that they are not explicitly defined in a skill category description. The PCO will determine whether circumstances warrant use of this special skill category. Based on price or cost analysis, the PCO will negotiate a fair and reasonable labor rate (market rate) with the Contractor for the special personnel skill on a task-by-task basis.

H.34 PROVISIONS INCORPORATED BY REFERENCE AT ORDER LEVEL (OCT 2012)

Task Orders may incorporate one or more provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a provision may be accessed electronically at this address: https://www.acquisition.gov/far/index.html.

The following provisions apply at the Order level, as applicable, depending upon the contract type of the Task Order, or as specifically referenced in the applicable Order:

CLAUSE NO.	TITLE	DATE	FP	TM/ LH
52.215-20	Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data	OCT 2010	X	X

SECTION I

CONTRACT CLAUSES

I.1 GENERAL

The Ordering Agency may include additional contract clauses in orders, other than those enumerated in this section, such as (1) optional FAR clauses, (2) agency clauses, (3) unmentioned FAR alternate clauses, and (4) order specific clauses.

Some orders may have work containing a combination of contract types, i.e., fixed-price (FP), time & materials (T&M), and labor-hour (LH) terms. The ordering Agency is responsible for identifying the applicable order type(s), which must be stated in the order.

VETS GWAC accommodates orders with the following terms: fixed-price (all in FAR 16.2), time-and-materials (per FAR 16.6), and labor-hour (per FAR 16.6). VETS GWAC will also allow requiring activities to choose among the incentive features found in FAR 16.4 that are tied to fixed-price, time-and-materials, and labor-hour terms. Incentive features must be fully expounded in RFQs or RFPs for order opportunities and resulting orders.

The clauses listed in the following table primarily consist of those listed in the FAR Matrix (at FAR 52.301) as “R”, meaning “Required” and those that are “A”, meaning “Required when applicable”. Clause applicability is determined by FAR prescription for use, which turns on the facts of the order. Where alternate clauses and/or portions of clauses are listed, FAR prescription for use controls their applicability in orders.

Although all clause selections are important, ordering contracting officers should pay special attention to the selection and identification of clauses beginning with “52.227” in order RFQs/RFPs as selection amongst highly significant mutually exclusive options is required. This discretion requires the highest standard of requirement recognition and deliberation by the ordering contracting officer. Ordering contracting officers will need to specifically identify the applicable clauses beginning with “52.227” in each RFQ/RFP. The convention adopted in this contract for order competition regarding clauses beginning with “52.227” is that those clauses listed in RFQs/RFPs for orders apply, while those that are not cited, don’t apply. A failure to mention any clauses beginning with “52.227” in an RFQ/RFP renders that RFQ/RFP defective until that matter is cured by the ordering contracting officer, so such matters should be brought to their attention immediately.

Ordering contracting officers will also need to select between 52.233-1 and 52.233-1 Alternate I in order RFQs/RFPs. The convention adopted in this contract for order competition regards 52.233-1 and 52.233-1 Alternate I is that the one listed in RFQs/RFPs for orders apply, while those that are not cited, don’t apply. A failure to

mention which of those two options applies renders that RFQ/RFP defective until that matter is cured by the ordering contracting officer, so such matters should be brought to their attention immediately.

High value end items procured as part of a services order may require additional clauses such as those mentioned in FAR 46.805(5). While Clause 52.246-25 is already part of this contract, related clauses may also be specifically written into order RFQs/RFPs.

52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the CO will make their full text available. Also, the full text of a clause may be accessed electronically at these addresses:

https://www.acquisition.gov/far/index.html
https://www.acquisition.gov/gsam/gsam.html

FAR (48 CFR Chapter 1) Clauses Incorporated by Reference

CLAUSE NO.	TITLE	DATE	FP	TM/ LH
52.202-1	DEFINITIONS	JAN 2012	x	x
52.203-3	GRATUITIES	APR 1984	x	x
52.203-5	COVENANT AGAINST CONTINGENT FEES	APR 1984	x	x
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVT	SEP 2006	x	
52.203-7	ANTI-KICKBACK PROCEDURES	OCT 2010	x	x
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997	x	x
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	JAN 1997	x	x
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	OCT 2010	x	x
52.203-13	Contractor Code of Business Ethics and Conduct	APR 2010	x	x
52.203-14	Display of Hotline Posters	DEC 2007	x	x
52.203-15	WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009	JUN 2010	x	x
52.204-2	SECURITY REQUIREMENTS	AUG 1996	x	x
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON POSTCONSUMER FIBER CONTENT PAPER	MAY 2011	x	x
52.204-7	CENTRAL CONTRACTOR REGISTRATION	AUG 2012	x	x
52.204-9	PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL	JAN 2011	x	x
52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS	AUG 2012	x	x

52.204-11	AMERICAN RECOVERY AND REINVESTMENT ACT – REPORTING REQUIREMENTS	JUL 2010	x	x
52.204-15	Service Contract Reporting Requriements for Indefinite-delivery Contracts	JAN 2014	x	x
52.207-3	RIGHT OF FIRST REFUSAL OF EMPLOLYMENT	MAY 2006	x	x
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	DEC 2010	x	x
52.209-9	UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDING RESPONSIBILITY MATTERS	FEB 2012	x	x
52.214-34	SUBMISSION OF OFFERS IN THE ENGLISH LANGUAGE	APR 1991	x	x
52.214-35	SUBMISSION OF OFFERS IN U.S. CURRENCY	APR 1991	x	x
52.215-2	AUDIT AND RECORDS —NEGOTIATION	OCT 2010	x	x
52.215-2	AUDIT AND RECORDS —NEGOTIATION, ALT I NOTE :This task only applies to orders funded in whole or in part by the American Recovery and Reinvestment Act of 2009 (ARRA).	MAR 2009	x	x
52.215-8	ORDER OF PRECEDENCE – UNIFORM CONTRACT FORMAT	OCT 1997	x	x
52.215-11	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA – MODIFICATIONS	AUG 2011	x	x
52.215-12	SUBCONTRACTOR COST OR PRICING DATA	OCT 2010	x	x
52.215-13	SUBCONTRACTOR COST OR PRICING DATA – MODIFICATIONS	OCT 2010	x	x
52.215-14	INTEGRITY OF UNIT PRICES	OCT 2010	x	x
52.215-21	REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OF PRICING DATA-MODIFICATION	OCT 2010	x	x
52.215.21	COST OR PRICING ALTERNATE I	OCT 2010	x	x
52.215-21	COST OR PRICING ALTERNATE II	OCT 1997	x	x
52.215-21	COST OR PRICING ALTERNATE III	OCT 1997	x	x
52.215-21	COST OR PRICING ALTERNATE IV	OCT 2010	x	x
52.215-22	LIMITATIONS ON PASS-THROUGH CHARGES-IDENTIFICATION OF SUBCONTRACT EFFORT (See prescription for applicability at task order level)	OCT 2009		x
52.215-23	LIMITATIONS ON PASS-THROUGH CHARGES (See prescription for applicability at task order level)	OCT 2009		x
52.215-23	ALTERNATE I (See prescription for applicability at task order level)	OCT 2009		x
52.216-4	ECONOMIC PRICE ADJUSTMENT – LABOR AND MATERIAL	JAN 1997	x	x
52.216-5	PRICE REDETERMINATION – PROSPECTIVE	OCT 1997	x	x
52.216-7	ALLOWABLE COST AND PAYMENT. (This applies only to the portion of the task order that provides for reimbursement of materials (as defined in the clause at 52.232-7) at actual cost)	JUN 2011		x

52.216-16	INCENTIVE PRICE REVISION – FIRM TARGET	OCT 1997	x	x
52.216-17	INCENTIVE PRICE REVISION – SUCCESSIVE TARGETS	OCT 1997	x	x
52.216-29	TIME AND MATERIALS/LABOR HOUR PROPOSAL REQUIREMENTS—NON-COMMERCIAL ITEM ACQUISITION WITH ADEQUATE PRICE COMPETITION	FEB 2007		x
52.216-30	TIME AND MATERIALS/LABOR HOUR PROPOSAL REQUIREMENTS —Non-COMMERCIAL ITEM ACQUISITION WITHOUT ADEQUATE PRICE COMPETITION	FEB 2007		x
52.216-31	TIME AND MATERIALS/LABOR HOUR PROPOSAL REQUIREMENTS — COMMERCIAL ITEM ACQUISITION	FEB 2007		x
52.217-8	OPTION TO EXTEND SERVICES	NOV 1999	x	x
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	JAN 2011	x	x
52.219-14	LIMITATIONS ON SUBCONTRACTING	NOV 2011	x	x
52.219-27	NOTICE OF TOTAL SERVICE DISABLED VETERAN-OWNED SMALL BUSINESS SET ASIDE	NOV 2011	x	x
52.219-28	POST-AWARD SMALL BUSINESS PROGRAM REREPRESENTATION	APR 2009	x	x
52.222-1	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES	FEB 1997	x	x
52.222-2	PAYMENT FOR OVERTIME PREMIUMS	JUL 1990		
52.222-3	CONVICT LABOR	JUN 2003	x	x
52.222-19	CHILD LABOR COOPERATION WITH AUTHORITIESAND REMEDIES	MAR 2012	x	x
52.222-21	PROHIBITION OF SEGRATED FACILITIES	FEB 1999	x	x
52.222-26	EQUAL OPPORTUNITY	MAR 2007	x	x
52.222-29	NOTIFICATION OF VISA DENIAL	JUN 2003	x	x
52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP 2010	x	x
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	OCT 2010	x	x
52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS	SEP 2010	x	x
52.222-40	NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT	DEC 2010	x	x
52.222-50	COMBATING TRAFFICKING IN PERSONS	FEB 2009	x	x
52.222-54	EMPLOYMENT ELIGIBILITY VERIFICATION	JUL 2012	x	x
52.223-3	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA	JAN 1997		
52.223-3	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA, ALTERNATE I	JUL 1995	x	x
52.223-5	POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION	MAY 2011	x	x

52.223-5	POLLUTION PREVENTION AND RIGHT TO KNOW INFORMATION, ALTERNATE I	MAY 2011	x	x
52.223-5	POLLUTION PREVENTION AND RIGHT TO KNOW INFORMATION, ALTERNATE II	MAY 2011	x	x
52.223-6	DRUG-FREE WORKPLACE	MAY 2001	x	x
52.223-10	WASTE REDUCTION PROGRAM	MAY 2011	x	
52.223-12	REFRIGERATION EQUIPMENT AND AIR CONDITONERS	MAY 2011	x	x
52.223-15	ENERGY EFFICIENCY IN ENERGY CONSUMING PRODUCTS	DEC 2007		
52.223-16	IEEE 1680 STANDARD FOR THE ENVIRONMENTAL ASSESSMENT OF PERSONAL COMPUTER PRODUCTS	DEC 2007	x	x
52.223-16	IEEE 1680 STANDARD FOR THE ENVIRONMENTAL ASSESSMENT OF PERSONAL COMPUTER PRODUCTS, ALTERNATE I	MAY 2011	x	x
52.223-17	AFFIRMATIVE PROCUREMENT OF EPA-DESIGNATED ITEMS IN SERVICE and CONSTRUCTION CONTRACTS	MAY 2008	x	x
52.223-18	ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING	AUG 2011		
52.223-19	COMPLIANCE WITH ENVIRONMENTAL MANAGEMENT SYSTEMS	MAY 2011	x	x
52.224-1	PRIVACY ACT NOTIFICATION	APR 1984	x	x
52.224-2	PRIVACY ACT	APR 1984	x	x
52.225-1	BUY AMERICAN ACT –SUPPLIES	FEB 2009	x	x
52.225-3	BUY AMERICAN ACT – FREE TRADE AGREEMENTS – ISRAELI TRADE ACT	MAY 2012	x	x
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	JUN 2008	x	
52.225-14	INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT	FEB 2000	x	x
52.225-19	CONTRACTOR PERSONNEL IN A DESIGNATED OPERATIONAL AREA SUPPORTING A DIPLOMATIC OR CONSULAR MISSION OUTSIDE THE UNITED STATES	MAR 2008	x	x
52.226-1	UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES	JUN 2000	x	x
52.227-1	AUTHORIZATION AND CONSENT	DEC 2007	x	
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	DEC 2007	x	
52.227-3	PATENT INDEMNITY	APR 1984	x	
52.227-10	FILING OF PATENT APPLICATIONS-CLASSIFIED SUBJECT MATTER	DEC 2007	x	x
52.227-11	Patent Rights—Ownership by the Contractor	DEC 2007	x	x
52.227-13	Patent Rights—Ownership by the Government	DEC 2007	x	x
52.227-14	RIGHTS IN DATA—GENERAL	DEC 2007	x	x
52.227-14	RIGHTS IN DATA—GENERAL ALTERNATE I	DEC 2007	x	x
52.227-14	RIGHTS IN DATA—GENERAL ALTERNATE II	DEC 2007	x	x
52.227-14	RIGHTS IN DATA—GENERAL ALTERNATE III	DEC 2007	x	x
52.227-14	RIGHTS IN DATA—GENERAL ALTERNATE IV	DEC 2007	x	x

52.227-14	RIGHTS IN DATA—GENERAL ALTERNATE V	DEC 2007	x	x
52.227-17	RIGHTS IN DATA-SPECIAL WORKS	DEC 2007	x	x
52.227-19	COMMERCIAL COMPUTER SOFTWARE – RESTRICTED RIGHTS	DEC 2007	x	x
52.227-22	MAJOR SYSTEM – MINIMUM RIGHTS	JUN 1987	x	x
52.228-3	WORKERS' COMPENSATION INSURANCE (DEFENSE BASE ACT).	APR 1984	x	x
52.228-5	INSURANCE - WORK ON A GOVERNMENT INSTALLATION	JAN 1997	x	x
52.228-7	INSURANCE – LIABILITY TO THIRD PERSONS	MAR 1996		
52.229-3	FEDERAL, STATE, AND LOCAL TAXES	APR 2003	x	x
52.229-5	TAXES – CONTRACTS PERFORMED IN U.S. POSSESIONS OR PUERTO RICO	JUN 2003	x	x
52.229-6	TAXES – FOREIGN FIXED-PRICE CONTRACTS	JUN 2003	x	x
52.229-7	TAXES – FIXED-PRICE CONTRACTS WITH FOREIGN GOVERNMENTS	JAN 1991	x	x
52.229-8	TAXES – FOREIGN COST-REIMBURSEMENT CONTRACTS	MAR 1990		
52.232-1	PAYMENTS	APR 1984	x	
52.232-7	PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS	AUG 2012		x
52.232-7	PAYMENTS UNDER TIME-AND-MATERIALS AND LABOR-HOUR CONTRACTS ALTERNATE I (Deviation 1-FEB 2007)	AUG 2012		x
52.232-8	DISCOUNTS FOR PROMPT PAYMENT	FEB 2002	x	x
52.232-9	LIMITATION ON WITHHOLDING OF PAYMENTS	APR 1984	x	x
52.232-11	EXTRAS	APR 1984	x	
52.232-16	PROGRESS PAYMENTS	APR 2012	x	
52.232-16	PROGRESS PAYMENTS ALTERNATE I	MAR 2000	x	
52.232-17	INTEREST	OCT 2010	x	x
52.232-18	AVAILABILITY OF FUNDS	APR 1984	x	x
52.232.20	LIMITATION OF COST	APR 1984		
52.232-22	LIMITATION OF FUNDS	APR 1984		
52.232-23	ASSIGNMENT OF CLAIMS	JAN 1986	x	x
52.232-25	PROMPT PAYMENT	OCT 2008	x	x
52.232-25	PROMPT PAYMENT ALTERNATE I	FEB 2002		x
52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER-CENTRAL CONTRACTOR REGISTRATION	OCT 2003	x	x
52.233-1	DISPUTES	JUL 2002	x	x
52.233-1	DISPUTES ALTERNATE I	DEC 1991	x	x
52.233-3	PROTEST AFTER AWARD	AUG 1996	x	x
52.233-3	PROTEST AFTER AWARD ALTERNATE I	JUN 1985		
52.237-2	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION	APR 1984	x	x
52.237-3	CONTINUITY OF SERVICES	JAN 1991	x	x
52.239-1	PRIVACY OR SECURITY SAFEGUARDS	AUG 1996	x	x
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	APR 1984	x	x
52.242-3	PENALTIES FOR UNALLOWABLE COSTS	MAY 2001		x
52.242-4	CERTIFICATION OF FINAL INDIRECT COSTS	JAN 1997		x

52.242-13	BANKRUPTCY	JUL 1995	x	x
52.243-1	CHANGES – FIXED-PRICE ALTERNATE I	APR 1984	x	
52.243-1	CHANGES – FIXED PRICE, ALTERNATE II	APR 1984		
52.243-3	CHANGES--TIME-AND-MATERIALS OR LABOR-HOURS	SEPT 2000		x
52.244-2	SUBCONTRACTS	OCT 2010	x	x
52.244-5	COMPETITION IN SUBCONTRACTING	DEC 1996	x	
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	DEC 2010	x	x
52.245-1	GOVERNMENT PROPERTY	APR 2012	x	x
52.245-2	GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES	APR 2012	x	
52.245-9	Use and Charges	APR 2012	x	x
52.246-20	WARRANTY OF SERVICES	MAY 2001	x	
52.246-25	LIMITATION OF LIABILITY – SERVICES	FEB 1997	x	x
52.247-63	PREFERENCE FOR U.S. FLAG AIR CARRIERS	JUNE 2003	x	x
52.248-1	VALUE ENGINEERING	OCT 2010	x	
52.249-2	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE)	APR 2012	x	
52.249-6	TERMINATION (COST-REIMBURSEMENT)	MAY 2004		
52.249-6	TERMINATION (COST-REIMBURSEMENT) ALTERNATE IV	SEP 1996		x
52.249-8	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)	APR 1984	x	
52.249-14	EXCUSABLE DELAYS	APR 1984		x
52.250-5	SAFETY ACT – EQUITABLE ADJUSTMENT	FEB 2009	x	x
52.251-1	GOVERNMENT SUPPLY SOURCES	APR 2012	x	x
52.253-1	COMPUTER GENERATED FORMS	JAN 1991	x	x

I.2.1 ACQUISITION OF COMMERCIAL ITEMS AT THE TASK ORDER LEVEL (April 2010)

The following provisions or clauses apply only to task orders that are for the acquisition of supplies or services that meet the definition of commercial items at FAR 2.101. If commercial acquisition procedures are used for any task order, the appropriate clauses will be incorporated in the task order with the appropriate fill ins.

CLAUSE NO.	TITLE	DATE	FP*	TM/ LH**
52.212-4	CONTRACT TERMS AND CONDITIONS – COMMERCIAL ITEMS ALTERNATE I	OCT 2008		x

I.2.2 ADDITIONAL SMALL BUSINESS PARTICIPATION AT THE TASK ORDER LEVEL (April 2012)

The following clauses incorporated by reference and providing for task order request set-asides only apply to task orders requests when a decision is made by the government to further set-aside at that level. The inclusion of these clauses in the VETS GWAC is to provide ordering contracting officers the option of implementing further set-asides at the task order request level in both commercial and non-commercial task order requests –further setting aside through these clauses should not be read as automatically

applicable just because the provisions or clauses are included in the VETS GWAC. IF SMALL BUSINESS PARTICIPATION IS FURTHER RESTRICTED AT THE TASK ORDER REQUEST LEVEL, THE APPLICABLE CLAUSE(S) MUST BE EXPLICITLY INCORPORATED IN WRITING IN THE TASK ORDER REQUEST BY THE ORDERING CONTRACTING OFFICER. This guidance also applies to the inclusion of these clauses in FAR 52.212-5.

CLAUSE NO.	TITLE	DATE	FP	TM/ LH
52.219-3	NOTICE OF HUBZone SET-ASIDE OR SOLE SOURCE AWARD	NOV 2011	x	x
52.219-6	NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE	NOV 2011	x	x
52.219-29	NOTICE OF SET-ASIDE FOR ECONOMICALLY DISADVANTAGE WOMEN-OWNED SMALL BUSINESS CONCERNS	APR 2012	x	x
52.219-30	NOTICE OF SET-ASIDE FOR SET-ASIDE FOR WOMAN-OWNED SMALL BUSINESS CONCERNS ELIGIBLE UNDER THE WOMAN-OWNED SMALL BUSINESS PROGRAM	APR 2012	x	x

I.3 GENERAL SERVICES ADMINISTRATION ACQUISITION MANUAL (GSAM), INCORPORATED BY REFERENCE

CLAUSE	TITLE	DATE
552.203-71	RESTRICTION ON ADVERTISING	SEP 1999
552.211-72	REFERENCE TO SPECIFICATIONS IN DRAWINGS	FEB 1996
552.215-70	EXAMINATION OF RECORDS BY GSA	FEB 1996
552.228-5	GOVERNMENT AS ADDITIONAL INSURED	MAY 2009
552.229-71	FEDERAL EXCISE TAX—DC GOVERNMENT	SEP 1999
552.232-1	PAYMENTS	NOV 2009
552.232-23	ASSIGNMENT OF CLAIMS	SEP 1999
552.232-25	PROMPT PAYMENT	NOV 2009
552.236-82	SUBCONTRACTS	APR 1984

I.3 52.216-18 ORDERING (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from **____"See website"**

(*dates to conform to the Contract Ordering Period in Section F at F.3 and established with the contract notice to proceed as stated in Section B*).

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. IN THE EVENT OF CONFLICT BETWEEN A DELIVERY ORDER OR TASK ORDER AND THIS CONTRACT, THE CONTRACT SHALL CONTROL.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized by the Schedule.

I.4 52.216-19 ORDER LIMITATIONS (OCT 1995)

(1) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than $2,500.00 the Government is not obligated to purchase, nor is the Contractor obligated to furnish supplies or services under the contract.

(2) Maximum order. The contractor is not obligated to honor: GWAC Ceiling Value Remaining. Contractors shouldn't quote or propose for task orders they don't intend to perform.

(3) If this is a requirements contract (i.e., include the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR), the Government is not required to order a part of any one requirement from the contractor if that requirement exceeds the maximum order limitations in paragraph (2) of this section.

(4) Notwithstanding paragraphs 2 and 3 of this section, the contractor shall honor any order exceeding the maximum order limitations in paragraph 2, unless that order (or orders) is returned to the ordering office within three (3) work days after issuance, with written notice stating the contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

I.5 52.216-22 INDEFINITE QUANTITY (OCT 1995)

(1) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the contract. The quantities of supplies or services specified in the contract are estimates only and are not purchased by this contract.

(2) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering Limitation clause. The contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the contract up to and including the quantity designated in the contract as the "maximum." The Government shall order at least the quantity of supplies or services designated in the contract as the "minimum."

(3) Except for any limitations on the quantities, in the Order Limitations clause or in the contract, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

Any order issued during the effective period of this contract and not completed within that period shall be completed by the contractor within the time specified in the order. The contract shall govern the contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the

contract's effective period; provided, that the contractor shall not be required to make any deliveries under this contract after the terms set out in Section F at F.3.

I.6 52.217-9 OPTION TO EXTEND THE TERM OF THE CONTRACT (MAR 2000)

(a) The Government may extend the term of the contract by written notice to the contractor within 30 days of the expiration of the contract provided, that the Government shall give the contractor a preliminary notice of its intent to extend at least 60 days before the contract expires. The preliminary notice does not commit the Government to an extension.

(b) If the Government exercises this option, the extended contract shall be considered to include this option provision.

(c) The total duration of this contract, including the exercise of options under this clause, shall not exceed ten year Contract Ordering Period, as discussed in Section F, paragraph F.3 TERM OF CONTRACT AND ORDERS.

I.7 552.217-71 NOTICE REGARDING OPTION(S) (NOV 1992)

The General Services Administration (GSA) has included an option to extend the term of this contract in order to demonstrate the value it places on quality performance by providing a mechanism for continuing a contractual relationship with a successful Offeror that performs at a level which meets or exceeds GSA's quality performance expectations as communicated to the Contractor, in writing, by the Contracting Officer or designated representative. When deciding whether to exercise the option, the Contracting Officer will consider the quality of the Contractor's past performance under this contract in accordance with 48 CFR 517.207.

I.8 RESERVED

I.9 GSAM 552.252-6 AUTHORIZED DEVIATIONS IN CLAUSES (SEPT 1999)

(a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation or variation is indicated by the addition of "(DEVIATION)" or "(VARIATION)" after the date of the clause, if the clause is not published in the General Services Administration Acquisition Regulation (48 CFR Chapter 5). The use in this solicitation of any Federal Acquisition Regulation (FAR) clause with an authorized deviation or variation that is published in the General Services Administration Acquisition Regulation is indicated by the addition of "(DEVIATION (FAR clause no.))" or "(VARIATION (FAR clause no.))" after the date of the clause.

(b) The use in this solicitation of any General Services Administration Acquisition Regulation clause with an authorized deviation or variation is indicated by the addition of "(DEVIATION)" or "(VARIATION)" after the date of the clause.

(c) Changes in wording of clauses that are prescribed for use on a "substantially the same as" basis are not considered deviations. Therefore, when such clauses are not worded exactly the same as the FAR or GSAM clause, they are identified by the word "(VARIATION)".

I.10 GOVERNMENT FACILITY ACCESS & AVAILABILITY

FAR provision 52.237-1 Site Visit (Apr 1984) APPLIES TO EACH AND EVERY RFQ/RFP AND ORDER ISSUED REGARDLESS IF IT IS CITED THERE OR NOT (it is a provision, and it usually applies only at the solicitation level, but it also applies to RFQ's/RFP and Orders under this Contract too.) Contractors uncertain of conditions for performance are instructed to inquire regarding, but no limited to, the means of premises ingress/egress, security requirements, delivery/demurrage, storage, use of approaches, use of corridors, use of stairways, use of elevators, Government furnished space/property/equipment, availability of/access to Government facilities on federal holidays, and similar matters prior to submission of a quotation or request for proposal for task order opportunities.

During all operations on Government premises, the Contractor's personnel shall comply with the rules and regulations governing the conduct of personnel and the operation of the facility.

I.11. 52.209-5 CERTIFICATION REGARDING RESPONSIBILITY MATTERS (APR 2010)

(a)(1) The Offeror certifies, to the best of its knowledge and belief, that—

(i) The Offeror and/or any of its Principals—

(A) Are o are not o presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;

(B) Have o have not o, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property (if offeror checks “have”, the offeror shall also see 52.209-7, if included in this solicitation);

(C) Are o are not o presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision;

(D) Have o, have not o, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds $3,000 for which the liability remains unsatisfied.

(1) Federal taxes are considered delinquent if both of the following criteria apply:

(i) *The tax liability is finally determined*. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.

(ii) *The taxpayer is delinquent in making payment*. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

(2) *Examples*.

(i) The taxpayer has received a statutory notice of deficiency, under I.R.C. § 6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(ii) The IRS has filed a notice of Federal tax lien with respect to an assessed tax liability, and the taxpayer has been issued a notice under I.R.C. § 6320 entitling the taxpayer to request a hearing with the IRS Office of Appeals contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability because the taxpayer has had no prior opportunity to contest the liability. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek tax court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.

(iii) The taxpayer has entered into an installment agreement pursuant to I.R.C. § 6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not delinquent because the taxpayer is not currently required to make full payment.

(iv) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collection action is stayed under 11 U.S.C. 362 (the Bankruptcy Code).

(ii) The Offeror has o has not o, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

(2) “Principal,” for the purposes of this certification, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities

within a business entity (*e.g.*, general manager; plant manager; head of a division or business segment; and similar positions).

> This Certification Concerns a Matter Within the Jurisdiction of an Agency of the United States and the Making of a False, Fictitious, or Fraudulent Certification May Render the Maker Subject to Prosecution Under Section 1001, Title 18, United States Code.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

(End of provision)

I.12 52.209-7 INFORMATION REGARDING RESPONSIBILITY MATTERS (FEB 2012)

(a) *Definitions*. As used in this provision—

"Administrative proceeding" means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (*e.g.*, Securities and Exchange Commission Administrative Proceedings, Civilian Board of Contract Appeals Proceedings, and Armed Services Board of Contract Appeals Proceedings). This includes administrative proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include agency

actions such as contract audits, site visits, corrective plans, or inspection of deliverables.

"Federal contracts and grants with total value greater than $10,000,000" means—

(1) The total value of all current, active contracts and grants, including all priced options; and

(2) The total value of all current, active orders including all priced options under indefinite-delivery, indefinite-quantity, 8(a), or requirements contracts (including task and delivery and multiple-award Schedules).

"Principal" means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (*e.g.*, general manager; plant manager; head of a division or business segment; and similar positions).

(b) The offeror [ ] has [ ] does not have current active Federal contracts and grants with total value greater than $10,000,000.

(c) If the offeror checked "has" in paragraph (b) of this provision, the offeror represents, by submission of this offer, that the information it has entered in the Federal Awardee Performance and Integrity Information System (FAPIIS) is current, accurate, and complete as of the date of submission of this offer with regard to the following information:

(1) Whether the offeror, and/or any of its principals, has or has not, within the last five years, in connection with the award to or performance by the offeror of a Federal contract or grant, been the subject of a proceeding, at the Federal or State level that resulted in any of the following dispositions:

(i) In a criminal proceeding, a conviction.

(ii) In a civil proceeding, a finding of fault and liability that results in the payment of a monetary fine, penalty, reimbursement, restitution, or damages of $5,000 or more.

(iii) In an administrative proceeding, a finding of fault and liability that results in—

(A) The payment of a monetary fine or penalty of $5,000 or more; or

(B) The payment of a reimbursement, restitution, or damages in excess of $100,000.

(iv) In a criminal, civil, or administrative proceeding, a disposition of the matter by consent or compromise with an acknowledgment of fault by the Contractor if the proceeding could have led to any of the outcomes specified in paragraphs (c)(1)(i), (c)(1)(ii), or (c)(1)(iii) of this provision.

(2) If the offeror has been involved in the last five years in any of the occurrences listed in (c)(1) of this provision, whether the offeror has provided the requested information with regard to each occurrence.

(d) The offeror shall post the information in paragraphs (c)(1)(i) through (c)(1)(iv) of this provision in FAPIIS as required through maintaining an active registration in the

Central Contractor Registration database via https://www.acquisition.gov (see 52.204-7).

(End of provision)

I.13 52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS – COMMERCIAL ITEMS (AUG 2012)

(a) The Contractor shall comply with the following Federal Acquisition Regulation (FAR) clauses, which are incorporated in this contract by reference, to implement provisions of law or Executive orders applicable to acquisitions of commercial items:

(1) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

[_____] Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(2) 52.233-3, Protest After Award (Aug 1996) (31 U.S.C. 3553).

(3) 52.233-4, Applicable Law for Breach of Contract Claim (Oct 2004) (Pub. L. 108-77, 108-78)

(b) The Contractor shall comply with the FAR clauses in this paragraph (b) that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items: [Contracting Officer check as appropriate.]

__X__ (1) 52.203-6, Restrictions on Subcontractor Sales to the Government (Sep 2006), with Alternate I (Oct 1995) (41 U.S.C. 253g and 10 U.S.C. 2402).

__X__ (2) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

_____ (3) 52.203-15, Whistleblower Protections under the American Recovery and Reinvestment Act of 2009 (Jun 2010) (Section 1553 of Pub. L. 111-5). (Applies to contracts funded by the American Recovery and Reinvestment Act of 2009.)

__X__ (4) 52.204-10, Reporting Executive Compensation And First-Tier Subcontract Awards (Aug 2012) (Pub. L. 109-282).(31 U.S.C. 6101 note).

_____ (5) 52.204-11, American Recovery and Reinvestment Act – Reporting Requirements (Jul 2010)
(Pub. L. 111-5).

__X__ (6) 52.209-6,Protecting the Government's Interest When Subcontracting with ContractorsDebarred, Suspended, or Proposed for Debarment (Dec 2010) (31 U.S.C. 6101note).

__X__ (7) 52.209-9, Updates of Publicly Available Information Regarding Responsibility Matters (Feb 2012) (41 U.S.C. 2313).

__X__ (8) 52.209-10, Prohibition on Contracting with Inverted Domestic Corporations (May 2012) (section 738 of Division C of Pub. L. 112–74, section 740 of Division C of Pub. L. 111–117, section 743 of Division D of Pub. L. 111–8, and section 745 of Division D of Pub. L. 110–161).

__X__ (9) 52.219-3 , Notice of HUBZone Set-Aside or Sole-Source Award (Nov 2011) (15 U.S.C. 657a).

_____ (10) 52.219-4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns (Jan 2011) (if the offeror elects to waive the preference, it shall so indicate in its offer) (15 U.S.C. 657a).

_____ (11) [Reserved]

__X__ (12) (i) 52.219-6, Notice of Total Small Business Set-Aside (Nov 2011) (15 U.S.C. 644).

_____ (ii) Alternate I (Nov 2011) of 52.219-6.

_____ (iii) Alternate II (Nov 2011) of 52.219-6.

_____ (13) (i) 52.219-7, Notice of Partial Small Business Set-Aside (June 2003) (15 U.S.C. 644).

_____ (ii) Alternate I (Oct 1995) of 52.219-7.

_____ (iii) Alternate II (Mar 2004) of 52.219-7.

__X__ (14) 52.219-8, Utilization of Small Business Concerns (Jan 2011) (15 U.S.C. 637(d)(2) and (3)).

_____ (15) (i) 52.219-9, Small Business Subcontracting Plan (Jan 2011) (15 U.S.C. 637(d)(4)).

_____ (ii) Alternate I (Oct 2001) of 52.219-9.

_____ (iii) Alternate II (Oct 2001) of 52.219-9.

_____ (iv) Alternate III (Jul 2010) of 52.219-9.

__X__ (16) 52.219-13, Notice of Set-Aside of Orders (Nov 2011)(15 U.S.C. 644(r)).

__X__ (17) 52.219-14, Limitations on Subcontracting (Nov 2011) (15 U.S.C. 637(a)(14)).

_____ (18) 52.219-16, Liquidated Damages – Subcontracting Plan (Jan 1999) (15 U.S.C. 637(d)(4)(F)(i)).

_____ (19) (i) 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns (Oct 2008) (10 U.S.C. 2323) (if the offeror elects to waive the adjustment, it shall so indicate in its offer).

_____ (ii) Alternate I (June 2003) of 52.219-23.

_____ (20) 52.219-25, Small Disadvantaged Business Participation Program – Disadvantaged Status and Reporting (Dec 2010) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

_____ (21) 52.219-26, Small Disadvantaged Business Participation Program – Incentive Subcontracting (Oct 2000) (Pub. L. 103-355, section 7102, and 10 U.S.C. 2323).

__X__ (22) 52.219-27, Notice of Service-Disabled Veteran-Owned Small Business Set-Aside (Nov 2011) (15 U.S.C. 657 f).

__X__ (23) 52.219-28, Post Award Small Business Program Rerepresentation (Apr 2012) (15 U.S.C. 632(a)(2)).

__X__ (24) 52.219-29, Notice of Set-Aside for EconomicallyDisadvantaged Women-Owned Small Business (EDWOSB) Concerns (Apr2012) (15 U.S.C. 637(m)).

__X__ 25) 52.219-30, Notice of Set-Aside for Women-OwnedSmall Business (WOSB) Concerns Eligible Under the WOSB Program (Apr2012) (15 U.S.C.637(m)).

__X__ (26) 52.222-3, Convict Labor (June 2003) (E.O. 11755).

__X__ (27) 52.222-19, Child Labor – Cooperation with Authorities and Remedies (Jul 2010) (E.O. 13126).

__X__ (28) 52.222-21, Prohibition of Segregated Facilities (Feb 1999).

__X__ (29) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

__X__ (30) 52.222-35, Equal Opportunity for Veterans (Sept 2010) (38 U.S.C. 4212).

__X__ (31) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

__X__ (32) 52.222-37, Employment Reports on Veterans (Sept 2010) (38 U.S.C. 4212).

__X__ (33) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496).

__X__ (34) 52.222-54, Employment Eligibility Verification (Jul 2012). (Executive Order 12989). (Not applicable to the acquisition of commercially available off-the-shelf items or certain other types of commercial items as prescribed in 22.1803.)

_____ (35) (i) 52.223-9, Estimate of Percentage of Recovered Material Content for EPA – Designated Items (May 2008) (42 U.S.C. 6962(c)(3)(A)(ii)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

_____ (ii) Alternate I (May 2008) of 52.223-9 (42 U.S.C. 6962(i)(2)(C)). (Not applicable to the acquisition of commercially available off-the-shelf items.)

__X__ (36) 52.223-15, Energy Efficiency in Energy-Consuming Products (Dec 2007) (42 U.S.C. 8259b).

__X__ (37) (i) 52.223-16, IEEE 1680 Standard for the Environmental Assessment of Personal Computer Products (Dec 2007) (E.O. 13423).

__X__ (ii) Alternate I (Dec 2007) of 52.223-16.

__X__ (38) 52.223-18, Encouraging Contractor Policies to Ban Text Messaging while Driving (Aug 2011) (E.O. 13513).

_____ (39) 52.225-1, Buy American Act – Supplies (Jun 2003) (41 U.S.C. 10a-10d).

__X__ (40)(i) 52.225–3, Buy American Act–Free Trade Agreements–Israeli Trade Act (May 2012) (41 U.S.C. chapter 83, 19 U.S.C. 3301 note, 19 U.S.C. 2112 note, 19 U.S.C. 3805 note, 19 U.S.C. 4001 note, Pub. L. 103-182, 108-77, 108-78, 108-286, 108-302, 109-53, 109-169, 109-283, 110-138, 112-41 and 112-42).

_____ (ii) Alternate I (Mar 2012) of 52.225-3.

_____ (iii) Alternate II (Mar 2012) of 52.225-3.

_____ (iv) Alternate III (Mar 2012) of 52.225-3.

_____ (41) 52.225-5, Trade Agreements (May 2012) (19 U.S.C. 2501, et seq., 19 U.S.C. 3301 note).

__X__ (42) 52.225-13, Restrictions on Certain Foreign Purchases (Jun 2008) (E.O.'s, proclamations, and statutes administered by the Office of Foreign Assets Control of the Department of the Treasury).

_____ (43) 52.226-4, Notice of Disaster or Emergency Area Set-Aside (Nov 2007) (42 U.S.C. 5150).

_____ (44) 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area (Nov 2007) (42 U.S.C. 5150).

_____ (45) 52.232-29, Terms for Financing of Purchases of Commercial Items (Feb 2002) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

_____ (46) 52.232-30, Installment Payments for Commercial Items (Oct 1995) (41 U.S.C. 255(f), 10 U.S.C. 2307(f)).

__X__ (47) 52.232-33, Payment by Electronic Funds Transfer – Central Contractor Registration (Oct 2003) (31 U.S.C. 3332).

_____ (48) 52.232-34, Payment by Electronic Funds Transfer – Other than Central Contractor Registration (May 1999) (31 U.S.C. 3332).

_____ (49) 52.232-36, Payment by Third Party (Feb 2010) (31 U.S.C. 3332).

__X__ (50) 52.239-1, Privacy or Security Safeguards (Aug 1996) (5 U.S.C. 552a).

__X__ (51) (i) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631).

_____ (ii) Alternate I (Apr 2003) of 52.247-64.

(c) The Contractor shall comply with the FAR clauses in this paragraph (c), applicable to commercial services, that the Contracting Officer has indicated as being incorporated in this contract by reference to implement provisions of law or Executive orders applicable to acquisitions of commercial items: [Contracting Officer check as appropriate.]

__X__ (1) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, et seq.).

_____ (2) 52.222-42, Statement of Equivalent Rates for Federal Hires (May 1989) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

__X__ (3) 52.222-43, Fair Labor Standards Act and Service Contract Act – Price Adjustment (Multiple Year and Option Contracts) (Sep 2009) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

_____ (4) 52.222-44, Fair Labor Standards Act and Service Contract Act – Price Adjustment (Sep 2009) (29 U.S.C. 206 and 41 U.S.C. 351, et seq.).

__X__ (5) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment – Requirements (Nov 2007) (41 U.S.C. 351, et seq.).

__X__ (6) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services – Requirements (Feb 2009) (41 U.S.C. 351, et seq.).

_____ (7) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (Mar 2009) (Pub. L. 110-247).

__X__ (8) 52.237-11, Accepting and Dispensing of $1 Coin (Sep 2008) (31 U.S.C. 5112(p)(1)).

(d) Comptroller General Examination of Record. The Contractor shall comply with the provisions of this paragraph (d) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records – Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) (1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), (c), and (d) of this clause, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (e)(1) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause –

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

(ii) 52.219-8, Utilization of Small Business Concerns (Jan 2011) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds $650,000 ($1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(iii) [Reserved]

(iv) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

(v) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).

(vi) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

(vii) 52.222-40Notification ofEmployee Rights Under the National Labor Relations Act (Dec 2010) (E.O.13496).Flow down required in accordance with paragraph (f) of FAR clause52.222-40.

(viii) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, et seq.).

(ix) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

[_____] Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(x) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (Nov 2007) (41 U.S.C. 351, et seq.).

(xi) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements (Feb 2009) (41 U.S.C. 351, et seq.).

(xii) 52.222-54, Employment Eligibility Verification (Jul 2012).

(xiii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (Mar 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xiv) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

Alternate II (Jul 2012). **Substitute the following paragraphs (d)(1) and (e)(1) for paragraphs (d)(1) and (e)(1) of the basic clause as follows:**

(d)(1) The Comptroller General of the United States, an appropriate Inspector General appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), or an authorized representative of either of the foregoing officials shall have access to and right to—

(i) Examine any of the Contractor's or any subcontractors' records that pertain to, and involve transactions relating to, this contract; and

(ii) Interview any officer or employee regarding such transactions.

(e)(1) Notwithstanding the requirements of the clauses in paragraphs (a), (b), and (c), of this clause, the Contractor is not required to flow down any FAR clause in a subcontract for commercial items, other than—

(i) *Paragraph (d) of this clause*. This paragraph flows down to all subcontracts, except the authority of the Inspector General under paragraph (d)(1)(ii) does not flow down; and

(ii) *Those clauses listed in this paragraph (e)(1)*. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(A) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

(B) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (June 2010) (Section 1553 of Pub. L. 111-5).

(C) 52.219-8, Utilization of Small Business Concerns (Dec 2010) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds $650,000 ($1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(D) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

(E) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).

(F) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

(G) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(H) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq*.).

(I) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

(J) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (Nov 2007) (41 U.S.C. 351, *et seq*.).

(K) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services—Requirements (Feb 2009) (41 U.S.C. 351, *et seq*.).

(L) 52.222-54, Employment Eligibility Verification (Jul 2012).

(M) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (Mar 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(N) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(End of clause)

[Class Deviation- 2009-O0005, Commercial Item Omnibus Clauses for Acquisitions Using the Standard Procurement System. This clause deviation is effective on May 1, 2009, and remains in effect until April 30, 2014, or until otherwise rescinded.

FAR 52.212-5 CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS--COMMERCIAL ITEMS (MAR 2012) (DEVIATION)

(a) *Comptroller General Examination of Record*. The Contractor shall comply with the provisions of this paragraph (a) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, and does not contain the clause at 52.215-2, Audit and Records -- Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating

to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(b) (1) Notwithstanding the requirements of any other clause in this contract, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (b)(1) in a subcontract for commercial items. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter 1 (41 U.S.C. 251 note)).

(iii) 52.219-8, Utilization of Small Business Concerns (Dec 2010) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds $650,000 ($1.5 million for construction of any public facility), the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities

(iv) [Reserved]

(iv) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

(v) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).

(vi) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

(vii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(viii) 52.222-41, Service Contract Act of 1965, (Nov 2007), (41 U.S.C. 351, *et seq*.)

(ix) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

___ Alternate I (Aug 2007) of 52.222-50 (22 U.S.C. 7104(g)).

(x) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment--Requirements (Nov 2007) (41 U.S.C. 351, *et seq*.).

(xi) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services--Requirements (Feb 2009) (41 U.S.C. 351, *et seq*.)

(xii) 52.222-54, Employment Eligibility Verification (Jan 2009).

(xiii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (Mar 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xiv) 52.247-64, Preference for Privately-Owned U.S.- Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

(2) While not required, the contractor may include in its subcontracts for commercial items a minimal number of additional clauses necessary to satisfy its contractual obligations.

(End of Clause)

Alternate I (Feb 2000) (Deviation). As prescribed in 12.301(b)(4), delete paragraph (a) from the basic clause, redesignate paragraph (b)(1) as paragraph (a), and redesignate paragraphs (b)(1)(i) through (b)(1)(xiv) as paragraphs (a)(1) through (a)(14) and redesignate paragraph (b)(2) as paragraph (b).

Alternate II (Dec 2010) (Deviation). As prescribed in 12.301(b)(4)(ii), substitute the following paragraphs (a)(1) and (b)(1) for paragraphs (a)(1) and (b)(1) of the basic clause as follows:

(a)(1) The Comptroller General of the United States, an appropriate Inspector General appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), or an authorized representative of either of the foregoing officials shall have access to and right to—

(i) Examine any of the Contractor's or any subcontractors' records that pertain to, and involve transactions relating to, this contract; and

(ii) Interview any officer or employee regarding such transactions.

(b)(1) Notwithstanding the requirement of any other clause in this contract, the Contractor is not required to flow down any FAR clause in a subcontract for commercial items, other than—

(i) *Paragraph (a) of this clause.* This paragraph flows down to all subcontracts, except the authority of the Inspector General under paragraph (a)(1)(ii) does not flow down; and

(ii) *Those clauses listed in this paragraph (b)(1).* Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(A) 52.203-13, Contractor Code of Business Ethics and Conduct (Apr 2010) (Pub. L. 110-252, Title VI, Chapter1 (41 U.S.C. 251 note)).

(B) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (Jun 2010) (Section 1553 of Pub. L. 111-5).

(C) 52.219-8, Utilization of Small Business Concerns (Dec 2010) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds $650,000 ($1.5 million for construction of any public facility), the subcontractor must include 52.219–8 in lower tier subcontracts that offer subcontracting opportunities.

(D) 52.222-26, Equal Opportunity (Mar 2007) (E.O. 11246).

(E) 52.222-35, Equal Opportunity for Veterans (Sep 2010) (38 U.S.C. 4212).

(F) 52.222-36, Affirmative Action for Workers with Disabilities (Oct 2010) (29 U.S.C. 793).

(G) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (Dec 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(H) 52.222-41, Service Contract Act of 1965 (Nov 2007) (41 U.S.C. 351, *et seq.*).

(I) 52.222-50, Combating Trafficking in Persons (Feb 2009) (22 U.S.C. 7104(g)).

(J) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, of Repair of Certain Equipment-Requirements (Nov 2007) (41 U.S.C. 351, *et seq.*).

(K) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements (Feb 2009) (41 U.S.C. 351, *et seq.*).

(L) 52.222-54, Employment Eligibility Verification (Jan 2009).

(M) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (Mar 2009) (Pub. L. 110-247). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(N) 52.247-64, Preference for Privately Owned U.S.-Flag Commercial Vessels (Feb 2006) (46 U.S.C. Appx. 1241(b) and 10 U.S.C. 2631). Flow down required in accordance with paragraph (d) of FAR clause 52.247-64.

I.14 52.219-13 NOTICE OF SET-ASIDE OF ORDERS (NOV 2011)

The Contracting Officer will give notice of the order or orders, if any, to be set aside for small business concerns identified in 19.000(a)(3) and the applicable small business program. This notice, and its restrictions, will apply only to the specific orders that have been set aside for any of the small business concerns identified in 19.000(a) (3).

(End of clause)

I.15 52.232-32 PERFORMANCE-BASED PAYMENTS (APR 2012)

(a) *Amount of payments and limitations on payments*. Subject to such other limitations and conditions as are specified in this contract and this clause, the amount of payments and limitations on payments shall be specified in the contract's description of the basis for payment.

(b) *Contractor request for performance-based payment*. The Contractor may submit requests for payment of performance-based payments not more frequently than monthly, in a form and manner acceptable to the Contracting Officer. Unless otherwise authorized by the Contracting Officer, all performance-based payments in any period for which payment is being requested shall be included in a single request, appropriately itemized and totaled. The Contractor's request shall contain the information and certification detailed in paragraphs (l) and (m) of this clause.

(c) Approval and payment of requests.

(1) The Contractor shall not be entitled to payment of a request for performance-based payment prior to successful accomplishment of the event or performance criterion for which payment is requested. The Contracting Officer shall determine whether the event or performance criterion for which payment is requested has been successfully accomplished in accordance with the terms of the contract. The Contracting Officer may, at any time, require the Contractor to substantiate the successful performance of any event or performance criterion which has been or is represented as being payable.

(2) A payment under this performance-based payment clause is a contract financing payment under the Prompt Payment clause of this contract and not subject to the interest penalty provisions of the Prompt Payment Act. The designated payment office will pay approved requests on the _____ *[Contracting Officer insert day as prescribed by agency head; if not prescribed, insert "30th"*] day after receipt of the request for performance-based payment by the designated payment office. However, the designated payment office is not required to provide payment if the Contracting Officer requires substantiation as provided in paragraph (c)(1) of this clause, or inquires into the status of an event or performance criterion, or into any of the conditions listed in

paragraph (e) of this clause, or into the Contractor certification. The payment period will not begin until the Contracting Officer approves the request.

(3) The approval by the Contracting Officer of a request for performance-based payment does not constitute an acceptance by the Government and does not excuse the Contractor from performance of obligations under this contract.

(d) Liquidation of performance-based payments.

(1) Performance-based finance amounts paid prior to payment for delivery of an item shall be liquidated by deducting a percentage or a designated dollar amount from the delivery payment. If the performance-based finance payments are on a delivery item basis, the liquidation amount for each such line item shall be the percent of that delivery item price that was previously paid under performance-based finance payments or the designated dollar amount. If the performance-based finance payments are on a whole contract basis, liquidation shall be by either predesignated liquidation amounts or a liquidation percentage.

(2) If at any time the amount of payments under this contract exceeds any limitation in this contract, the Contractor shall repay to the Government the excess. Unless otherwise determined by the Contracting Officer, such excess shall be credited as a reduction in the unliquidated performance-based payment balance(s), after adjustment of invoice payments and balances for any retroactive price adjustments.

(e) *Reduction or suspension of performance-based payments*. The Contracting Officer may reduce or suspend performance-based payments, liquidate performance-based payments by deduction from any payment under the contract, or take a combination of these actions after finding upon substantial evidence any of the following conditions:

(1) The Contractor failed to comply with any material requirement of this contract (which includes paragraphs (h) and (i) of this clause).

(2) Performance of this contract is endangered by the Contractor's—

(i) Failure to make progress; or

(ii) Unsatisfactory financial condition.

(3) The Contractor is delinquent in payment of any subcontractor or supplier under this contract in the ordinary course of business.

(f) Title. (1) Title to the property described in this paragraph (f) shall vest in the Government. Vestiture shall be immediately upon the date of the first performance-based payment under this contract, for property acquired or produced before that date. Otherwise, vestiture shall occur when the property is or should have been allocable or properly chargeable to this contract.

(2) "Property," as used in this clause, includes all of the following described items acquired or produced by the Contractor that are or should be allocable or properly

chargeable to this contract under sound and generally accepted accounting principles and practices:

(i) Parts, materials, inventories, and work in process;

(ii) Special tooling and special test equipment to which the Government is to acquire title;

(iii) Nondurable (*i.e.,* noncapital) tools, jigs, dies, fixtures, molds, patterns, taps, gauges, test equipment and other similar manufacturing aids, title to which would not be obtained as special tooling under paragraph (f)(2)(ii) of this clause; and

(iv) Drawings and technical data, to the extent the Contractor or subcontractors are required to deliver them to the Government by other clauses of this contract.

(3) Although title to property is in the Government under this clause, other applicable clauses of this contract (*e.g.,* the termination clauses) shall determine the handling and disposition of the property.

(4) The Contractor may sell any scrap resulting from production under this contract, without requesting the Contracting Officer's approval, provided that any significant reduction in the value of the property to which the Government has title under this clause is reported in writing to the Contracting Officer.

(5) In order to acquire for its own use or dispose of property to which title is vested in the Government under this clause, the Contractor shall obtain the Contracting Officer's advance approval of the action and the terms. If approved, the basis for payment (the events or performance criteria) to which the property is related shall be deemed to be not in compliance with the terms of the contract and not payable (if the property is part of or needed for performance), and the Contractor shall refund the related performance-based payments in accordance with paragraph (d) of this clause.

(6) When the Contractor completes all of the obligations under this contract, including liquidation of all performance-based payments, title shall vest in the Contractor for all property (or the proceeds thereof) not—

(i) Delivered to, and accepted by, the Government under this contract; or

(ii) Incorporated in supplies delivered to, and accepted by, the Government under this contract and to which title is vested in the Government under this clause.

(7) The terms of this contract concerning liability for Government-furnished property shall not apply to property to which the Government acquired title solely under this clause.

(g) *Risk of loss*. Before delivery to and acceptance by the Government, the Contractor shall bear the risk of loss for property, the title to which vests in the Government under this clause, except to the extent the Government expressly assumes the risk. If any property is lost (see 45.101), the basis of payment (the events or performance criteria) to which the property is related shall be deemed to be not in compliance with the terms of the contract and not payable (if the property is part of or

needed for performance), and the Contractor shall refund the related performance-based payments in accordance with paragraph (d) of this clause.

(h) *Records and controls*. The Contractor shall maintain records and controls adequate for administration of this clause. The Contractor shall have no entitlement to performance-based payments during any time the Contractor's records or controls are determined by the Contracting Officer to be inadequate for administration of this clause.

(i) *Reports and Government access*. The Contractor shall promptly furnish reports, certificates, financial statements, and other pertinent information requested by the Contracting Officer for the administration of this clause and to determine that an event or other criterion prompting a financing payment has been successfully accomplished. The Contractor shall give the Government reasonable opportunity to examine and verify the Contractor's records and to examine and verify the Contractor's performance of this contract for administration of this clause.

(j) *Special terms regarding default*. If this contract is terminated under the Default clause, (1) the Contractor shall, on demand, repay to the Government the amount of unliquidated performance-based payments, and (2) title shall vest in the Contractor, on full liquidation of all performance-based payments, for all property for which the Government elects not to require delivery under the Default clause of this contract. The Government shall be liable for no payment except as provided by the Default clause.

(k) Reservation of rights.

(1) No payment or vesting of title under this clause shall—

(i) Excuse the Contractor from performance of obligations under this contract; or

(ii) Constitute a waiver of any of the rights or remedies of the parties under the contract.

(2) The Government's rights and remedies under this clause—

(i) Shall not be exclusive, but rather shall be in addition to any other rights and remedies provided by law or this contract; and

(ii) Shall not be affected by delayed, partial, or omitted exercise of any right, remedy, power, or privilege, nor shall such exercise or any single exercise preclude or impair any further exercise under this clause or the exercise of any other right, power, or privilege of the Government.

(l) *Content of Contractor's request for performance-based payment*. The Contractor's request for performance-based payment shall contain the following:

(1) The name and address of the Contractor;

(2) The date of the request for performance-based payment;

(3) The contract number and/or other identifier of the contract or order under which the request is made;

(4) Such information and documentation as is required by the contract's description of the basis for payment; and

(5) A certification by a Contractor official authorized to bind the Contractor, as specified in paragraph (m) of this clause.

(m) *Content of Contractor's certification*. As required in paragraph (l)(5) of this clause, the Contractor shall make the following certification in each request for performance-based payment:

I certify to the best of my knowledge and belief that—

(1) This request for performance-based payment is true and correct; this request (and attachments) has been prepared from the books and records of the Contractor, in accordance with the contract and the instructions of the Contracting Officer;

(2) (Except as reported in writing on _____), all payments to subcontractors and suppliers under this contract have been paid, or will be paid, currently, when due in the ordinary course of business;

(3) There are no encumbrances (except as reported in writing on _____) against the property acquired or produced for, and allocated or properly chargeable to, the contract which would affect or impair the Government's title;

(4) There has been no materially adverse change in the financial condition of the Contractor since the submission by the Contractor to the Government of the most recent written information dated _____; and

(5) After the making of this requested performance-based payment, the amount of all payments for each deliverable item for which performance-based payments have been requested will not exceed any limitation in the contract, and the amount of all payments under the contract will not exceed any limitation in the contract.

(End of clause)

I.16 52.245-2 GOVERNMENT PROPERTY INSTALLATION OPERATION SERVICES (APR 2012)

(a) This Government Property listed in paragraph (e) of this clause is furnished to the Contractor in an “as-is, where is” condition. The Government makes no warranty regarding the suitability for use of the Government property specified in this contract. The Contractor shall be afforded the opportunity to inspect the Government property as specified in the solicitation.

(b) The Government bears no responsibility for repair or replacement of any lost Government property. If any or all of the Government property is lost or becomes no longer usable, the Contractor shall be responsible for replacement of the property at

Contractor expense. The Contractor shall have title to all replacement property and shall continue to be responsible for contract performance.

(c) Unless the Contracting Officer determines otherwise, the Government abandons all rights and title to unserviceable and scrap property resulting from contract performance. Upon notification to the Contracting Officer, the Contractor shall remove such property from the Government premises and dispose of it at Contractor expense.

(d) Except as provided in this clause, Government property furnished under this contract shall be governed by the Government Property clause of this contract.

(e) Government property provided under this clause:

_____

_____

_____

(End of clause)

I.17 52.232-99 PROVIDING ACCELERATED PAYMENT TO SMALL BUSINESS SUBCONTRACTORS (DEVIATION) (AUG 2012)

This clause implements the temporary policy provided by OMB Policy Memorandum M-12-16, Providing Prompt Payment to Small Business Subcontractors, dated July 11, 2012.

(a) Upon receipt of accelerated payments from the Government, the contractor is required to make accelerated payments to small business subcontractors to the maximum extent practicable after receipt of a proper invoice and all proper documentation from the small business subcontractor.

(b) Include the substance of this clause, including this paragraph (b), in all subcontracts with small business concerns.

(c) The acceleration of payments under this clause does not provide any new rights under the Prompt Payment Act.

(End of clause)

I.18 52.222-99 Establishing a Minimum Wage for Contractors (JUL 2014)(DEVIATION)

This clause implements Executive Order 13658, Establishing a Minimum Wage for Contractors, dated February 12, 2014, and OMB Policy Memorandum M-14-09,

Implementation of the President's Executive Order Establishing a Minimum Wage for Contractors, dated June 12, 2014.

(a) Each service employee, laborer, or mechanic employed in the United States (the 50 states and the District of Columbia) in the performance of this contract by the prime Contractor or any subcontractor, regardless of any contractual relationship which may be alleged to exist between the Contractor and service employee, laborer, or mechanic, shall be paid not less than the applicable minimum wage under Executive Order 13658. The minimum wage required to be paid to each service employee, laborer, or mechanic performing work on this contract between January 1, 2015, and December 31, 2015, shall be $10.10 per hour.

(b) The Contractor shall adjust the minimum wage paid under this contract each time the Secretary of Labor's annual determination of the applicable minimum wage under section 2(a)(ii) of Executive Order 13658 results in a higher minimum wage. Adjustments to the Executive Order minimum wage under section 2(a)(ii) of Executive Order 13658 will be effective for all service employees, laborers, or mechanics subject to the Executive Order beginning January 1 of the following year. The Secretary of Labor will publish annual determinations in the Federal Register no later than 90 days before such new wage is to take effect. The Secretary will also publish the applicable minimum wage on www.wdol.gov (or any successor website). The applicable published minimum wage is incorporated by reference into this contract.

(c) The Contracting Officer will adjust the contract price or contract unit price under this clause only for the increase in labor costs resulting from the annual inflation increases in the Executive Order 13658 minimum wage beginning on January 1, 2016. The Contracting Officer shall consider documentation as to the specific costs and workers impacted in determining the amount of the adjustment.

(d) The Contracting Officer will not adjust the contract price under this clause for any costs other than those identified in paragraph (c) of this clause, and will not provide price adjustments under this clause that result in duplicate price adjustments with the respective clause of this contract implementing the Service Contract Labor statute (formerly known as the Service Contract Act) or the Wage Rate Requirements (Construction) statute (formerly known as the Davis Bacon Act).

(e) The Contractor shall include the substance of this clause, including this paragraph (e) in all subcontracts.

(End of clause)

GSAR 552.212-4 Contract Terms and Conditions-Commercial Items. (ALTERNATE II) (FAR DEVIATION) (July 2015)

(a) *Inspection/Acceptance.* The Contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Government reserves the right to inspect or test any supplies or services that have been tendered for acceptance. The

Government may require repair or replacement of nonconforming supplies or reperformance of nonconforming services at no increase in contract price. If repair/replacement or reperformance will not correct the defects or is not possible, the government may seek an equitable price reduction or adequate consideration for acceptance of nonconforming supplies or services. The Government must exercise its post-acceptance rights --

(1) Within a reasonable time after the defect was discovered or should have been discovered; and

(2) Before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(b) *Assignment*. The Contractor or its assignee may assign its rights to receive payment due as a result of performance of this contract to a bank, trust company, or other financing institution, including any Federal lending agency in accordance with the Assignment of Claims Act (31 U.S.C.3727). However, when a third party makes payment (*e.g.,* use of the Governmentwide commercial purchase card), the Contractor may not assign its rights to receive payment under this contract.

(c) *Changes*. Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) *Disputes*. This contract is subject to 41 U.S.C. chapter 71,Contract Disputes. Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved in accordance with the clause at FAR 52.233-1, Disputes, which is incorporated herein by reference. The Contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(i) Name and address of the Contractor;

(ii) Invoice date and number;

(iii) Contract number, contract line item number and, if applicable, the order number;

(iv) Description, quantity, unit of measure, unit price and extended price of the items delivered;

(v) Shipping number and date of shipment, including the bill of lading number and weight of shipment if shipped on Government bill of lading;

(vi) Terms of any discount for prompt payment offered;

(vii) Name and address of official to whom payment is to be sent;

(viii) Name, title, and phone number of person to notify in event of defective invoice; and

(ix) Taxpayer Identification Number (TIN). The Contractor shall include its TIN on the invoice only if required elsewhere in this contract.

(x) Electronic funds transfer (EFT) banking information.

(A) The Contractor shall include EFT banking information on the invoice only if required elsewhere in this contract.

(B) If EFT banking information is not required to be on the invoice, in order for the invoice to be a proper invoice, the Contractor shall have submitted correct EFT banking information in accordance with the applicable solicitation provision, contract clause (*e.g.*, 52.232-33, Payment by Electronic Funds Transfer— System for Award Management, or 52.232-34, Payment by Electronic Funds Transfer—Other Than System for Award Management), or applicable agency procedures.

(C) EFT banking information is not required if the Government waived the requirement to pay by EFT.

(2) The due date for making invoice payments by the designated payment office is the later of the following two events:

(i) The 10th day after the designated billing office receives a proper invoice from the Contractor. If the designated billing office fails to annotate the invoice with the date of receipt at the time of receipt, the invoice payment due date shall be the 10th day after the date of the Contractor's invoice; provided the Contractor submitted a proper invoice and no disagreement exists over quantity, quality, or Contractor compliance with contract requirements.

(ii) The 10th day after Government acceptance of supplies delivered or services performed by the Contractor.

(h) *Patent indemnity*. The Contractor shall indemnify the Government and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe, any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the Contractor is reasonably notified of such claims and proceedings.

(i) Payment.

(1) Items accepted. Payment shall be made for items accepted by the Government that have been delivered to the delivery destinations set forth in this contract.

(2) Prompt Payment. The Government will make payment in accordance with the Prompt Payment Act (31 U.S.C. 3903) and prompt payment regulations at 5 CFR Part 1315.

(3) Electronic Funds Transfer (EFT). If the Government makes payment by EFT, see 52.212-5(b) for the appropriate EFT clause.

(4) *Discount*. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

(5) *Overpayments*. If the Contractor becomes aware of a duplicate contract financing or invoice payment or that the Government has otherwise overpaid on a contract financing or invoice payment, the Contractor shall—

(i) Remit the overpayment amount to the payment office cited in the contract along with a description of the overpayment including the—

(A) Circumstances of the overpayment (*e.g.,* duplicate payment, erroneous payment, liquidation errors, date(s) of overpayment);

(B) Affected contract number and delivery order number, if applicable;

(C) Affected contract line item or subline item, if applicable; and

(D) Contractor point of contact.

(ii) Provide a copy of the remittance and supporting documentation to the Contracting Officer.

(6) Interest.

(i) All amounts that become payable by the Contractor to the Government under this contract shall bear simple interest from the date due until paid unless paid within 30 days of becoming due. The interest rate shall be the interest rate established by the Secretary of the Treasury as provided in 41 U.S.C. 7109, which is applicable to the period in which the amount becomes due, as provided in (i)(6)(v) of this clause, and then at the rate applicable for each six-month period at fixed by the Secretary until the amount is paid.

(ii) The Government may issue a demand for payment to the Contractor upon finding a debt is due under the contract.

(iii) Final decisions. The Contracting Officer will issue a final decision as required by 33.211 if—

(A) The Contracting Officer and the Contractor are unable to reach agreement on the existence or amount of a debt within 30 days;

(B) The Contractor fails to liquidate a debt previously demanded by the Contracting Officer within the timeline specified in the demand for payment unless the amounts were not repaid because the Contractor has requested an installment payment agreement; or

(C) The Contractor requests a deferment of collection on a debt previously demanded by the Contracting Officer (see 32.607-2).

(iv) If a demand for payment was previously issued for the debt, the demand for payment included in the final decision shall identify the same due date as the original demand for payment.

(v) Amounts shall be due at the earliest of the following dates:

(A) The date fixed under this contract.

(B) The date of the first written demand for payment, including any demand for payment resulting from a default termination.

(vi) The interest charge shall be computed for the actual number of calendar days involved beginning on the due date and ending on—

(A) The date on which the designated office receives payment from the Contractor;

(B) The date of issuance of a Government check to the Contractor from which an amount otherwise payable has been withheld as a credit against the contract debt; or

(C) The date on which an amount withheld and applied to the contract debt would otherwise have become payable to the Contractor.

(vii) The interest charge made under this clause may be reduced under the procedures prescribed in 32.608-2 of the Federal Acquisition Regulation in effect on the date of this contract.

(j) *Risk of loss*. Unless the contract specifically provides otherwise, risk of loss or damage to the supplies provided under this contract shall remain with the Contractor until, and shall pass to the Government upon:

(1) Delivery of the supplies to a carrier, if transportation is f.o.b. origin; or

(2) Delivery of the supplies to the Government at the destination specified in the contract, if transportation is f.o.b. destination.

(k) *Taxes*. The contract price includes all applicable Federal, State, and local taxes and duties.

(l) *Termination for the Government's convenience*. The Government reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the Contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the Contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the Contractor can demonstrate to the satisfaction of the Government using its standard record keeping system, have resulted from the termination. The Contractor shall not be required to comply with the cost accounting standards or contract cost principles for this purpose. This paragraph does not give the Government any right to audit the Contractor's records. The Contractor shall not be paid for any work performed or costs incurred which reasonably could have been avoided.

(m) *Termination for cause*. The Government may terminate this contract, or any part hereof, for cause in the event of any default by the Contractor, or if the Contractor fails to comply with any contract terms and conditions, or fails to provide the Government, upon request, with adequate assurances of future performance. In the event of termination for cause, the Government shall not be liable to the Contractor for any amount for supplies or services not accepted, and the Contractor shall be liable to the Government for any and all rights and remedies provided by law. If it is determined that the Government improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) *Title*. Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to the Government upon acceptance, regardless of when or where the Government takes physical possession.

(o) *Warranty*. The Contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) *Limitation of liability*. Except as otherwise provided by an express warranty, the Contractor will not be liable to the Government for consequential damages resulting from any defect or deficiencies in accepted items.

(q) *Other compliances*. The Contractor shall comply with all applicable Federal, State and local laws, executive orders, rules and regulations applicable to its performance under this contract.

(r) *Compliance with laws unique to Government contracts.* The Contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain Federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. chapter 37, Contract Work Hours and Safety Standards; 41 U.S.C. chapter 87, Kickbacks; 41 U.S.C. 4712 and 10 U.S.C. 2409 relating to whistleblower protections; 49 U.S.C. 40118, Fly American; and 41 U.S.C. chapter 21 relating to procurement integrity.

(s) Order of precedence. Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

(1) The schedule of supplies/services.
(2) The Assignments, Disputes, Payments, Invoice, Other Compliances, Compliance with Laws Unique to Government Contracts, Unauthorized Obligations, and Commercial Supplier Agreements - Unenforceable Clauses paragraphs of this clause,
(3) The clause at 52.212-5,
(4) Solicitation provisions if this is a solicitation.
(5) Other paragraphs of this clause.
(6) Addenda to this solicitation or contract, including any license agreements for computer software.
(7) The Standard Form 1449.
(8) Other documents, exhibits, and attachments.
(9) The specification.

(t) System for Award Management (SAM).

(1) Unless exempted by an addendum to this contract, the Contractor is responsible during performance and through final payment of any contract for the accuracy and completeness of the data within the SAM database, and for any liability resulting from the Government’s reliance on inaccurate or incomplete data. To remain registered in the SAM database after the initial registration, the Contractor is required to review and update on an annual basis from the date of initial registration or subsequent updates its information in the SAM database to ensure it is current, accurate and complete. Updating information in the SAM does not alter the terms and conditions of this contract and is not a substitute for a properly executed contractual document.

(2)

(i) If a Contractor has legally changed its business name, “doing business as” name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in Subpart 42.12, the Contractor shall provide the responsible Contracting Officer a minimum of one business day’s written notification of its intention to:

(A) Change the name in the SAM database;

(B) Comply with the requirements of Subpart 42.12 of the FAR;

(C) Agree in writing to the timeline and procedures specified by the responsible Contracting Officer. The Contractor must provide with the notification sufficient documentation to support the legally changed name.

(ii) If the Contractor fails to comply with the requirements of paragraph (t)(2)(i) of this clause, or fails to perform the agreement at paragraph (t)(2)(i)(C) of this clause, and, in the absence of a properly executed novation or change-of-name agreement, the SAM information that shows the Contractor to be other than the Contractor indicated in the contract will be considered to be incorrect information within the meaning of the “Suspension of Payment” paragraph of the electronic funds transfer (EFT) clause of this contract.

(3) The Contractor shall not change the name or address for EFT payments or manual payments, as appropriate, in the SAM record to reflect an assignee for the purpose of assignment of claims (see FAR Subpart 32.8, Assignment of Claims). Assignees shall be separately registered in the SAM database. Information provided to the Contractor’s SAM record that indicates payments, including those made by EFT, to an ultimate recipient other than that Contractor will be considered to be incorrect information within the meaning of the “Suspension of payment” paragraph of the EFT clause of this contract.

(4) Offerors and Contractors may obtain information on registration and annual confirmation requirements via SAM accessed through https://www.acquisition.gov.

(u) Unauthorized Obligations

(1) Except as stated in paragraph (u)(2) of this clause, when any supply or service acquired under this contract is subject to any commercial supplier agreement (as defined in 502.101), that includes any language, provision, or clause requiring the Government to indemnify the Contractor or any person or entity for damages, costs, fees, or any other loss or liability that would create an Anti-Deficiency Act violation (31 U.S.C. 1341), the following shall govern:

(i) Any such language, provision, or clause is unenforceable against the Government.

(ii) Neither the Government nor any Government authorized end user shall be deemed to have agreed to such clause by virtue of it appearing in the commercial supplier agreement. If the commercial supplier agreement is invoked through an "I agree" click box or other comparable mechanism (e.g., "click-wrap" or "browse-wrap" agreements), execution does not bind the Government or any Government authorized end user to such clause.

(iii) Any such language, provision, or clause is deemed to be stricken from the commercial supplier agreement.

(2) Paragraph (u)(1) of this clause does not apply to indemnification by the Government that is expressly authorized by statute and specifically authorized under applicable agency regulations and procedures.

(v) *Incorporation by reference*. The Contractor's representations and certifications, including those completed electronically via the System for Award Management (SAM), are incorporated by reference into the contract.

(w) Commercial supplier agreements - unenforceable clauses

When any supply or service acquired under this contract is subject to a commercial supplier agreement (as defined in 502.101), the following language shall be deemed incorporated into the commercial supplier agreement. As used herein, "this agreement" means the commercial supplier agreement:

(1) Notwithstanding any other provision of this agreement, when the end user is an agency or instrumentality of the U.S. Government, the following shall apply:

(i) Applicability. This agreement is a part of a contract between the commercial supplier and the U.S. Government for the acquisition of the supply or service that necessitates a license (including all contracts, task orders, and delivery orders under FAR Part 12).

(ii) End user. This agreement shall bind the ordering activity as user but shall not operate to bind a Government employee or person acting on behalf of the Government in his or her personal capacity.

(iii) Law and disputes. This agreement is governed by Federal law.

(A) Any language purporting to subject the U.S. Government to the laws of a U.S. state, U.S. territory, district, or municipality, or a foreign nation, except where Federal law expressly provides for the application of such laws, is hereby deleted.

(B) Any language requiring dispute resolution in a specific forum or venue that is different from that prescribed by applicable Federal law is hereby deleted.

(C) Any language prescribing a different time period for bringing an action than that prescribed by applicable Federal law in relation to a dispute is hereby deleted.

(iv) Continued performance. If the supplier or licensor believes the ordering activity to be in breach of the agreement, it shall pursue its rights under the Contract Disputes Act or other applicable Federal statute while continuing performance as set forth in subparagraph (d) (Disputes).

(v) Arbitration; equitable or injunctive relief. In the event of a claim or dispute arising under or relating to this agreement, (A) binding arbitration shall not be used unless specifically authorized by agency guidance, and (B) equitable or injunctive relief, including the award of attorney fees, costs or interest, may be awarded against the U.S. Government only when explicitly provided by statute (e.g., Prompt Payment Act or Equal Access to Justice Act).

(vi) Additional terms.

(A) This commercial supplier agreement may unilaterally incorporate additional terms by reference. Terms may be included by reference using electronic means (e.g., via web links, click and accept, etc). Such terms shall be enforceable only to the extent that:

(1) When included by reference using electronic means, the terms are readily available at referenced locations; and

(2) Terms do not materially change government obligations; and

(3) Terms do not increase government prices; and
(4) Terms do not decrease overall level of service; and

(5) Terms do not limit any other Government rights addressed elsewhere in this contract.

(B) The order of precedence clause of this contract notwithstanding, any software license terms unilaterally revised subsequent to award that is inconsistent with any material term or

provision of this contract is not enforceable against the government.

(vii) No automatic renewals. If any license or service tied to periodic payment is provided under this agreement (e.g., annual software maintenance or annual lease term), such license or service shall not renew automatically upon expiration of its current term without prior express Government approval.

(viii) Indemnification. Any clause of this agreement requiring the commercial supplier or licensor to defend or indemnify the end user is hereby amended to provide that the U.S. Department of Justice has the sole right to represent the United States in any such action, in accordance with 28 U.S.C. 516.

(ix) Audits. Any clause of this agreement permitting the commercial supplier or licensor to audit the end user's compliance with this agreement is hereby amended as follows: (A) Discrepancies found in an audit may result in a charge by the commercial supplier or licensor to the ordering activity. Any resulting invoice must comply with the proper invoicing requirements specified in the underlying Government contract or order. (B) This charge, if disputed by the ordering activity, will be resolved through the Disputes clause at 522.212-4(d); no payment obligation shall arise on the part of the ordering activity until the conclusion of the dispute process. (C) Any audit requested by the contractor will be performed at the contractor's expense, without reimbursement by the Government.

(x) Taxes or surcharges. Any taxes or surcharges which the commercial supplier or licensor seeks to pass along to the Government as end user will be governed by the terms of the underlying Government contract or order and, in any event, must be submitted to the Contracting Officer for a determination of applicability prior to invoicing unless specifically agreed to otherwise In the Government contract.

(xi) Non-assignment. This agreement may not be assigned, nor may any rights or obligations thereunder be delegated, without the Government's prior approval, except as expressly permitted under subparagraph (b) of this clause at 552.212-4.

(xii) Confidential information. If this agreement includes a confidentiality clause, such clause is hereby amended to state that neither the agreement nor the Federal Supply Schedule price list (if applicable) shall be deemed "confidential information." Issues regarding release of "unit pricing" will be resolved consistent with the Freedom of Information Act. Notwithstanding anything in this agreement to the contrary, the Government may retain any confidential information as required by law,

regulation or its internal document retention procedures for legal, regulatory or compliance purposes; provided, however, that all such retained confidential information will continue to be subject to the confidentiality obligations of this agreement.

(2) If any language, provision, or clause of this agreement conflicts or is inconsistent with the preceding paragraph (w)(1), the language, provisions, or clause of paragraph (w)(1) shall prevail to the extent of such inconsistency.

(End of Clause)

GSAR 552.232-39 Unenforceability of Unauthorized Obligations. (July 2015) (FAR Deviation) (FAR 52.232-39)

(a) Except as stated in paragraph (b) of this clause, when any supply or service acquired under this contract is subject to any commercial supplier agreement (as defined in 502.101) End User License Agreement (EULA), Terms of Service (TOS), or similar legal instrument or agreement, that includes any language, provision, or clause requiring the Government to indemnify the Contractor or any person or entity for damages, costs, fees, or any other loss or liability that would create an Anti-Deficiency Act violation (31 U.S.C. 1341), the following shall govern:

(1) Any such language, provision, or clause is unenforceable against the Government.
(2) Neither the Government nor any Government authorized end user shall be deemed to have agreed to such clause by virtue of it appearing in the commercial supplier agreement. If the commercial supplier agreement, EULA, TOS, or similar legal instrument or agreement is invoked through an "I agree" click box or other comparable mechanism (e.g., "click-wrap" or "browse-wrap" agreements), execution does not bind the Government or any Government authorized end user to such clause.
(3) Any such language, provision, or clause is deemed to be stricken from the commercial supplier agreement, EULA, TOS, or similar legal instrument or agreement.

(b) Paragraph (a) of this clause does not apply to indemnification by the Government that is expressly authorized by statute and specifically authorized under applicable agency regulations and procedures.

(End of Clause)

GSAR 552.232-78 Commercial Supplier Agreements-Unenforceable Clauses (July 2015)

(a) When any supply or service acquired under this contract is subject to a commercial supplier agreement, the following language shall be deemed incorporated into the commercial supplier agreement. As used herein, "this agreement" means the commercial supplier agreement:

(1) Notwithstanding any other provision of this agreement, when the end user is an agency or instrumentality of the U.S. Government, the following shall apply:

(i) Applicability. This agreement is part of a contract between the commercial supplier and the U.S. Government for the acquisition of the supply or service that necessitates a license (including all contracts, task orders, and delivery orders not using FAR Part 12).

(ii) End user. This agreement shall bind the ordering activity as end user but shall not operate to bind a Government employee or person acting on behalf of the Government in his or her personal capacity.

(iii) Law and disputes. This agreement is governed by Federal law. (A) Any language purporting to subject the U.S. Government to the laws of a U.S. state, U.S. territory, district, or municipality, or foreign nation, except where Federal law expressly provides for the application of such laws, is hereby deleted. (B) Any language requiring dispute resolution in a specific forum or venue that is different from that prescribed by applicable Federal law is hereby deleted. (C) Any language prescribing a different time period for bringing an action than that prescribed by applicable Federal law in relation to a dispute is hereby deleted.

(iv) Continued performance. If the supplier or licensor believes the ordering activity to be in breach of the agreement, it shall pursue its rights under the Contract Disputes Act or other applicable Federal statute while continuing performance as set forth in 52.233-1 Disputes.

(v) Arbitration; equitable or injunctive relief. In the event of a claim or dispute arising under or relating to this agreement, (A) binding arbitration shall not be used unless specifically authorized by agency guidance, and (B) equitable or injunctive relief, including the award of attorney fees, costs or interest, may be awarded against the U.S. Government only when explicitly provided by statute (e.g., Prompt Payment Act or Equal Access to Justice Act).

(vi) Additional terms.

(A) This commercial supplier agreement may unilaterally incorporate additional terms by reference. Terms may be included by reference using electronic means (e.g.,via web links, click and accept, etc). Such terms shall be enforceable only to the extent that:
  (1) When included by reference using electronic means, the terms are readily available at referenced locations; and
  (2) Terms do not materially change government obligations; and
  (3) Terms do not increase government prices; and
  (4) Terms do not decrease overall level of service; and
  (5) Terms do not limit any other Government right addressed elsewhere in this contract.

(B) The order of precedence clause of this contract notwithstanding, any software license terms unilaterally revised subsequent to award that is inconsistent with any material term or provision of this contract is not enforceable against the government.

(vii) No automatic renewals. If any license or service tied to periodic payment is provided under this agreement (e.g., annual software maintenance or annual lease term}, such license or service shall not renew automatically upon expiration of its current term without prior express Government approval.

(viii) Indemnification. Any clause of this agreement requiring the commercial supplier or licensor to defend or indemnify the end user is hereby amended to provide that the U.S. Department of Justice has the sole right to represent the United States in any such action, in accordance with 28 U.S.C. 516.

(ix) Audits. Any clause of this agreement permitting the commercial supplier or licensor to audit the end user's compliance with this agreement is hereby amended as follows: (A) Discrepancies found in an audit may result in a charge by the commercial supplier or licensor to the ordering activity. Any resulting invoice must comply with the proper invoicing requirements specified in the underlying Government contract or order. (B) This charge, if disputed by the ordering activity, will be resolved through the Disputes clause at 52.233-1; no payment obligation shall arise on the part of the ordering activity until the conclusion of the dispute process. (C) Any audit requested by the contractor will be performed at the contractor's expense, without reimbursement by the Government.

(x) Taxes or surcharges. Any taxes or surcharges which the commercial supplier or licensor seeks to pass along to the Government as end user will be governed by the terms of the underlying Government contract or order and, in any event, must be submitted to the Contracting Officer for a determination of applicability prior to invoicing unless specifically agreed to otherwise in the Government contract.

(xi) Non-assignment. This agreement may not be assigned, nor may any rights or obligations thereunder be delegated, without the Government's prior approval, except as expressly permitted under the clause at 52.232-23, Assignment of Claims.

(xii) Confidential information. If this agreement includes a confidentiality clause, such clause is hereby amended to state that neither the agreement nor the Federal Supply Schedule price list shall be deemed "confidential information." Issues regarding release of "unit pricing" will be resolved consistent with the Freedom of Information Act. Notwithstanding anything in this agreement to the contrary, the Government may retain any confidential information as required by law, regulation or its internal document retention procedures for legal, regulatory or compliance purposes; provided, however, that all such retained confidential information will continue to be subject to the confidentiality obligations of this agreement.

(2) If any provision of this agreement conflicts or is inconsistent with the preceding subparagraph (a)(1), the provisions of subparagraph (a)(1) shall prevail to the extent of such inconsistency.

(End of Clause)

Section J

List of attachments

TITLE

Attachment 1 The current version of GSA ADM 4800.2? .
(http://www.gsa.gov/portal/mediaId/176231/fileName/SignedGSADirective48002H.action)
Attachment 2 Labor Categories
Attachment 3 VETS Subcontract Reporting
Attachment 4 Past Performance
Attachment 5 Pricing Spreadsheets FA1
Attachment 5 Pricing Spreadsheets FA2
Attachment 6 Escalation Compensation
Attachment 7 GSA Star Mark
Attachment 8 Seven Steps to Performance Based Contracting
Attachment 9 Work Scope Elements

(See www.gsa.gov/vetsgwac website for links to these attachments in the VETS Contract Library.).

GENERAL SERVICES ADMINISTRATION
Washington, DC 20405

OGP 4800.2I
July 19, 2016

GSA ORDER

SUBJECT: Eligibility to Use GSA Sources of Supply and Services

1. Purpose. This Order provides definitions and listings of agencies and organizations authorized to use General Services Administration (GSA) sources of supply and services. It also provides definitive guidelines concerning eligibility requirements.

2. Cancellation. ADM 4800.2H is canceled.

3. Background. 40 U.S.C. §§ 501 - 502 authorizes the Administrator of General Services (Administrator) to procure and supply personal property and non-personal services for executive agencies and other Federal agencies, mixed-ownership Government corporations as identified in 31 U.S.C. § 9101, the District of Columbia, qualified nonprofit agencies for the blind or other severely handicapped individuals for use in making or providing an approved commodity or service to the Government, and state and local governments for certain Federal supply schedule purchases. Other organizations are eligible pursuant to other statutes under which GSA operates (such as 40 U.S.C § 602, which governs eligibility to obtain GSA Fleet motor vehicles and related services) or by reason of enabling statutory authority.

4. Nature of revision. To reflect statutory and administrative changes and to update the listings of organizations determined eligible to use GSA sources of supply and services.

5. Definition. GSA sources of supply and services are defined as those support programs administered by GSA and prescribed in the Federal Property Management Regulations (FPMR), 41 CFR Parts 101-26--Procurement Sources and Program, 101-39--Interagency Fleet Management Systems (GSA Fleet), 41 CFR Part 101-42, Disposition of Personal Property with Special Handling Requirements, the Federal Management Regulation (FMR), 41 CFR Parts 102-35 through 102-42 --Utilization and Disposal Programs, 102-117--Transportation Management, and the Federal Travel Regulation (FTR), 41 CFR Part 301-73 -- Travel Programs.

6. Authority to use GSA sources of supply and services. The authority to use GSA sources of supply and services is established by statute or regulation (see paragraph 7).

7. Eligible activities. Organizations are eligible to use GSA sources of supply and services pursuant to 40 U.S.C. §§ 501 - 502 or other statutory authority; however, some organizations may be eligible to use only specific GSA sources of supply or services. In addition, although an organization may be eligible to use GSA sources of supply, particular sources may not be accessible due to limits of supply sources or geographical constraints. For example, in the case of GSA Fleet, it may not be practical for GSA to make certain sources of supply available. In addition, the terms of a specific contract may not permit participation by otherwise eligible organizations.

a. Executive agencies. 40 U.S.C. § 501, Services for executive agencies, authorizes the Administrator to procure and supply personal property and non-personal services for executive agencies to use in the proper discharge of their responsibilities, and perform functions related to procurement and supply including contracting, inspection, storage, issue, property identification and classification, transportation and traffic management, management of public utility services, and repairing and converting. Executive agencies include:

(1) Executive departments. Cabinet departments are defined in 5 U.S.C. § 101 and are listed in Appendix A.

(2) Wholly owned Government corporations. Corporations wholly owned by the Government are defined in 31 U.S.C. § 9101(3). To the extent that GSA has determined that wholly owned Government corporations not defined in 31 U.S.C. § 9101(3) are eligible to use GSA sources of supply and services, such determinations are listed in Appendix A.

(3) Independent establishments in the executive branch of the Government. Independent establishments in the Executive branch are generally defined by 5 U.S.C. § 104. However, it is often necessary to consult specific statutes, legislative histories, and other references to determine whether a particular establishment is within the executive branch. To the extent that GSA has made such determinations, the organizations qualifying under this authority are included in Appendix A.

b. Other Federal agencies, mixed-ownership Government corporations, the District of Columbia, qualified nonprofit agencies for the blind or other severely handicapped individuals for use in making or providing an approved commodity or service to the Government, and state and local governments for certain Federal Supply Schedule purchases. 40 U.S.C. § 502, Services for other entities, authorizes the Administrator to provide access to GSA sources of supply (or limited authorizations in some cases) to these organizations upon request. 40 U.S.C § 602 authorizes the Administrator to furnish GSA Fleet motor vehicles and related services to Federal agencies, mixed-ownership Government corporations, or the District of Columbia.

(1) Other Federal agencies. These are Federal agencies as defined in 40 U.S.C. § 102(5) that are not in the executive branch of the Government, i.e., any establishment in the legislative or judicial branch of the Government. However, the Senate, the House

of Representatives, and the Architect of the Capitol and any activities under his direction are not Federal Agencies for purposes of this definition (see ¶ 7.c below). To the extent that GSA has made such determinations, the organizations qualifying under this authority are listed in Appendix B.

(2) Mixed-ownership Government corporations. These are identified in 31 U.S.C. § 9101(2). To the extent that GSA has determined that mixed-ownership Government corporations not defined in 31 U.S.C. § 9101(2) are eligible to use GSA sources of supply and services, such determinations are listed in Appendix B.

(3) District of Columbia. The Government of the District of Columbia is eligible to use GSA sources of supply and services pursuant to 40 U.S.C. § 502(a)(3) and 40 U.S.C. § 602(c), the latter pertaining to GSA Fleet motor vehicles and related services. The Government of the District of Columbia and those parts thereof that have been determined eligible to use GSA sources of supply and services are listed in Appendix B.

c. The Senate, the House of Representatives, and activities under the direction of the Architect of the Capitol. These organizations are eligible to use GSA sources of supply and services under 40 U.S.C. § 113(d) upon request. To the extent that GSA has made such determinations, the organizations qualifying under this authority are listed in Appendix B.

d. Other organizations authorized under the authority of 40 U.S.C. §§ 501 - 502. GSA has determined that certain organizations, other than those described above, are eligible to use its sources of supply and services under the authority provided to the Administrator by 40 U.S.C. §§ 501 - 502.

(1) Cost-reimbursement contractors (and subcontractors) as properly authorized. Under 40 U.S.C. § 501, the Administrator determined that in order to promote greater economy and efficiency in Government procurement programs, contractors performing cost-reimbursement type contracts or other types of negotiated contracts, when the agency determines that a substantial dollar portion is of a cost-reimbursement nature, may be authorized to use GSA sources of supply. This authorization is reflected in Part 51 of the Federal Acquisition Regulation (FAR), which provides that agencies may authorize certain contractors (generally cost-reimbursement contractors) to use GSA sources of supply. In each case, the written authorization must conform to the requirements of FAR Part 51, Use of Government Sources by Contractors. Contractors are **not** eligible to obtain GSA City Pair Program contract airfares.

(2) Cost-reimbursement or fixed price contractors' use of GSA Fleet motor vehicles and related services. Subpart 51.2 of the FAR states that, if it is in the Government's interest, a contracting officer may authorize a cost-reimbursement contractor to obtain, for official purposes only, GSA Fleet motor vehicles and related services. The FAR also states that Government contractors shall not be authorized to use GSA Fleet motor vehicles and related services for use in performance of any contract other than a cost-reimbursement contract, except as otherwise specifically

approved by the Administrator at the request of the agency involved. Accordingly, any request for use of GSA Fleet vehicles and related services by other than a cost-reimbursement contractor must be requested by the agency contracting officer and approved by GSA.

(3) Fixed-price contractors (and subcontractors) purchasing security equipment. Under 40 U.S.C. § 501, the Administrator has determined that fixed-price contractors and lower-tier subcontractors who are required to maintain custody of security classified records and information may purchase security equipment from GSA. Procedures for such acquisitions are set forth in 41 CFR 101-26.507.

(4) Non-Federal firefighting organizations cooperating with the U.S. Department of Agriculture, Forest Service. Pursuant to 40 U.S.C. § 501 and 16 U.S.C. § 580a, it has been determined that certain non-Federal firefighting organizations may purchase wildfire suppression equipment and supplies from the Federal Acquisition Service (FAS). The current interagency agreement between GSA and the United States Department of Agriculture, Forest Service that enables purchasing based on these statutory authorities is identified as FAS No. FM-IA-06-002, December 27, 2006. Note: GSA transferred product management and sourcing responsibility to the Defense Logistics Agency in 2014 (i.e., "Fire Program supplies") for approximately 300 National Stock Number products; however, eligible non-Federal firefighting organizations covered by the above-referenced statutes may continue to purchase through GSA for wildfire suppression equipment or supplies still under the Agency's purview.

(5) Tribes and tribal organizations.

(a) The Indian Self-Determination and Education Assistance Act (ISDEAA). As provided in section 102(13) of Pub. L. 103-413 (the Indian Self Determination Act Amendments of 1994), a tribal organization, when carrying out a contract, grant or cooperative agreement under the Indian Self-Determination and Education Assistance Act, is deemed an executive agency for purposes of 40 U.S.C. § 501 (See 25 U.S.C. § 450j(k). Additionally, each Indian tribe or tribally designated housing entity and each employee of the Indian tribe or tribally designated housing entity shall have access to sources of supply on the same basis as employees of an executive agency. If the self-determination contract contains a provision authorizing interagency motor pool vehicles and related services, as provided in Section 103 of the Indian Self-Determination Act Amendments of 1994, the tribe or tribal organization is eligible to use GSA Fleet motor vehicles and related services, if available (See 25 U.S.C. § 450l). Authorization to use GSA sources of supply under the authority cited in this paragraph does not include purchases for resale unless the contract, grant, cooperative agreement, or funding agreement authorizes such activity. Information on the authority for resale must be provided to GSA, and based on that information, GSA must concur.

(b) The Native American Housing Assistance and Self-Determination Act (NAHASDA). As provided in section 101 of Pub. L. 110-411 (the Native American Housing Assistance and Self-Determination Reauthorization Act of 2008), for purposes

of 40 U.S.C. § 501, each Indian tribe or tribally designated housing entity shall be considered to be an executive agency in carrying out a program, service, or other activity under a block grant pursuant to NAHASDA; and each tribe or tribally designated housing entity shall have access to sources of supply on the same basis as employees of an executive agency (see 25 U.S.C. § 4111 (j)). Authorization to use GSA sources of supply under the authority cited in this paragraph does not include purchases for resale unless the block grant authorizes such activity. Information on the authority for resale must be provided to GSA, and based on that information, GSA must concur.

(6) Use of Certain Federal supply schedules by state and local Governments. State and local governments have access to GSA sources of supply, as detailed below. State or local government, defined at 40 U.S.C.§ 502(c)(3), includes any state, local, regional, or tribal government, or any instrumentality thereof (including any local educational agency or institution of higher education). In any case of the use by a state or local government of a Federal Supply Schedule, participation by a firm that sells to the Federal Government through its Federal supply schedule contract shall be voluntary with respect to a sale to the state or local government under that contract.

(a) Cooperative Purchasing. Pursuant to 40 U.S.C. § 502(c), the Administrator may provide for the use by state or local governments of Schedule 70 and Schedule 84 for supplies and services available under those Federal supply schedules.

(b) Disaster Purchasing Program. As provided in 40 U.S.C. § 502(d), the Administrator may provide for the use of Federal Supply Schedules by state or local governments for the purchase of products and services to be used to facilitate recovery from major disasters declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, to facilitate disaster preparedness or response, or to facilitate recovery from terrorism, or nuclear, biological, chemical, or radiological attack.

(c) 1122 Program. 10 U.S.C. § 381 allows for the purchase of equipment suitable for counter-drug, homeland security, and emergency response activities through the Department of Defense. GSA maintains the catalog of available products under this program.

(d) Public Health Emergencies. State, local, territorial, and tribal governments may access Federal Supply Schedules as authorized users for goods and services when expending Federal grant funds in response to Public Health Emergencies declared by the Secretary of Health and Human Services under section 319 of the Public Health Services Act, codified at 42 U.S.C. § 247d.

(7) The American National Red Cross. As provided for in section 2 of Pub. L. 111-263, the Federal Supply Schedules Usage Act of 2010, codified at 40 U.S.C. § 502(e), the American National Red Cross in furtherance of its purposes set forth in 36 U.S.C. § 300102 is authorized to access Federal Supply Schedules. Authorization to

use Federal Supply Schedules under the authority cited in this paragraph does not include purchases for resale.

(8) Other Qualified Organizations. Under the Federal Supply Schedules Usage Act of 2010, 40 U.S.C. § 502(e), the Administrator may provide for the use by other qualified organizations, to include the National Voluntary Organizations Active in Disaster (NVOAD), of Federal Supply Schedules. Purchases under this authority by other qualified organizations shall be used in furtherance of purposes determined to be appropriate to facilitate emergency preparedness and disaster relief and set forth in guidance by the Administrator of General Services, in consultation with the Administrator of the Federal Emergency Management Agency. This authority may not be used to purchase supplies for resale. The term "qualified organization" means a relief or disaster assistance organization as described in section 309 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5152).

e. Other statutes. Other statutes authorize specific organizations to use GSA sources of supply and services. The organizations that have had eligibility reviews conducted and that have been determined eligible to use GSA sources of supply are listed in Appendix B or Appendix C, as appropriate. The major categories of such organizations include:

(1) Certain institutions. The following activities are eligible to use GSA sources of supply and services and are listed in Appendix B:

(a) Howard University (20 U.S.C. § 130)
(b) Gallaudet College [University] (20 U.S.C. § 4362)
(c) National Institute for the Deaf (20 U.S.C. § 4362) and
(d) American Printing House for the Blind (20 U.S.C. § 106).

(2) Governments authorized under 48 U.S.C. § 1469e. As provided in 48 U.S.C. §1469e, the governments of the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands are eligible to use GSA sources of supply and services. These governments are listed in Appendix B.

(3) Entities authorized under the Foreign Assistance Act (FAA). Section 607 of the Foreign Assistance Act of 1961, as amended, 22 U.S.C. § 2357, provides that the President may authorize friendly countries, international organizations, the American Red Cross, and voluntary nonprofit relief agencies to use GSA sources of supply and services when determined consistent with and in furtherance of the international development goals of the FAA. The President delegated his authority to make relevant Section 607 determinations under the FAA to the U.S. Agency for International Development (USAID). Entities determined eligible under this authority are listed in Appendix C. Purchases are limited to those for civilian use only.

(4) Non-appropriated fund activities. FPMR 101-26.000 provides that certain civilian and military commissaries and non-appropriated fund activities may use GSA sources of supply and services for their own use, not for resale, unless otherwise authorized by the individual Federal agency and GSA has concurred.

8. Ineligible activities. Except for the acquisition of excess personal property through sponsoring agencies, which is governed by FMR 102-36.185 - 102-36.205 and not this GSA Order, or in accordance with paragraph 7.d(6)(d) above regarding state and local governments expending Federal grant funds in response to Public Health Emergencies, Federal grantees are ineligible to use GSA sources of supply and services. In addition, a cost-reimbursement contractor cannot transfer procurement authorization to a third party.

9. Travel and transportation.

a. Persons. Organizations seeking to use GSA sources of supply and services for travel-related services and transportation of persons must obtain a separate determination for the requested service(s). This is necessary to determine whether the requesting entity is eligible under the language of the specific contract(s); e.g., travel management services, travel charge card services, and air passenger transportation.

b. Goods. An organization seeking to use GSA sources of supply for transportation of goods pursuant to a contract entered into under the FAR may do so if the requesting entity is eligible under the language of the specific contract(s); e.g., express small package delivery, express heavyweight delivery services. As a general matter, transportation under GSA's tenders of service entered into under 49 U.S.C. § 13712 or similar statutes governing common carriage are limited to transportation for the Federal Government. Thus, an entity that is not part of the Federal Government may not use these tenders of service.

10. Excess, surplus, and forfeited property. The eligibility of organizations to obtain supplies and services through GSA's personal property utilization and disposal programs is not governed by this GSA Order.

11. Determination of eligibility. Organizations other than those covered in the appendices to this GSA Order may be eligible to use GSA sources of supply and services. Organizations requesting an eligibility determination should submit a request by mail to the U.S. General Services Administration, Office of Government-wide Policy, Office of Acquisition Policy (MV), 1800 F St. NW, Suite 2200, Washington, DC 20405, or by email to spe.request@gsa.gov. Include in the request the name and contact number of the entity or organization with applicable supporting documentation and any separate statutory authority that may exist, for GSA's analysis and determination.

Additional organizations, upon an affirmative determination of eligibility, may be posted to the appropriate appendix of the GSA Order on GSA's website at http://www.gsa.gov/portal/mediaId/176231/fileName/SignedGSADirective48002I.action.

12. Signature.

TROY CRIBB
Associate Administrator
Office of Government-wide Policy

Appendix A: Executive Agencies

The following have been determined to be "executive agencies," or parts thereof, for the purpose of using GSA sources of supply and services. This list is not all-inclusive; other agencies may be eligible, and GSA will make an eligibility determination on a case-by-case basis in response to requests received. (See paragraph 11). Listed here are major executive agencies and their components for which inquiries have been received.

Advisory Council on Historic Preservation
Agency for International Development
Agriculture, Department of
Air Force, Department of
American Battle Monuments Commission
Armed Forces Retirement Home
Army Corps of Engineers
Army, Department of
Bonneville Power Administration
Bureau of Land Management
Central Intelligence Agency
Christopher Columbus Fellowship Foundation
Commerce, Department of
Commission on Civil Rights
Commission on Fine Arts
Commodity Credit Corporation
Commodity Futures Trading Commission
Consumer Products Safety Commission
Corporation for National and Community Service
Defense, Department of
Defense agencies and Joint Service Schools
Defense Nuclear Facilities Safety Board
Education, Department of
Energy, Department of
Environmental Protection Agency
Equal Employment Opportunity Commission
Executive Office of the President
Export-Import Bank of the United States
Farm Credit Administration
Federal Communications Commission
Federal Election Commission
Federal Emergency Management Agency
Federal Labor Relations Authority
Federal Maritime Commission
Federal Trade Commission
Forest Service, U.S.
General Services Administration
Government National Mortgage Association

Harry S. Truman Scholarship Foundation
Health and Human Services, Department of
Homeland Security, Department of
Housing and Urban Development, Department of
Interagency Council on the Homelessness
Inter-American Foundation
Interior, Department of the
International Boundary and Water Commission, United States Section
James Madison Memorial Fellowship Foundation
Justice, Department of
John F. Kennedy Center for the Performing Arts
Labor, Department of
Merit Systems Protection Board
Millennium Challenge Corporation
Morris K. Udall Scholarship and Excellence in National Environment Policy Foundation
National Aeronautics and Space Administration
National Archives and Records Administration
National Credit Union Administration (not individual credit unions)
National Council on the Handicapped [National Council on Disability]
National Endowment for the Arts
National Endowment for the Humanities
National Labor Relations Board
National Science Foundation
National Transportation Safety Board
Navy, Department of
Nuclear Regulatory Commission
Nuclear Waste Technical Review Board
Occupational Safety and Health Review Commission
Office of Personnel Management
Office of Special Counsel
Overseas Private Investment Corporation
Peace Corps
Pension Benefit Guaranty Corporation
Postal Regulatory Commission
Presidio Trust, the
Railroad Retirement Board
Securities and Exchange Commission
Selective Service System
Small Business Administration
Smithsonian Institution
Social Security Administration
State, Department of
Tennessee Valley Authority
Trade and Development Agency
Transportation, Department of
Transportation Security Administration

Treasury, Department of
U.S. Arms Control and Disarmament Agency
U.S. Secret Service
U.S. International Trade Commission
U.S. Navy Medical Research Unit
U.S. Postal Service
Veterans Affairs, Department of

Appendix B: Other Eligible Users

The following have been determined to be eligible to use GSA sources of supply and services, in addition to the organizations listed in appendixes A and C. This list is not all-inclusive; other organizations may be eligible to use GSA sources of supply and services. GSA will make an eligibility determination on a case-by-case basis in response to requests received. (See paragraph 11).

Access Board, United States
Administrative Office of the U.S. Courts
American Printing House for the Blind
American National Red Cross
American Samoa, Government of
Architect of the Capitol
Arctic Research Commission, U.S.
Army and Air Force Exchange Service
Chemical Safety and Hazard Investigation Board
Civil Air Patrol
Coast Guard Auxiliary (through the U.S. Coast Guard)
Committee for Purchase From People Who Are Blind or Severely Disabled (operating as U.S. AbilityOne Commission)
Contractors and subcontractors - cost reimbursement (as authorized by the applicable agency's contracting official)
Contractors and subcontractors - fixed price (security equipment only when so authorized by the applicable agency's contracting official)
Courts, District of Columbia
Courts, Federal (not court reporters)
Delaware River Basin Commission
Denali Commission
District of Columbia, Government of
District of Columbia, Public Schools
District of Columbia, Pretrial Services Agency/Public Defenders
Eisenhower Exchange Fellowship
Election Assistance Commission, U.S.
Farm Credit Banks (AgFirst FCB, AgriBank FCB, CoBank ACB, Farm Credit Bank of Texas)
Federal Coordinator for the Alaska Natural Gas Transportation Project
Federal Deposit Insurance Corporation
Federal Financial Institutions Examination Council
Federal Home Loan Banks
Federal Reserve Board of Governors
Firefighters, Non-Federal (as authorized by the Forest Service, U.S. Department of Agriculture)
Gallaudet College [University]
Government Printing Office
Guam, Government of

House of Representatives, U.S.
Howard University (including hospital)
Institute of Peace, U.S.
Japan-United States Friendship Commission
Land Grant Institutions (as cost-reimbursement contractors)
Legal Services Corporation (not its grantees)
Library of Congress
Marine Mammal Commission
Medicare Payment Advisory Commission
National Capital Planning Commission
National Gallery of Art
National Guard Activities (only through U.S. Property and Fiscal Officers)
National Railroad Passenger Corporation (AMTRAK)
National Technical Institute for the Deaf
Navajo and Hopi Indian Relocation, Office of
Neighborhood Reinvestment Corporation
Non-appropriated fund activities (not for resale)
Northern Mariana Islands, Government of the Commonwealth of the
Public Interest Declassification Board
Puerto Rico, Government of the Commonwealth of
Regional Fishery Management Councils, U.S.
St. Elizabeth's Hospital
Senate, U.S.
South Atlantic Fishery Management Council
John C. Stennis Center for Public Service
Susquehanna River Basin Commission
U.S.-China Economic Security Review Commission
Tax Court, U.S.
Vietnam Education Foundation
Virgin Islands, Government of (including Virgin Islands Port Authority)
Washington Metropolitan Area Transit Authority (METRO)

Appendix C: International Organizations and Others Determined Eligible under Section 607 of the Foreign Assistance Act

The following have been determined to be eligible to use GSA sources of supply and services, in addition to the organizations listed in appendixes A and B. This list is not all-inclusive; other entities may also be eligible to use GSA sources of supply and services. In accordance with Section 607 of the Foreign Assistance Act, USAID will make an eligibility determination on a case-by-case basis in response to requests received. NOTE: Organizations included in this Appendix C have a limited authorization to access GSA sources of supply, namely for purchases consistent with and in furtherance of the international development goals of the Foreign Assistance Act. (See paragraph 7.e.(3)).

African Development Fund
American Red Cross
Asian Development Bank
Counterpart Foundation, Inc.
Customs Cooperation Council
European Space Research Organization
Food and Agriculture Organization of the United Nations
Great Lakes Fishery Commission
Inter-American Defense Board
Inter-American Development Bank
Inter-American Institute of Agriculture Sciences
Inter-American Investment Corporation
Inter-American Statistical Institute
Inter-American Tropical Tuna Commission
Intergovernmental Maritime Consultative Organization
Intergovernmental Committee for European Migration
International Atomic Energy Agency
International Bank of Reconstruction and Development (WORLD BANK)
International Boundary Commission-United States and Canada
International Boundary and Water Commission-United States and Mexico
International Center for Settlement of Investment Disputes
International Civil Aviation Organization
International Coffee Organization
International Cotton Advisory Committee
International Development Association
International Fertilizer Development Center
International Finance Corporation
International Hydrographic Bureau
International Institute for Cotton
International Joint Commission-United States and Canada
International Labor Organization
International Maritime Satellite Organization
International Monetary Fund

International Pacific Halibut Commission
International Pacific Salmon Fisheries Commission-Canada
International Secretariat for Volunteer Services
International Telecommunications Satellite Organization
International Telecommunications Union
International Wheat Council
Iraqi Ministry of Housing and Construction
Lake Ontario Claims Tribunal
Multinational Force and Observers
Multinational Investment Guarantee Agency (MIGA)
North Atlantic Treaty Organization (NATO)
Organization of African Unity
Organization of American States
Organization for Economic Cooperation and Development
Pan American Health Organization
Radio Technical Commission for Aeronautics
South Pacific Commission
United International Bureau for the Protection of Intellectual Property
United Nations
United Nations Educational, Scientific, and Cultural Organization
Universal Postal Union
World Health Organization
World Intellectual Property Organization
World Meteorological Organization
World Tourism Organization

Labor Category Descriptions

Applications Programmer

- Devises or modifies procedures to solve complex problems considering computer equipment capacity and limitations, operating time, and form of desired results.
- Designs, codes, tests, debugs, and documents.

Applications Systems Analyst/Programmer

- Formulates/defines system scope and objectives.
- Devises or modifies procedures to solve complex problems considering computer equipment capacity and limitations, operating time, and form of desired results.
- Prepares detailed specifications from which programs will be written and designs, codes, tests, debugs, and documents those programs.

Business Process Consultant

- Analyzes process and re-engineering, with an understanding of technical problems and solutions as they relate to the current and future business environment.
- Creates process change by integrating new processes with existing ones and communicating these changes to impacted Business Systems teams.
- Recommends and facilitates quality improvement efforts.

Business Subject Matter Specialist

- Provides technical knowledge and analysis of highly specialized applications and operational environments, high-level functional systems analysis, design, integration, documentation and implementation advice on exceptionally complex problems that need extensive knowledge of the subject matter for effective implementation.
- Participates as needed in all phases of software development with emphasis on the planning, analysis, testing, integration, documentation**,** and presentation phases.

Business Systems Analyst

- Reviews, analyzes, and evaluates business systems and user needs. Formulates systems to parallel overall business strategies.
- Writes detailed description of user needs, program functions, and steps required to develop or modify computer programs.
- Provides consultation on complex projects and is considered to be the top level contributor/specialist.

Chief Information Security Officer

- Ensures that all information systems are functional and secure.

Client/Server Database Manager

- Projects long-range requirements for client/server database administration in conjunction with other managers in the information systems function as well as business function managers.
- Prepares activity and progress reports regarding the client/server database management section.

Client/Server Network Architect

- Develops strategy of client/server system and the design infrastructure necessary to support that strategy.
- Advises on selection of technological purchases with regards to processing, data storage, data access, and applications development. Sets standards for the client/server relational database structure for the organization (SQL, ORACLE, SYBASE, etc.).
- Advises of feasibility of potential future projects to management.

Communications Analyst

- Assists in the planning, design, and implementation of communications networks.
- Conducts feasibility studies for large projects, develops requests for proposal, evaluates vendor products, and makes recommendations on selection.
- Provides guidance and training to less experienced analysts.

Communications Facility Engineer

- Provides technical direction and engineering knowledge for communications systems infrastructure activities, including planning, designing, and implementing communications infrastructure requirements for buildings and systems.
- Ensures that adequate and appropriate planning is provided to direct building architects and planners in building communications spaces and media pathways meet industry standards.

Communications Installer

- Assists in the planning, design, and implementation of communications networks. Responsible for providing assistance and technical support for network design activities.
- Assists in the review/assessment of user needs. Performs feasibility studies for small projects.
- Assists in the evaluation and selection of equipment.

Communications Transmission Engineer

- Provides technical direction and engineering knowledge for communications activities including planning, designing, installing and maintaining large communications networks.
- Develops, operates, and maintains voice, wireless, video, and data communications systems.
- Provides complex engineering or analytical tasks and activities associated with one or more technical areas within the communications function.

Consultant

- Works with end user groups to evaluate and solve technical problems.
- Evaluates existing systems and/or user needs to analyze, design, recommend, and implement system changes.

Curriculum Developer

- Provides program support to include the testing and installation of computers, peripherals, and/or other hardware, including the installation of enhancements and upgraded versions.
- Provides program support to include the installation, and documentation of client developed and/or commercially available software, including the installation of enhancements and upgraded versions.

Data Architect

- Designs and builds relational databases.
- Develops strategies for data acquisitions, archive recovery, and implementation of a database.
- Works in a data warehouse environment, which includes data design, database architecture, metadata and repository creation.
- Translates business needs into long-term architecture solutions.
- Defines, designs, and builds dimensional databases.
- Develops data warehousing blueprints, evaluating hardware and software platforms, and integrating systems.
- Evaluates reusability of current data for additional analyses.
- Reviews object and data models and the metadata repository to structure the data for better management and quicker access.

Data Communication Manager

- Ensures that adequate and appropriate planning is provided for remote hardware and communications facilities to develop and implement methodologies for analysis, installation and support of distributed processing client/server systems.

Data Security Analyst

- Maintains systems to protect data from unauthorized users.
- Identifies, reports, and resolves security violations.

Data Warehousing Administrator

- Coordinates the data administration technical function for both data warehouse development and maintenance.
- Facilitates change control, problem management, and communication among data architects, programmers, analysts, and engineers.
- Establishes and enforces processes to ensure a consistent, well managed, and well integrated data warehouse infrastructure.

Data Warehousing Analyst

- Designs, implements and supports data warehousing. Implements business rules via stored procedures, middleware, or other technologies.
- Defines user interfaces and functional specifications.

Data Warehousing Programmer

- Provides product support and maintenance of the data warehouse.
- Performs data warehouse design and construction.
- Prepares/implements data verification and testing methods for the data warehouse.

Data/Configuration Management Specialist

- Provides configuration management planning.
- Describes provisions for configuration identification, change control, configuration status accounting, and configuration audits.
- Regulates the change process so that only approved and validated changes are incorporated into product documents and related software.

Database Analyst/Programmer

- Designs, implements, and maintains complex databases with respect to JCL, access methods, access time, device allocation, validation checks, organization, protection and security, documentation, and statistical methods.
- Includes maintenance of database dictionaries, overall monitoring of standards and procedures, and integration of systems through database design.

Database Manager/Administrator

- Provides all activities related to the administration of computerized databases.
- Projects long-range requirements for database administration and design in conjunction with other managers in the information systems function.

Disaster Recovery Administrator

- Designs and administers programs to include policies, standards, guidelines, training programs, and a viable quality assurance process for disaster recovery.
- Oversees and reviews the testing and implementation of software, data systems, and data networks to ensure that the integrity and security of all electronic data and data systems are adequately protected.
- Facilitates the preparation of an organization-wide business resumption plan.

Disaster Recovery Analyst

- Assists in the coordination and establishment of disaster recovery programs and business resumption planning across mainframe and client server platforms.
- Coordinates and monitors simulation testing across all platforms.
- Designs and administers programs to include policies, standards, guidelines, training programs, and a viable quality assurance process for disaster recovery.

E-Business Manager

- Sets direction and guides action plans and priorities of electronic commerce, marketing and communications.
- Develops and facilitates organizational models and structure changes needed to meet the evolving electronic business strategies.
- Establishes and implements enterprise-wide business systems.

Electronic Data Interchange (EDI) Specialist:

- Analyzes, designs, and develops specifications for enhancements and extensions with EDI application interfaces and maps.
- Coordinates EDI testing and trading partner implementation initiatives.
- Provides support for EDI database analysis, design, and operations. Establishes and maintains communications within organization and with partners.
- Conducts and manages product evaluations. Provides product installation, configuration, and training.
- Performs systems maintenance to update records, specifications, and operating procedures of partner systems.
- Maintains EDI account transaction activities.

Electronic Mail Coordinator

- Monitors servers, replication, and mail routing. Creates user accounts and maintains security levels on databases.
- Provides first-level telephone support and troubleshoots. Monitors existing messaging infrastructure and server usage, ensuring proper working order.

Engineering Subject Matter Specialist

- Provides technical knowledge and analysis of highly specialized applications and operational environment, high-level functional systems analysis, design, integration, documentation, and implementation advice on exceptionally complex problems that necessitate high-level knowledge of the subject matter for effective implementation.
- Participates as needed in all phases of software development with emphasis on the planning, analysis, modeling, simulation, testing, integration, documentation and presentation phases.

ERP Analyst

- Assists with the development and maintenance of the Enterprise Resource Planning (ERP) program. Customizes and configures workflow to allow the integration of client/server applications.
- Tests ERP layout to ensure the system is meeting corporate needs.

ERP Business/Architectural Specialist

- Adapts functional business requirements and processes to technical solutions based upon comprehensive enterprise application solution sets.
- Enterprise resource planning and management processes, including but not limited to: knowledge management, investment analysis, data warehousing, e-commerce, return on investment analysis, human resource analysis, material management and logistics, supply chain management, procurement, ordering, manufacturing, decision support, and information dissemination.

Geographic Information Systems Analyst/Programmer

- Provides complex application programming and development support on networks and/or PC's.
- Codes, designs new and/or modifying programs; modify scripts as required; control system testing: debugs, reviews and approves output; prepares user, operation and program documentation based upon established policies.

Geographic Information Systems Manager

- Creates and designs interactive web pages using such software as, but not limited to: ArcIMS for various interactive mapping themes, Arcview(ESRI), ArcIMS(ESRI), AutoCAD 2000NT, Dreamweaver HTML editor, Adobe Photoshop, Adobe Acrobat & PDFWriter, and numerous other programs running on a clients Intra/Extranet servers.

Graphics Specialist

- Produces graphic art and visual materials for promotions, advertisements, films, packaging, and informative and instructional material through a variety of media outlets such as websites and CD-ROMs.
- Generates and manipulates graphic images, animations, sound, text and video into consolidated and seamless multimedia programs.

Groupware Specialist

- Provides the implementation, maintenance, and support of company messaging system.
- Provides technical support on local groupware replication and client dial-up access issues.

Hardware Engineer

- Provides functional and empirical analysis related to the design, development, and implementation of hardware for products including, but not limited to, the circuit design of components, development of structure specifications of a personal computer, and the design of a computer display unit.
- Plans and conducts assignments, generally involving the larger and more important projects or more than one project.
- Evaluates progress and results and recommends major changes in procedures.

Help Desk Coordinator

- Provides ensuring the timely process through which problems are controlled.
- Includes problem recognition, research, isolation, resolution, and follow-up steps.

Help Desk Specialist

- Provides support to end users on a variety of issues.
- Identifies, researches, and resolves technical problems.
- Responds to telephone calls, email and personnel requests for technical support.
- Documents, tracks, and monitors the problem to ensure a timely resolution.

Help Desk Support Service Specialist

- Provides second-tier support to end users for either PC, server, or mainframe applications and hardware.
- Interact with network services, software systems engineering, and/or applications development to restore service and/or identify and correct core problem.
- Simulates or recreates user problems to resolve operating difficulties.
- Recommends systems modifications to reduce user problems.

Information Assurance Development Engineer

- Analyzes and defines security requirement for computer systems which may include mainframes, workstations, and personal computers.
- Designs, develops, engineers, and implements solutions that meet security requirements.
- Provides integration and implementation of the computer system security solution.

Information Assurance Engineer

- Establishes and satisfies complex system-wide information security requirements based upon the analysis of user, policy, regulatory, and resource demands.
- Supports customers at the highest levels in the development and implementation of doctrine and policies.
- Applies know-how to government and commercial common user systems, as well as to dedicated special purpose systems requiring specialized security features and procedures.

Information Assurance Network Specialist

- Analyzes general information assurance-related technical problems and provides basic engineering and technical support in solving these problems.
- Designs, develops, engineers, and implements solutions that meet network security requirements.
- Performs vulnerability/risk analyses of computer systems and applications during all phases of the system development life cycle.

Information Assurance Systems/Network Specialist

- Installs, configures and maintains organization's operating systems. Analyzes and resolves problems associated with server hardware, NT, applications software.
- Detects, diagnoses, and reports NT related problems on both NT server and NT desktop systems.
- Performs a wide variety of tasks in software/hardware maintenance and operational support of NT Server systems.

Information Center Specialist

- Advises and assists users in problem-solving activities using information center tools.
- Evaluates new and existing hardware and software products.

Information Security Business Analyst

- Determines enterprise information security standards.
- Develops and implements information security standards and procedures. Ensures that all information systems are functional and secure.

Information Systems Administration and Planning Manager

- Coordinates the preparation, review and consolidation of client information systems, budgets, acquisitions and business plans.
- Ensures adherence to budgets and business plans through periodic review of financial reports and capital appropriation requests.
- Provides assistance for proposing, implementing and enforcing policies, standards and methodologies.

Information Systems Training Specialist

- Designs and conducts company training programs.
- Monitors and reports the effectiveness of training on employees during the orientation period and for career development.
- Participates in initial plan design and existing plan enhancements.

Instructional Technologist

- Assesses, designs and conceptualizes training scenarios, approaches, objectives, plans, tools, aids, curriculums, and other state of the art technologies related to training and behavioral studies.
- Identifies the best approach training requirements to include, but not limited to hardware, software, simulations, course assessment and refreshment, assessment centers, oral examinations, interviews, computer assisted and adaptive testing, behavior-based assessment and performance, and team and unit assessment and measurement.

IT Subject Matter Specialist

- Provides extremely high-level subject matter proficiency for work described in the task.
- Provides advanced technical knowledge and analysis of highly specialized applications and operational environment, high-level functional systems analysis, design, integration, documentation, training, and implementation advice on complex problems that require doctorate level knowledge of the subject matter for effective implementation.

LAN Support Technician

- Monitors and responds to complex technical control facility hardware and software problems utilizing a variety of hardware and software testing tools and techniques.
- Provide LAN server support.

LAN/WAN Administrator

- Monitors LAN, WAN, and servers. Provides batch monitoring, tape back-up, and restoration.
- Administers mail system and implements new database architecture. Monitors and conducts performance evaluation of networks.
- Supports, installs, maintains, and troubleshoots all local area and wide area networking devices and related software for branch offices and internal and external networks.

LAN/WAN Integrator

- Provides the overall integration of the enterprise-wide network including the planning, design, installation, maintenance, management, and coordination of the corporate LAN/WAN (may include local, metropolitan, and wide area networks).
- Works with Voice and/or Data Communications Analysts.

LAN/WAN/MAN Administrator

- Monitors LAN, WAN, MAN, and servers.
- Provides batch monitoring, tape back-up, and restoration.
- Supports, installs, maintains, and troubleshoots all local area and wide area networking devices and related software for branch offices and internal and external networks.

Modeling and Simulation Specialist

- Specialist in modeling and simulation functions or operations such as, but not limited to exercises, plans, coordination, demonstrations, and instruction in the fields such as, but not limited to health, environmental, transportation, law enforcement, and security for military, and civil agencies.
- Supports live, constructive, or virtual training.

Network Control Technician

- Tests and analyzes all elements of complex network facilities (including power, software, communications devices, lines, modems, and terminals).
- Monitors and controls the performance and status of the network resources.
- Utilizes software and hardware tools and identifies and diagnoses complex problems and factors affecting network performance.

Network Engineer

- Manages the purchase, installation, and support of network communications, including LAN/WAN systems.
- Evaluates current systems.
- Plans large-scale systems projects through vendor comparison and cost studies.

Network Planning Analyst

- Plans and evaluates complex existing network systems and makes recommendations for resources required to maintain and/or expand service levels.
- Provides highly skilled technical assistance in network planning, engineering, and architecture.
- Develops technical standards and interface applications, identifies and evaluates new products, and provides resolution for network problems.

Network Systems Administrator

- Provides system administration of Network, Web, and/or communication systems, including Local Area Network (LAN) and Wide Area Network (WAN) systems, involving network security.
- Prepares technical implementation plans that provide integrated solutions including actions, milestones, timelines and critical paths required for complete solutions.

Network Systems Manager

- Supervises all personnel engaged in the operation and support of network facilities, including all communications equipment in large scale or multi-shift operations.
- Supervises complex operations that involve two or more additional functions such as, but not limited to, network operations, systems security, systems software support, and production support activities.

Network/Hardware Support Technician

- Monitors and responds to hardware, software, and network problems.
- Provides the routine testing and analysis of all elements of the network facilities (including power, software, communications machinery, lines, modems, and terminals).
- Monitors and controls the performance and status of the network resources.

Operations Manager - Data Communications

- Manages all aspects of the daily operation for data network(s) in either a stand-alone data network environment in a voice and data separated network environment.
- Develops project plans for the implementation of new telecommunications technology and systems.
- Directs technical analysis of complex software, hardware, and transmission systems.
- Coordinates with vendors involved in providing communication activities.

Operations Manager - Voice Communications

- Manages all aspects of the daily operation for voice network(s) in either a stand-alone voice network OR in a voice and data separated network environment.
- Develops project plans for the implementation of new telecommunications technology and systems.
- Directs technical analysis of complex software, hardware, and transmission systems.

Operations Systems Manager

- Provides assistance and oversight for all information systems operations activities, including computer and telecommunications/communications operations, data entry, data control, operations support, operating systems programming, system security policy procedures, and/or web strategy and operations.
- Provides input to policy level discussions regarding standards and budget constraints.

Operations/Network LAN Administrator

- Supports, monitors, tests, and troubleshoots hardware and software problems pertaining to LAN.
- Recommends and schedules repairs.
- Provides end users support for all LAN- based applications.
- Installs and configures workstations.

Operations/Technical Support Analyst

- Provides technical guidance for directing and monitoring information systems operations.
- Implements machine modifications to increase the capacity of the system.
- Directs compilation of records and reports concerning production, machine malfunctioning and maintenance.

Operations/Technical Support Manager

- Provides technical guidance for planning, directing, and monitoring information systems operations.
- Plans and recommends machine modifications or additional equipment to increase the capacity of the system.
- Prepares operational cost estimates for current and proposed projects. Evaluates vendor proposals for purchases of hardware.
- Directs compilation of records and reports concerning production, machine malfunctioning, and maintenance.
- Consults on organizational, procedural, and work-flow plans, methods, and procedures analysis.
- Analyzes the results of workflow plans, monitors the operating system(s) and recommends changes to improve processing and utilization.

Project Engineer

- Manages long-term IT engineering projects.
- Performs engineering design evaluations and works to complete projects within budget and scheduling restraints.
- Develops, implements, and monitors information systems policies and controls to ensure data accuracy, security, and regulatory compliance.
- Reviews reports of computer and peripheral equipment production, malfunction, and maintenance to determine and address problems.

Project Manager

- Leads team on large projects or significant segment of large complex projects.
- Analyzes new and complex project related problems and creates innovative solutions involving finance, scheduling, technology, methodology, tools, and solution components.

Publications Analyst

- Administers publication policies and procedures that cover two or more functional areas in the publication job family.

Quality Assurance Specialist

- Provides development of project Software Quality Assurance Plan and the implementation of procedures that conforms to the requirements of the contract.
- Provides an independent assessment of how the project's software development process is being implemented relative to the defined process and recommends methods to optimize the organization's process.

Scientific Subject Matter Specialist

- Provides technical knowledge and analysis of highly specialized applications and operational environment, high-level functional systems analysis, design, integration, documentation and implementation advice on exceptionally complex problems that require graduate level knowledge of the subject matter for effective implementation.
- Applies principles, methods and knowledge of the functional area of capability to specific task order requirements, advanced mathematical principles and methods to exceptionally difficult and narrowly defined technical problems in engineering and other scientific applications to arrive at automated solutions.

Security Coordinator

- Coordinates, develops, and evaluates security programs for an organization.

Site Manager

- Provides applications systems analysis and programming activities for a Government site, facility or multiple locations.
- Prepares long and short-range plans for application selection, systems development, systems maintenance, and production activities and for necessary support resources**.**

Software Architect

- Designs and develops new software products or major enhancements to existing software.
- Addresses problems of systems integration, compatibility, and multiple platforms. Responsible for project completion.
- Performs feasibility analysis on potential future projects to management.

Software Developer

- Resolves problems with software and responds to suggestions for improvements and enhancements. Acts as team leader on projects.
- Participates in development of software user manuals.
- Instructs, assigns, directs, and checks the work of other software developers on development team.

Software Systems Engineer

- Formulates/defines specifications for complex operating software programming applications or modifies/maintains complex existing applications using engineering releases and utilities from the manufacturer.
- Designs, codes, tests, debugs, and documents those programs.
- Provides overall operating system, such as sophisticated file maintenance routines, large telecommunications networks, computer accounting, and advanced mathematical/scientific software packages.
- Assists all phases of software systems programming applications.
- Evaluates new and existing software products.

Strategic Planner

- Provides strategic planning of large projects or a significant segment of a strategic planning portion of a large complex project.
- Provides the overall approach to clarify mission statements so they can be used as springboards in envisioning their desired future.
- Assists in developing mission and vision statements, subsequent goal delineation, provides guidance for building operational plans and specifying measurable outcomes to include capital outlay planning efforts in a consolidated strategic planning process and prioritizes those initiatives.

Systems Administrator

- Installs new software releases, system upgrades, evaluates and installs patches and resolves software related problems.
- Performs system backups and recovery. Maintains data files and monitors system configuration to ensure data integrity.

Systems Analysis and Programming Director

- Develops software within an organization.
- Directs the software engineering function in developing, releasing, and maintaining software applications/operating systems according to business needs.

Systems Engineer

- Performs a variety of systems engineering tasks and activities that are broad in nature and are concerned with major systems design, integration, and implementation, including personnel, hardware, software, budgetary, and support facilities and/or equipment.
- Provides quality assurance review and the evaluation of new and existing software products.

Systems Management Technologist

- Analyzes, develops, operates, and maintains software libraries and catalogs.
- Provides support and direction for user groups in the use of the software/hardware systems and programs to support an integrated system.

Technical Editor

- Reviews content of technical documentation.
- Ensures that documents follow the style laid out in the company's style guide.

Technical Subject Matter Specialist

- Applies subject matter knowledge to high-level analysis, collection, assessment, design, development, modeling, simulation, integration, installation, documentation, and implementation.
- Resolves problems, which necessitates an intimate knowledge of the related technical subject matter.

Technical Writer

- Writes a variety of technical articles, reports, brochures, and/or manuals for documentation for a wide range of uses.

- Coordinates the display of graphics and the production of the document.

Telecommunications Analyst/Technician

- Provides maintenance of the switching equipment.
- Performs more complex activities for routine maintenance on switch.
- Reads and interprets circuit diagrams and electrical schematics.

Telecommunications Engineer/Analyst

- Supports complex engineering and/or analytical tasks and activities associated with one or more technical areas within the telecom function such as, but not limited to, network design, engineering, implementation, or operations/user support.

Telecommunications Manager - Multiple Incumbents

- Addresses the needs of individual customer groups (e.g., company divisions or business lines) or may reflect total management responsibilities (including planning, engineering, implementation, and operations) for either voice or data communications in a separated network environment.
- Manages/coordinates day-to-day planning, design, operations, maintenance, and resource allocation including client server support and strategic and tactical planning
- Coordinates with customers, vendors, and corporate management.
- Interfaces with Senior/Executive Management to coordinate telecommunication plans with overall business plan.

Telecommunications Network Help Desk

- Responds to user complaints to research complex problems associated with the organization's telecommunications networks (voice and/or data).
- Diagnoses problem source through discussions with users. Coordinates with internal company support and operations groups and/or with vendors to resolve problems.
- Follows up with users to ensure problem has been resolved. Develops supporting documentation of all activities.

Telecommunications Programmer/Systems Analyst

- Develops telecommunications software solutions to address user needs.
- Interfaces with users to define needs.
- Designs, develops, and tests complex communications software interface programs.

Telecommunications Technician

- Installs, troubleshoots, repairs and maintains telecommunications equipment.
- Provides reports, completes requests for new service, determines methodology for installing telephone service, determines appropriateness of moderate equipment changes or modifications, call switches, test trunks, test links and installs communication circuits.

Telecommunications/Communications Integration Engineer

- Provides technical direction and analysis for telecommunication activities, including planning, designing, integrating, installing and maintaining large-scale telecommunications/ communications networks and services with computer systems.
- Applies telecommunications/communications engineering principles and theory to propose design and configuration alternatives.
- Analyzes network performance, usage and traffic flows, accesses and interfaces, transmission techniques, and protocols to interface with computer systems.

Test Engineer

- Subject matter specialist providing testing know-how in for the support of user requirements of complex to highly complex software/hardware applications.
- Directs and/or participates in all phases of risk management assessments and software/hardware development with emphasis on analysis of user requirements, test design and test tools selection.

Voice Communications Manager

- Ensures that adequate and appropriate planning is provided for remote hardware and communications facilities to develop and implement methodologies for analysis, installation and support of voice communications systems.

Voice Communications Technician

- Monitors and responds to complex technical control facility hardware and software problems. Interfaces with vendor support service groups to ensure proper escalation during outages or periods of degraded system performance.
- Maintains PBX/systems and associated hardware.

Web Content Analyst

- Provides for development and content that will motivate and entertain users so that they regularly access the website and utilize it as a major source for information and decision-making.
- Provides managing/performing website editorial activities including gathering and researching information that enhances the value of the site.

Web Designer

- Designs and builds web pages using a variety of graphics software applications, techniques, and tools.
- Designs and develops user interface features, site animation, and special-effects elements. Contributes to the design group's efforts to enhance the look and feel of the organization's online offerings.
- Designs the website to support the organization's strategies and goals relative to external communications.

Web Security Analyst

- Performs all procedures necessary to ensure the safety of the organization's website and transactions across the Internet/intranet.
- Applies Internet firewall technologies to maintain security.
- Ensures that the user community understands and adheres to necessary procedures to maintain security.
- Updates and deletes users, monitors and performs follow-up on compliance violations, and develops security policies, practices, and guidelines.

Web Software Developer

- Designs, develops, troubleshoots, debugs, and implements software code (such as HTML, CGI, and JavaScript) for a component of the website.
- Works with graphic designers and other members of a project team to develop the site concept, interface design, and architecture of the website.
- Deploys large web-based transaction systems using application servers.
- Researches, tests, builds, and coordinates the integration of new products per production and client requirements.

VETS Subcontracting Report

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TOTAL Non-SDVOSB	$0.00	0.00%
TOTAL SDVOSB	$0.00	
All Tasks (Non-SDVOSB)	$0.00	

Comments

Print or Type Contract Manager Name: _____ **Date:** _____

Contract Manager Signature: _____ **Signature constitutes certification that the report is accurate and complete.**

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Comments

Print or Type Contract Manager Name: _____ **Date:** _____

Contract Manager Signature: _____ **Signature constitutes certification that the report is accurate and complete.**

PAST CONTRACTUAL PERFORMANCE

SECTION ONE: ABOUT YOUR COMPANY

PLEASE PREPARE AND DISTRIBUTE A PAST PERFORMANCE EVALUATION ON MY COMPANY, AS LISTED BELOW:

YOUR COMPANY NAME

DUNS NUMBER

YOUR COMPANY STREET ADDRESS

CITY, STATE, ZIP

YOUR COMPANY PHONE NUMBER

YOUR COMPANY FAX NUMBER

YOUR PERSONAL/CONTACT NAME

YOUR TITLE

YOUR E-MAIL ADDRESS

If you don't know your company's DUNS number, go to: http://dnb.com/dnbhome.htm

SECTION TWO: THE RECIPIENT OF THE INFORMATION

PROVIDE ONE COPY OF THE PAST PERFORMANCE EVALUATION REPORT ON MY COMPANY TO THE FOLLOWING (One copy of the Past Contractual Performance Evaluation Report will be forwarded by Open Ratings via e: mail to the company Point of Contact listed in Section 1 and one copy will be e: mailed to the following Government office):

ORGANIZATION **General Services Administration – Federal Supply Service (6FG-C)**
STREET ADDRESS **1500 E. Bannister Road**
CITY, STATE, ZIP **Kansas City, MO 64131**
PHONE NUMBER **816 926 1366**
COMPANY FAX NUMBER **816 823 1608**
CONTACT NAME/ATTENTION TO **Past Performance Team (VETS or Alliant SB)**
E-MAIL ADDRESS **vetsgwac@gsa.gov** or **sbgwac@gsa.gov**

SECTION THREE: PAYMENT INFORMATION

BILL TO MY CREDIT CARD: ☐ AMERICAN EXPRESS ☐ VISA ☐ MASTERCARD

CARD NUMBER: _____ EXPIRATION DATE: _____

NAME ON CARD: _____

~ OR ~

☐ ENCLOSED IS MY COMPANY CHECK MADE PAYABLE TO:
(*Please include a copy of the check if faxing or emailing application form)*

OPEN RATINGS, INC.

600 First Avenue N., #200
St. Petersburg, FL 33701

SUBMISSION OF PAYMENT INFORMATION CONSTITUTES AGREEMENT TO PAY $125 FOR THE PREPARATION/DISTRIBUTION OF MY PAST PERFORMANCE EVALUATION, COPIES OF WHICH WILL BE PROVIDED BOTH TO MY COMPANY AND THE COMPANY IDENTIFIED IN SECTION TWO ABOVE. I ALSO AGREE TO PAY $25 FOR EACH ADDITIONAL COPY THAT I MIGHT ORDER AT A LATER DATE.

This report will be provided under contract solely for use by the customer and may not be reproduced in whole or part in any manner whatsoever.

QUESTIONS? CALL 727-329-1184

SECTION FOUR: PAST CONTRACTUAL PERFORMANCE REFERENCES

Please provide up to 20, and no less than four (more than four facilitates the process greatly), of your external customers to be surveyed that you have done business with in the past three years. External customers listed must be person(s) who have purchased services from your company. They must be customers you've sold services to, NOT vendors you've bought from.

ALL FIELDS ARE REQUIRED

1. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

2. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

3. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

4. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

5. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

6. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
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7. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
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8. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

9. CUSTOMER NAME:
   NAME OF CONTACT:
   PHONE:
   E-MAIL ADDRESS:

10. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
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11. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

12. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

13. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
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14. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
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15. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
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16. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
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17. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

18. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

19. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

20. CUSTOMER NAME:
    NAME OF CONTACT:
    PHONE:
    E-MAIL ADDRESS:

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Attachment 5
Pricing

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Escalation in Employer Costs for Employee Compensation: A Guide for Contracting Parties

Like its forerunners, the Consumer Price Index and the Producer Price Index, the ECI is increasingly being used by business organizations as an escalator to adjust long-term sales and purchasing contracts, and to adjust wage rates in collective bargaining agreements.

Albert E. Schwenk

The Employment Cost Index (ECI) is particularly well suited as a vehicle to adjust long-term sales and purchasing contracts to reflect changing labor costs, and to adjust wage rates in collective bargaining agreements to keep pace with what is paid by other employers, for two reasons.[1] First, it is comprehensive. It includes not only wages and salaries but also employer costs for employee benefits, and covers nearly all employees in the civilian (non-Federal) economy.[2] Second, it measures the "pure" change in labor costs, that is, it is not affected by changes in relative employment of industries and occupations with different wage and compensation levels. The advantages of a fixed weight index, such as the ECI, compared with a measure of average earnings are illustrated in an example presented in the appendix.

The BLS Role in Escalation

The role of the Bureau of Labor Statistics is to provide requested data and to explain their underlying methodology and limitations. The Bureau does not encourage or discourage the use of price adjustments in purchase, sales, or labor contracts. Nor does the Bureau directly assist in writing contracts or provide advice on disputes arising from contract interpretation. Because index methodology and publication conventions could be crucial in developing escalation clauses, this report is intended to alert users to potential problems arising in these areas.[3]

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This report provides guidance on the development of escalation clauses in contracts which are to be tied to ECI data. It is patterned after *Escalation and Producer Price Indexes: A Guide for Contracting Parties,* BLS report 807, and it comprises three sections. First, an overview of the Employment Cost Index system describes the major categories of indexes published each quarter. Then guidelines for assisting in the development of escalation clauses are outlined. Finally, practical examples of provisions that might be incorporated into a contract are presented, based upon the guidelines discussed, along with an example of the price adjustment calculations that would be needed to implement these provisions.

Structure of the ECI

The Employment Cost Index is a fixed-employment-weighted index which tracks changes in labor costs (wages, salaries, and employer costs for employee benefits), free from the influence of employment shifts among occupations and industries. It covers nearly all occupations and industries in both private industry and State and local governments. Approximately 120 series covering specific industry, occupation, area size, and union status categories are produced quarterly. Indexes are published for wages and total compensation for the various series, and for benefit costs for a few of the series. The reference period for the indexes is the week including the 12th of the months of March, June, September, and December. The index typically is published the last Tuesday of the month following the reference month. Seasonally adjusted data are available for a number of series, although it is recommended that only unadjusted data be used in escalation agreements. The unadjusted data are final as published and are not subject to revision.

The industry series are based on the 1987 Standard Industrial Classification (SIC), as defined by the U.S. Office of Management and Budget. The occupational series are based on the 1990 Census of Population classification system.

The series on bargaining status, region, and area size are based on employment counts from the ECI sample, rather than external employment counts obtained from administrative records and a very large occupational employment survey.[4]

How to Escalate

Escalator clauses should be written with great care to avoid serious problems when contract adjustments are implemented. The information in this report is based upon BLS staff experience in handling issues that have been brought to their attention in connection with actual escalation clauses. The issues have been translated into several steps that should be followed to use escalation successfully.

I. Establish the costs to be escalated

Clearly specify the labor cost component in the contract to be escalated. This may be either wages and salaries, benefit costs, or total compensation. Indicate the specific occupations covered, the month or year of the base labor costs, and how long the contract will be in effect.

II. Select an appropriate index by industry, occupation, or other characteristic

The ECI provides a variety of series by industry, occupation, bargaining status, region, and area size. The series selected should reflect the characteristics of the group of workers whose labor costs are being escalated. Recognize, however, that there generally is a tradeoff between how specifically the group of workers covered is defined and the precision of the ECI as a measure of change. That is, in general, the more narrowly defined a series is the larger the sampling error associated with any estimate of change is likely to be.[5]

A determination will also have to be made whether the escalator relates to wages and salaries only, or to total compensation.

If a contract represents different types of labor it may be best to choose multiple series to fit each individual category. Examples would be to escalate engineering salaries by the index for private industry workers, professional specialty and technical occupations; and to escalate production worker salaries by either the index for private industry workers, manufacturing, blue-collar occupations, or the index for private industry workers, manufacturing, durable goods.

Contracting parties may prefer to escalate on the basis of several data series, including some from other government statistical programs, to reflect changes in a variety of inputs. In some contracts, for example, costs of labor are escalated with the ECI while costs of materials and supplies are escalated with one or more producer price indexes. In such cases, the escalation clause should specify the percentage weights given to each index in calculating the total escalation amount.

Although the ECI covers nearly all workers in private industry and State and local governments, there are some gaps in the published series. For example, no index for mining is provided. Sometimes indexes must be chosen as proxies to estimate labor cost movements.

III. Clearly identify the selected index

The escalation clause must cite the particular index and series by its complete title, e.g., "Employment Cost Index for Total Compensation (not seasonally adjusted), private industry workers, service-producing industries, white-collar occupations excluding sales." Also, specific sources for obtaining the index must

be selected. Official BLS sources for the ECI are:

- "Employment Cost Index" quarterly news release
- *Compensation and Working Conditions*
- *Monthly Labor Review*
- *Employment Cost Indexes and Levels* (annual bulletin)
- ECI historical data listing
- The World Wide Web, at http://stats.bls.gov/ecthome.htm

Each source will have a different cost, publication schedule, and number of indexes printed. The "Employment Cost Index" quarterly news release includes all indexes, is free, and is mailed shortly after the quarterly data are released. To be placed on the news release mailing list, call (202) 606-6199. *Compensation and Working Conditions* includes each quarterly news release shortly after it is published, a complete historical listing of ECI data in the March issue each year, and analytical articles examining ECI and other compensation data. A subscription to *Compensation and Working Conditions* is $12 per year (as of 1997). A subscription to the *Monthly Labor Review* (MLR) costs $29 for 1 year, but the MLR may not include all currently available series and usually will not be available until about 3 months following the reference month. *Employment Cost Indexes and Levels*, published toward the end of each year, provides complete historical data through June of that year, and costs $7.50. The latter three publications are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. The ECI historical data listing is available free upon request, but because it is a computer printout, it may not be regarded as "official" by some parties. The World Wide Web site contains the news release and complete historical data at the instant the data are published, but for some users there may be a requirement that the data be in paper form.

Cite the index and series by its full name rather than a table number or page number because documents are reformatted and table and page numbers occasionally change, whereas series titles very seldom change. BLS sources are preferable to secondary sources such as other government publications or private firms. If contracting parties agree to accept updated index values on the telephone from BLS staff members, the escalation clause should specify appropriate procedures and whether subsequent verification from a published source is necessary.

Note that periodically the industry and occupational classification systems change. This may alter what is published.

IV. Specify whether seasonally adjusted indexes or unadjusted indexes are to be used

In general, seasonally adjusted indexes are not appropriate in escalation agreements. Because price adjustment clauses usually are intended to capture actual price changes, contracting parties normally would not want to remove seasonal labor cost movements from their adjustment calculations.

V. State the frequency of escalation

The contracting parties should specify whether labor cost adjustments are to be made at fixed intervals, such as quarterly, semiannually, or annually, or only at the end of the contract. Also, specify if there are to be restrictions on the size of increases, such as a threshold change before adjustment takes place (for example, the change must exceed 2 percent before any wage adjustment is made), or a cap on the amount of change at each readjustment period or over the life of the contract (for example, the largest wage increase is 3 percent regardless of how much the ECI increases). (See section VIII(e), below.)

Note that ECI indexes relate to the payroll periods including the 12th of the months of March, June, September, and December. Avoid wording such as "the index for wages and salaries, private industry workers as of September 30," since several different and equally plausible interpretations are possible for such language. It could mean the index that was available on September 30, which would be the June figure; it could mean the September index; or it could mean the December index, since that index would be based in part on compensation changes that occurred before September 30. A clearer statement would be "the Employment Cost Index for wages and salaries for private industry workers, for the month of September."

VI. Provide for missing or discontinued data

The ECI seldom discontinues a series, but because it might happen, escalation clauses should provide procedures to be used when required data are missing.

VII. Avoid locking indexes used for escalation into any particular reference period

Periodically, the ECI will change its index base. When indexes were first published for the survey, the index base was June 1981=100. In March 1990, the base changed to June 1989=100.[6] The index base to be used should be the one in effect at the time the adjustment is to be made, which may not be the one in effect when the contract was written. The selection of the base matters especially when the escalator is expressed as a fixed dollar change for each change in index points, because the formula must be modified if the index base is changed.

(See section VIII (c), below.)

VIII. Define the mechanics of price adjustment

(a) **Simple percentage method.** One method of price adjustment is to have the base price changed by the same percentage as that calculated for the selected Employment Cost Index series. To illustrate, suppose that the contract escalation clause refers to the private industry white-collar compensation cost index. Also suppose that the private industry white-collar compensation cost index was 110.0 when the base price or wage rate was set. A year later when the first adjustment is made, the figure is 115.5 This represents an increase of 5.0 percent in the private industry white-collar compensation cost index, calculated as follows:

Index at time of calculation	115.5
Divided by index at time base price was set	110.0
Equals	1.050

This means that the base price or wage rate should be increased by 5.0 percent. To proceed:

Base wage rate	$11.00
Multiplied by	1.050
Equals adjusted wage	$11.55

In later years this procedure would be applied again by taking the current index value and dividing it by the index value at the time the base price was set, and then proceeding just as described above. (See example clause I, below, for an illustration of this procedure.)

(b) **Escalation of a portion of the base price.** In long-term sales and purchasing contracts a procedure sometimes employed changes the base price so that only part of it is escalated by a selected Employment Cost Index, while the balance remains fixed. This may be done by changing the base price by a certain dollar amount for each 1 percent movement in the selected index.

To illustrate, suppose that an item has a base price of $1,000, of which $700 is to be escalated by the index while the other $300 remains unchanged. To determine the "certain dollar amount" that is needed for citation in the contract, simply divide the designated variable portion of the base price ($700) by 100, which in this case would yield $7. The escalation clause is written so that it provides that the base price of $1,000 shall change $7 for each 1-percent movement in the index.

Using this approach, the base price would rise to $1,035.00 for a 5.0-percent rise in the ECI, as shown:

Base price	$1,000.00
Plus 5.0 times $7	35.00
Equals adjusted price	$1,035.00

(c) **Index points.** Relatively few escalation clauses which rely on ECI data adjust contract prices on the basis of changes in index points. (In the earlier example, the index-point change would be 5.5.) When wages are adjusted by a percentage on the basis of a change in index points, the value of an index point will fall in percentage terms as the index level rises, and vice versa. For example, a 1-point increase in an index from 105.5 to 106.5 represents an advance of 0.9 percent, but a 1-point increase from 205.5 to 206.5 represents an upward movement of only 0.5 percent. Conversely, a 0.9-percent increase in an index of 205.5 would raise the index 1.8 points, to 207.3.

Another disadvantage of adjusting wages by index points is that the procedure is vulnerable to changes in the index base period. For example, index point values for an index with June 1989=100 as the base will differ from those for an index with June 1981=100 as the base.

(d) **Composite indexes.** Some contracts describe construction of a composite index based on several ECI series, or the ECI and other measures such as the Producer Price Index. The advantage of a composite index is that it may more accurately identify the appropriate change from a base period since it will refer to several of the costs involved in producing the product or service in question. However, a composite index entails more calculations at the time of adjustment than the simpler procedures described earlier. Composite indexes constructed by the contracting parties are not official BLS data.

One procedure for specifying a composite index is illustrated by the following steps:

(i) Choose the indexes that will represent the different costs involved in producing the item (such as blue-collar labor, white-collar labor, or whatever is appropriate);

(ii) Choose the appropriate weights for these indexes, in accordance with the proportion of the production budget which may be devoted to these various categories. The list of chosen weights should sum to 100 percent;

(iii) Clearly specify the time period that these relative weights are supposed to represent. The weights should be chosen to represent the time period associated with the base price (i.e., the base period);

(iv) The first step necessary for the calculation of the special index is to rebase all of the original index data to the contract's base period. This is done for each series by dividing the indexes by the index value for the base period and then multiplying the result by 100. (For this and following steps, note the detailed example at the end of this report.)

(v) Then derive values for the composite index by multiplying relative weights by the rebased index values for each index series and summing the results. (This calculation must be done for each quarter, or other time period, needed for determining the current adjustment.)

(vi) Using the composite index created in step (v), calculate the current adjustment in standard fashion, that is, by using the procedure described in (a) above. (See example clause II for an illustration of this procedure.)

(e) **Limits for price adjustment.** Escalation clauses sometimes contain *a floor, a ceiling*, or both, to limit the total price adjustment during the life of the contract. If the upper or lower limit is reached, the parties may renegotiate prices for the duration of the contract. Some contracts specify that no price adjustments are to be made until a minimum change in the selected index has taken place. Contracts may also provide that an escalation is to apply in both an upward and downward direction, or in one direction only.

Examples of Escalator Clauses

Example clause I. Collective bargaining agreements

Suppose a collective bargaining agreement contains the following language:

"For years two and three of this contract, on July 1 of each year, basic hourly wage rates for each step and grade will be adjusted by the percentage change in the Employment Cost Index for private industry workers, wages and salaries, from March of the prior year to March of the current year. That is, the increase to go into effect on July 1, 1994 will be the increase in the ECI series between March 1993 and March 1994, while the increase to go into effect on July 1, 1995 will be the increase in the ECI between March 1994 and March 1995."

Assume that in June 1996 wage rates for three occupations were as follows:

Carpenters	$15.42
Janitors	7.45
Truckdrivers	14.00

Assume that the ECI private industry wages and salaries index for March 1995 is 125.0 and for March 1996 is 129.0. Then the adjustments would be 129.0/125.0=1.032

$15.42	*	1.032	=	$15.91
7.45	*	1.032	=	7.69
14.00	*	1.032	=	14.45

Example clause II. Long-term sales or purchasing contracts

Suppose a manufacturer of widgets enters into a long-term sales contract with a customer. The buyer and the seller agree to include an escalation clause which will adjust the selling price once a year to account for changes in labor and material costs. The following is an example of the terms which might be incorporated into such an escalation clause.

A. The base selling price for a lot of 10,000 type A widgets is set at $768,450.00 as of December 1989, to remain in effect for 1 year. December 1989 is hereafter called the reference base period.

B. The base selling price shall be adjusted in accordance with the percent changes of the special index which is described in (D) below. The special index shall be derived from the following index series:

(i) **The Employment Cost Index for total compensation, durable goods manufacturing**, not seasonally adjusted, as it appears in the periodical ***Monthly Labor Review*** as published by the U.S. Department of Labor, Bureau of Labor Statistics; this series shall be referred to as the labor index;

(ii) **The Producer Price Index for special industry machinery and equipment,** commodity code 116, not seasonally adjusted, as it appears in the periodical ***PPI Detailed Report*** as published by the U.S. Department of Labor, Bureau of Labor Statistics; this index shall be referred to as the materials index;

and

(iii) **The Producer Price Index for 2 diesel fuel,** commodity code 057303, not seasonally adjusted, as it appears in the periodical, ***PPI Detailed Report*** as published by the U.S. Department of Labor, Bureau of Labor Statistics; this index shall be referred to as the fuels index.

C. The selling price shall be adjusted on February 20 of each subsequent year, based upon the percent changes (whether up or down) in the special index specified below, between the reference base period December 1989 and December of the most recent year. All calculations for the special index shall be based upon the most recent official data released by BLS of the Producer Price Index and Employment Cost Index, as of February 20 each year.

D. The special index shall be derived in the following manner:

(i) The values for the current period for each of the three BLS index series specified in (B) above shall be rebased to the reference base period December 1989; this shall be done by dividing the current value of each index by its value for the reference base period, and then multiplying the result by 100.

(ii) The rebased labor index shall be assigned a relative weight of forty (40) percent; the rebased materials index shall be assigned a relative weight of forty (40) percent; the rebased fuels index shall be assigned a relative weight of twenty (20) percent; these relative weights represent the base period of December 1989.

(iii) Multiply the rebased current value for each of the three indexes by its relative weight.

(iv) The sum of these three figures shall be the value of the special index for the current time period.

(v) Multiply the current value of the special index by the original base price, and then divide by 100; this final figure shall be the adjusted price for the current time period.

E. If December ECI data are not available for any year, the ECI for the immediately preceding September shall be used as the basis for adjustment of the labor index. If December PPI data are not available for any year, the PPI data for the immediately preceding November, October, or September, whichever is the most recent month which has published data, shall be used as the basis for adjustment of the materials and fuels indexes. If no ECI or PPI data have been published for these months, then the contracting parties shall agree upon substitute series by February 20.

With these terms in effect, table 1 shows some hypothetical data and calculations which might have been made on February 20, 1991 to determine the new selling price for a lot of 10,000 type A widgets as of December 1, 1990.

Table 1. Example of calculation procedures

	Labor	Materials	Fuels	Composite
Base price = $ 768,450	-	-	-	-
Current period series values (Dec. 1990)	107.2	133.4	91.0	-
Divide by base period values (Dec. 1989)	102.2	128.6	68.5	-
equals	1.049	1.037	1.328	-
Multiply by 100 to yield converted series	104.9	103.7	132.8	-
Multiply by assigned weight (labor 40%, materials 40%, fuels 20%)	41.96	44.48	26.56	-
Add the three figures to get the current value (Dec. 1990) for special index	-	-	-	110.0
Multiply by original base price ($768,450)	-	-	-	$84,529,500
Divide by 100 to yield the adjusted price	-	-	-	$845,295

Appendix. An Illustration of the Effects of Fixed Weights

The following example illustrates the effects of using fixed rather than current weights. Consider the case of an employer with two types of workers, electricians and janitors. In March 1994, the firm employed 10 electricians at $10 per hour and 10 janitors at $5 per hour. Both the average hourly wage and the wage rate are $7.50, calculated as follows:

	NUMBER	X	WAGE RATE	=	AGGREGATE
Electricians	10	X	$10.00	=	$100.00
Janitors	10	X	5.00	=	50.00
	20				$150.00

Average wage rate: $150.00 / 20 = $7.50

In March 1996, both groups were given a 10-percent wage increase, but only five janitors were employed. The average wage (without fixed weights) increased to $9.17:

	NUMBER	X	WAGE RATE	=	AGGREGATE
Electricians	10	X	$11.00	=	$110.00
Janitors	5	X	5.50	=	27.50
	15				$137.50

Average wage rate: $137.50 / 15 = $9.17
Average wage change: $9.17 / $7.50 = 1.223, or a 22.3-percent increase

The increase in the average wage reflects the 10-percent increase in the wage rates and the relative decrease in the number of workers in the low-wage occupation of janitor.

But when fixed employment weights are used (that is, the number of janitors remains fixed at 10), the *average change in wage rates* is calculated, not the change in the average wage.

	NUMBER	X	WAGE RATE	=	AGGREGATE
Electricians	10	X	$11.00	=	$110.00
Janitors	10	X	5.50	=	55.00
	20				$165.00

Average wage rate: $165.00 / 20 = $8.25
Wage-rate change: $8.25 / $7.50 = 1.10, or a 10-percent increase.

In this case, the increase is 10 percent, the size of the wage-rate increase which was granted to both occupations.

—ENDNOTES—

[1] For a description of how the ECI is compiled, see "The Employment Cost Index," *BLS Handbook of Methods*, BLS Bulletin 2414, 1992, chapter 8.

[2] Only workers in private households and agricultural establishments are excluded.

[3] To obtain ECI data, contact the Inquiries and Correspondence Office at any BLS Regional Office, or call the Division of Compensation Data Analysis and Planning at (202) 606-6199.

[4] See G. Donald Wood, "Estimation Procedures for the Employment Cost Index," *Monthly Labor Review*, May 1982, pp. 40-42.

[5] Standard errors for published ECI series may be found in *Employment Cost Indexes and Levels, 1975-95*, BLS Bulletin 2466, 1995, pp. 137-143.

[6] See Albert E. Schwenk, "ECI Rebased to June 1989," *Monthly Labor Review*, April 1990, pp. 38-39.

GSA Contract Holder Star Mark Guidelines

COLOR: Consistent use of color promotes maximum recognition for our Star mark.

Primary colors: PANTONE 541 C. This is the preferred color for the star mark and should be used wherever possible, with the GSA name reversed out in white. Use PANTONE 2945 U when printing on uncoated stock. Because uncoated stock absorbs more ink, causing a slight variation in color, PANTONE 2945 U enables a closer color match to GSA Blue. PANTONE 541 C is for use on coated paper. The Schedule and Contractor Number text should be 70% black.

2-color: When GSA Blue is not one of the two colors, one color should be black. The star mark should be reproduced as a 70% tint of black, with the GSA name reversed out in white. The star mark may not be reproduced in any other color.

Single color: Materials printed in a single color should be either Pantone 541 C Blue or black. When using black, if the work is professionally printed, the star mark should be 70% black. Reproducing the GSA star mark in solid black is allowed only for laser-printed jobs.

Clear space: As the primary symbol of our organization, our star mark should stand out from other graphic elements. The GSA star mark should always be surrounded with at least a minimum area of clear space. Think of it as giving the star mark room to breathe. The distance between the star mark and other graphic elements (typography, charts, photos and illustrations, etc.) should be no less than 1/2 the height of the star mark. Use as much clear space as possible, but never less than the minimum.

Background color: The color behind the GSA star mark should always be white. The GSA star mark should never be reversed out, or placed on a color field. NOTE: the GSA lettering within the star mark is always white, not translucent.

Minimum size: To ensure that the GSA star mark is always clear as presented, it should never be reproduced smaller than 1/2 inch.

If you have any questions, or need further information, contact Lynda Falkenstein at (703) 308-4149 or lynda.falkenstein@gsa.gov.

Department of Defense

COR HANDBOOK

March 22, 2012

Director, Defense Procurement and Acquisition Policy

OUSD(AT&L)

Foreword

The Department of Defense (DoD) relies heavily on the private sector to carry out aspects of the Department's mission. Because of the critical reliance on contractor support and the large expenditures involved, contract surveillance is vital to ensure contractors are providing quality services and supplies in a timely manner; to mitigate contractor performance problems; and to ensure the Federal Government (Government) receives best value for the Warfighter.

Contract quality performance is the responsibility of both the contractor and the Government. The contractor is responsible for carrying out its obligations under the contract in terms of quality, timeliness and cost. The Government is responsible for ensuring that services and supplies acquired conform to the quality and performance requirements of the contract.

Contract quality surveillance is an essential activity. In most cases, contract quality surveillance is the responsibility of the requiring organization — the organization most familiar with the technical complexities and nuances of the requirement — with assistance from the contracting office. The requiring organization prescribes contract quality requirements that the contracting office includes in contracts. Members of the requiring organization are designated specific authority by the Contracting Officer to conduct contract surveillance as a Contracting Officer's Representative (COR) in order to verify that the contractor is fulfilling contract requirements and to document performance for the contract record. These CORs function as the eyes and ears of the Contracting Officer and are a liaison between the Government and contractor when executing surveillance responsibilities.

DoD[1] policy requires that the requiring activity/COR management participate in nominating CORs and assess their performance of COR responsibilities. COR management affirms that the COR will be afforded necessary resources (time, equipment, opportunity) to perform designated COR responsibilities.

This COR handbook addresses key aspects of contract quality surveillance and the roles and responsibilities of the Contracting Officer, the COR and the requiring activity/COR management. It is a comprehensive resource for the Contracting Officer, COR

[1] Deputy Secretary of Defense Memorandum, "Monitoring Contract Performance in Contracts for Services," 22 August 2008, http://www.acq.osd.mil/dpap/policy/policyvault/2008-0468-DPAP.pdf.

management, and the first-time, as well as the experienced, COR. A primary principle throughout this handbook is the importance of open communication between, and due diligence of, the Contracting Officer, the COR, COR management, the requiring activity, and the contractor in contract surveillance. This handbook is intended to supplement, not replace, training and performance of surveillance. When in doubt, CORs should refer to the contract, the COR letter of appointment/designation, and the Contracting Officer.

We envision this DoD COR Handbook to be a living document accessible at *(http://www.acq.osd.mil/dpap/)*. Please provide your comments and recommendations to improve the Handbook, as well as lessons learned on contract quality surveillance, to Peggy Ayanian at Peggy.Ayanian@osd.mil

Richard Ginman
Director, Defense Procurement
and Acquisition Policy

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Introduction

This edition of the *DoD Contracting Officer's Representative Handbook* provides basic knowledge and tools for Contracting Officer's Representatives (CORs) to perform effective contract quality surveillance. The information in this handbook is extracted from numerous sources including the Federal Acquisition Regulation (FAR); the Defense Federal Acquisition Regulation Supplement (DFARS); the Joint Ethics Regulation; and various other DoD directives, instructions, publications, and policies.

The handbook is comprehensive in nature to provide as much information as possible for the COR. It is organized to aid the COR in finding exactly what is needed for the situation at hand. This handbook provides relevant and comprehensive guidance on performance of COR functions and the appendices offer supplemental data for instances where additional or more specific information is needed.

Chapters 1 and 2 focus on the importance of contract surveillance and the roles and responsibilities of the COR, the Contracting Officer and COR management. Chapter 3 addresses the importance of ethics and integrity in the acquisition process. Those discussions serve as the backdrop to discussion of the acquisition team and acquisition process (Chapter 4), COR responsibilities (Chapter 5) and an overview of contracts, including their categories, types and structure (Chapter 6).

The next four chapters describe various aspects of the COR's role in monitoring contract performance. Chapter 7 provides general information on contract administration. Chapter 8 contains information on monitoring contractor performance, in general, while Chapters 9 and 10 address monitoring services contracts and construction contracts, respectively. Appendices define common terms and abbreviations and contain resources and references that CORs may find useful, including information on COR qualifications and training, independent government cost estimates (IGCEs), contract planning, and source selection.

This handbook is a guide intended to supplement, not replace, formal COR training. CORs should refer to their letter of appointment/designation for their specific duties and responsibilities assigned by the Contracting Officer. For information on COR training refer to Defense Acquisition University (DAU)[2].

[2] The COR Community of Practice website is located at https://acc.dau.mil/cor.

Chapter 1:
The Importance of Contract Surveillance

DoD relies on the private sector to carry out many aspects of the Department's mission. The critical nature of contractor support and the large expenditures involved require that the Government conduct contract surveillance to ensure that contractors are providing quality services and supplies in a timely manner, within cost; to mitigate contractor performance problems; and to ensure that the Government receives best value for the Warfighter.

The Federal Acquisition Regulation (FAR) states that the Contracting Officer is responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships. To perform these responsibilities, Contracting Officers are afforded wide latitude to exercise sound business judgment. Contracting Officers must ensure that no contract is entered into unless all requirements of law, executive orders, regulations, and all other applicable procedures, including clearances and approvals, have been met and that contractors receive impartial, fair, and equitable treatment. The FAR recognizes that the Contracting Officer may need advice and assistance in areas of audit, law, engineering, information security, transportation, and other fields, as appropriate.

The requiring organization prescribes contract quality requirements that the contracting office includes in contracts. As experts on the contract requirement, members of the requiring organization are often delegated specific authority from the Contracting Officer to conduct contract surveillance to verify that the contractor is fulfilling contract delivery and quality requirements and to document performance for the contract record. The requiring activity, coordinating with the contracting office, is responsible in developing contract quality assurance, surveillance and performance assessment plans. These individuals —Contracting Officer's Representatives (CORs[3]) — function as the eyes and ears of the Contracting Officer and liaison between the Government and contractor when executing surveillance responsibilities. Note, however, contract surveillance is not solely the responsibility of the Contracting Officer and the COR. Others may have designated surveillance responsibilities under Parts 42, 45, or 46 of the FAR.

The Defense Federal Acquisition Regulation Supplement (DFARS) 252.201-7000 defines a COR as "an individual designated in accordance with subsection 201.602-2 of

[3] The term "Contracting Officer's Representative" is used primarily by the Army, DoD, DLA and DCMA. The Air Force uses the term "Quality Assurance Personnel" for an equivalent position. Other terms commonly used include Contracting Officer's Technical Representative, Task Order Manager. "COR" is used throughout this handbook for simplicity.

the DFARS and authorized in writing by the Contracting Officer to perform specific technical and administrative functions." Designation shall be pursuant to the procedures at DFARS Procedures, Guidance and Information (PGI) 201.602-2. CORs monitor contract performance and provide the Contracting Officer with documentation that identifies the contractor's compliance or noncompliance with the terms and conditions of the contract. This documentation becomes part of the official contract file. It is important that the COR documents everything, including conversations and meetings with the contractor, contractor performance or any other issues.

To ensure that the COR performs contract surveillance, it is DoD policy that COR management participate in nominating CORs and assessing their performance of COR responsibilities. COR management must also affirm that the COR will be afforded necessary resources (time, equipment, opportunity) to perform designated COR responsibilities.

The DoD COR standard[4] stipulates that the training and qualifications for, and surveillance duties assigned to CORs must be commensurate with the complexity of the contract requirement (detail on the DoD COR Standard is in Appendix C). Requirement types are:

- Type A: Fixed-price requirements without incentives, low performance risk;
- Type B: Other than fixed-price requirements without incentives, low performance risk; and,
- Type C: Unique contract requirements that necessitate a professional license, higher education, or specialized training beyond the Type B requirements.

Related Duties

During the pre-award phase (Chapter 4 discusses the Acquisition Process), the COR candidate works with the contracting team in requirements development, preparing the Independent Government Cost Estimate (IGCE), developing the Performance Work Statement/Statement of Work/Statement of Objectives, developing quality assurance surveillance plans (QASPs), etc. During the post-award phase, the COR may monitor and assess contractor performance and perform other responsibilities as assigned by the Contracting Officer. Again, the COR functions as the eyes and ears of the Contracting Officer.

[4] Under Secretary of Defense (Acquisition, Technology & Logistics) Memorandum, "DoD Standard for Certification of Contracting Officer's Representatives (COR) for Services Acquisitions," 29 March 2010, http://www.acq.osd.mil/dpap/policy/policyvault/USA005569-09-DPAP.pdf.

Chapter 1. Key Points

1. The Contracting Officer is the primary Government official responsible for ensuring compliance with contractual agreements.
2. Contract surveillance is key to ensuring contractors perform in accordance with the terms and conditions of the contract.
3. The COR is a critical individual in supporting the Contracting Officer, ensuring successful contractor performance and the fulfillment of the requiring activities mission needs.
4. COR training and qualifications are tied to three requirement types:
    a. Type A: Fixed-price requirements without incentives, low performance risk;
    b. Type B: Other than fixed-price requirements without incentives, low performance risk; and,
    c. Type C: Unique contract requirements that necessitate a professional license, higher education, or specialized training beyond the Type B requirements.

Chapter 2:
Roles and Responsibilities for Contract Surveillance

The three major phases in the COR process are 1) nomination, designation and appointment of the COR based on competencies, experience and training; 2) performance of COR functions; and 3) termination of COR appointment. The Contracting Officer, the COR, and COR management have specific roles and responsibilities in each of these phases.

Nomination, Designation, and Appointment of the COR

The **Contracting Officer** shall:

- Upon receipt of a procurement request,
    - Review the requirement to determine if it requires assistance in technical monitoring or administration of the anticipated contract;
    - Identify, by the complexity of the work/requirement (Type A, B, or C), the duties/responsibilities to be performed by a COR, the qualification requirements mandated by the DoD COR Standard; and
    - Advise the requiring activity for the need of COR(s) support.

  Note: Considerations for multiple CORs include: multiple locations of performance, need for constant surveillance, size of requirement, and subject technical matter skill sets.

- Upon receipt of COR nomination package(s) from requiring activity/COR management,
    - Review to determine if the COR nominee is trained and qualified;
    - Notify the requiring activity that the COR nominee is acceptable or identify deficiencies and request additional nominations as applicable (Nomination/appointment shall be completed through the COR Tracking Tool (CORT Tool) unless a specific waiver is granted by OUSD(AT&L) Defense Procurement and Acquisition Policy, Program Development and Implementation (PDI) Directorate);
    - Provide an orientation to the COR nominee to address duties/responsibilities to be delegated; unique terms and conditions of the contract; importance of performance; personal conflicts of interest (COI) and potential COI; informal commitments/ unauthorized commitments; and ethics/integrity in relationships with Contracting Officer/COR management/contractor; and,
    - Designate specific duties/responsibilities to the COR prior to award and ensure that the letter of appointment/designation is included in the contract

file. The COR letter of appointment/designation must be signed by the Contracting Officer, acknowledged by the COR, and copies furnished to the contractor and Administrative Contracting Officer (ACO).

The **Requiring Activity/COR Management** shall, concurrent with requirements development or upon receipt of a request from the Contracting Officer for COR support:

- Identify a prospective COR;
- Discuss with the COR nominee the COR duties/responsibilities to be designated and the importance of performance of COR duties/responsibilities;
- Ensure that the COR nominee has no personal conflicts of interest with performing the duties/responsibilities to be delegated by completing the Office of Government Ethics () Form 450, Confidential Financial Disclosure Report, upon appointment and prior to contract award;
- Ensure COR nominee receives required training prior to contract award;
- Incorporate performance of COR responsibilities into COR nominee/COR's performance objectives for performance evaluation; and,
- Develop and forward COR nomination package to the Contracting Officer using the CORT Tool.

The **COR Nominee** shall:

- Initiate request for required COR training/COR refresher training to ensure required training is completed prior to contract award;
- Provide information necessary to document required training and to determine absence of personal conflicts of interest. COR nominees and CORs, once designated, must notify the Contracting Officer and appropriate COR management if a potential or actual conflict of interest subsequently arises;
- Participate, as appropriate, in requirements definition/acquisition planning and contract formation processes; and,
- Ensure that participation in the pre-award process and performance of COR duties/responsibilities are properly addressed in individual performance appraisals.

Performance of COR Functions

The **COR** shall:

- Establish and maintain individual COR files for each contract in accordance with DFARS PGI 201.602-2(ii), Chapter 5 of this handbook, and the CORT Tool (if necessary). COR files shall be available for review by the Contracting Officer,

Inspector General, the U.S. Government Accountability Office, internal review officials or other officials as authorized by the Contracting Officer;

- Review and understand terms and conditions of the contract;
- Perform COR duties/responsibilities as designated by the Contracting Officer;
- Not appoint, designate, re-designate or sub-designate COR duties/responsibilities to other persons;
- Provide reports on contract performance to the Contracting Officer. If advised by the Contracting Officer that reports are inadequate, ensure that follow-on reports address issues expected by the Contracting Officer to meet the adequate standard in the QASP;
- When advised by Contracting Officer/COR management that COR designation will be terminated, ensure all reports/records/communications are made available to management, the successor COR and the Contracting Officer; and,
- If circumstances change and there is a reasonable expectation that the COR cannot perform effectively, (i.e., personal COI, change in assignment, etc.), notify COR management and the Contracting Officer to request that a successor COR be designated.

The **COR Management** shall:

- Nominate COR(s) and provide COR resources requested by the Contracting Officer (e.g., time, supplies, equipment, opportunity) for performance of COR duties/responsibilities;
- Evaluate the performance of COR duties as part of the COR's performance assessment throughout the period of the contract. COR management is encouraged to solicit input on performance of COR duties from the Contracting Officer;
- If notified by the Contracting Officer that COR performance is inadequate, address issues with COR, reemphasizing need for performance of COR function. Notify Contracting Officer of actions completed;
- If notified by the Contracting Officer that COR performance remains inadequate and that the letter of appointment/designation will be terminated, take action to identify/nominate replacement COR and address deficient performance in the terminated COR's performance assessment; and,
- Ensure that the terminated COR provides all reports/records and the COR files to COR management or successor COR, as appropriate.

The **Contracting Officer** shall:

- Review COR reports for completeness/accomplishment;
- Provide feedback on COR performance to the COR supervisor;

- If COR reports/performance is inadequate, discuss performance with the COR. If reports/performance continues to be inadequate, discuss COR performance with COR management. If reports/performance continue to be inadequate, notify both the COR and COR management that the COR designation will be terminated and request nomination of the replacement COR; and,
- Terminate COR designation and review nomination of successor COR.

Termination of COR Appointment

The **Contracting Officer** shall:

- When performance of COR functions is unsatisfactory, address concerns with the COR. If performance remains unsatisfactory, notify COR management of performance issues. Request COR management to address performance with the COR or to nominate a successor COR. Only the Contracting Officer has the authority to terminate the COR designation;
- When the requiring activity requests termination of COR designation due to transfer, retirement or other causes, the Contracting Officer must terminate COR designation. The Requiring Activity/COR Management may not terminate a COR designation; and,
- Execute the Notice of Termination in writing, ensure it is acknowledged by the COR and COR management and posted in the CORT Tool.

The **COR Management** shall:

- Request termination of a COR designation to the Contracting Officer and nominate a qualified successor COR, if the COR is unable to perform for any reason, including unsatisfactory performance, transfer or retirement;
- Elect to address performance issues with the COR or elect to nominate a successor COR, if the Contracting Officer notifies COR management of COR performance issues. Issues in performance of COR duties/responsibilities shall be addressed in the COR performance assessment; and,
- Not designate a successor COR or delegate, or re-delegate to a successor COR any duties/responsibilities that were delegated to the terminated COR.

The **COR** shall:

- Request relief from COR designation through COR management in advance of reassignment or separation from the Government to permit the requiring activity to have adequate time to select, train and nominate a successor, per nomination procedures defined herein; and,

- Ensure proper turnover of COR files to successor COR or Contracting Officer, as required.

DoD COR Tracking (CORT) Tool

The DoD CORT Tool is a web based capability for the appointment and management of CORs. It provides for the collection of COR training certificates and the posting of monthly status reports. It provides built in workflows for the nomination process to include email alerts/status reminders for monthly status report due-ins and delinquencies. The CORT Tool[5] provides contracting personnel and requiring activities/COR management the means to track and manage COR assignments across multiple contracts DoD-wide. This tool allows a prospective COR, COR management and Contracting Officer to electronically process the nomination and appointment of CORs for one or multiple contracts.

The CORT Tool is Common Access Card (CAC) enabled and is available to all DoD personnel with an Army or Defense Knowledge Online (AKO/DKO) account. Note: Your CAC must be registered with AKO/DKO before access to the DoD CORT Tool can be obtained.

Chapter 2. Key Points

1. Three COR process phases:
   a. nomination and designation of the COR based on competencies, experience and training;
   b. performance of COR functions; and
   c. termination of COR appointment.
2. The requiring activity is critical to identifying and nominating individuals who have the right skill set and experience, in addition to requisite COR certification requirements.
3. It is mandatory for the COR to maintain individual COR files for each contract or order.
4. If a COR knows in advance that he/she will be reassigned or separated from the COR duties it's critical that he/she notify the Contracting Officer in advance in order to ensure continued COR support.
5. The DoD CORT Tool is a web based management capability for the appointment and management of CORs.

[5] More details on the CORT Tool are available at http://www.acq.osd.mil/dpap/pdi/eb/cor.html.

Chapter 3:
Ethics and Integrity

Review of Standards

U.S. Government personnel engaged in contracting and related activities must be above reproach in their business dealings with industry. At the same time, they must protect the Government's interests and maintain its reputation for dealing fairly with contractors. DoD Directive (DoDD) 5500.07-R, Joint Ethics Regulation, specifies standards for contracting and related activities.[6] All COR letters of appointment/designation require CORs to certify that they have read and understand the Joint Ethics Regulation. CORs also should be familiar with the Procurement Integrity Act, § 41 U.S.C. 2101-2107, which is implemented by regulation at FAR 3.104. To maintain public confidence in the U.S Government's conduct of business with the private sector, CORs must avoid even the appearance of a COI.[7] CORs who may have direct or indirect financial interest in an organization that they are monitoring must advise their supervisor of the conflict so that appropriate action may be taken. An organizational or personal COI is one in which the COR, because of other activities or relationships with other people,[8] is unable or potentially unable to render impartial assistance or advice to the Government, or may have impaired objectivity in performing the contract work, or a contractor may have an unfair competitive advantage due to action or relationships with the COR.

Every COR and his/her supervisor must certify to the Contracting Officer that the COR has officially filed an OGE Form 450, Confidential Financial Disclosure Report. The purpose of this report is to assist personnel and their agencies in avoiding conflicts between official duties and private financial interests or affiliations.

Working with Contractor Employees

Contractors are an important component of the total DoD force, but they are not Government employees. COI rules do not apply to contractor employees, even when they are performing the same or similar work as, or working side-by-side with, Government employees. In contrast, Government employees — public servants — are accountable for the public trust. The COR's duties are to the Government. Although professional relationships with contractor employees are not prohibited, favoritism and preferential treatment are. It is the COR's duty to always avoid conflicts of interest and even the appearance of conflicts of interest. Personal services contracts (contracts under which contractor employees appear to be working as Government employees) are

[6] The Joint Ethics Regulation is available at http://www.dod.mil/dodgc/defense_ethics/ethics_regulation.
[7] A conflict of interest is a conflict between an individual's personal and professional responsibilities.
[8] See the full definition at FAR 2.101.

prohibited unless specifically authorized by statute.[9] Contractor personnel cannot perform inherently governmental functions. In monitoring contractor performance, the COR should avoid interfering with contractor employee relations. Further, the COR must not tell contractors to do any of the following:

- Hire or fire a particular employee;
- Reassign or discipline an employee;
- Grant or deny leave; and
- Change employee duty hours.

Transportation and Travel

As a general rule, official travel of a Government employee must be funded by the Government. Therefore, sharing a vehicle with a contractor can pose a problem. Transportation is acceptable if it is included in a contract between the Government and a contractor. Contracts for onsite inspections may contain a provision requiring the contractor to make available to the Government employee reasonable assistance in carrying out those official duties.

Awards and Certificates

Awards programs are based on statute. Sections 1124–1125 of Title 10 of the United States Code (U.S.C.) address military programs, and 5 U.S.C. 4511–4513 address civilian. There is no statutory authority for giving commander's coins or similar non-monetary incentive tokens to contractors; therefore, appropriated funds cannot be used to purchase coins that will be given to individuals other than Government employees. Further, the Government cannot use certificates to recognize a contractor or individual contractor employees, because this could complicate the source selection process on future contracts. Contractors may be recognized through a letter of commendation from the Government to the contractor organization, which may choose to in turn recognize an individual contractor employee. In no event shall a letter of commendation or any other recognition be given to a contractor or contractor employee without first coordinating such commendation or recognition with the Contracting Officer.

Procurement Integrity

- The Procurement Integrity Act prohibits the Government (e.g., COR) from disclosing contractor bid or proposal information (see FAR 3.104-3). This includes the following types of information:
    - Cost or pricing data;

[9] See FAR 37.104, "Personal Services Contracts."

    - Indirect costs, direct labor rates, and overhead rates; and,
    - Proprietary information about manufacturing processes, operations, or techniques marked as such by the contractor.
- Contractor bid or proposal information not restricted or prohibited from disclosure includes the following:
    - Information already disclosed or made available to public;
    - Information disclosed by contractors[10]; and,
    - Information disclosed pursuant to a proper request from Congress, Comptroller General, or Inspector General (if certain conditions are met) (see FAR 3.104-4(f) and 5.403).
- Disclosure restrictions extend past contract award.

Compensation after Leaving Federal Employment

The Procurement Integrity Act places a 1-year ban on accepting compensation from certain contractors after leaving federal employment (see 41 U.S.C. § 2104 and FAR 3.104-3(b)). Procurement officials are required to report any employment contacts with contractors. If a member of the acquisition team (e.g., COR) is participating personally and substantially in a competitive procurement valued in excess of the simplified acquisition threshold, and he or she contacts or is contacted by a bidder or offeror in the procurement about employment, it is imperative that the federal employee:

- Promptly report the contact in writing to his or her supervisor and ethics counselor and either;
- Reject the offer; or
- Disqualify himself or herself from further involvement in the procurement.

Penalties

Individuals who violate the Procurement Integrity Act[11] may be subject to criminal and civil penalties: imprisonment of up to 5 years and/or up to a $50,000 fine per violation plus twice the amount of compensation an individual or organization received or was offered for the prohibited conduct.

Under FAR 3.104-7, contractor penalties may include the following:

- Cancellation of the procurement; or
- Disqualification of an offeror; or
- Void/rescission of the contract; or

[10] FAR 3.104 does not restrict or prohibit a contractor from disclosing its own bid or proposal information, nor does it restrict or prohibit the recipient from receiving that information.
[11] See 41 U.S.C. § 2105(a) and FAR 3.104-3.

- Suspension or debarment of either the official or offeror; or
- Apply an administrative or contractual remedy commensurate with the severity and effect of the violation; or
- Any other appropriate actions in the interests of the Government.

Personal Conflicts of Interest for Contractor Employees

The Government's increased reliance on contracted technical, business, and procurement expertise has increased the potential for personal COIs. Unlike Government employees, contractor employees are not required to disclose financial or other personal interests to the Government that may conflict with the responsibilities they are performing on behalf of the Government. The risk associated with personal COIs is directly related to the supply or service being acquired and the type of contract used to secure the supply or service. The risk increases when contractor employees are involved with subjective judgmental work.

Section 841 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 directed the Office of Federal Procurement Policy (OFPP) to issue policy to prevent personal COIs by contractor employees performing acquisition functions closely associated with inherently governmental functions. DoD is following the policies and procedures of FAR Subpart 9.5.

Organizational and Consultant Conflicts of Interest[12]

Government decisions in the procurement process must be objective in fact and appearance. Favoritism or other improper motives have no place in the award or administration of public contracts. Thus, the Government has, by statute and regulation, prohibited activity that would improperly influence decision making or would appear to do so. Key areas of concern include organizational conflicts of interest (OCI), bribery, gratuities, and gifts.

Organizational Conflicts of Interest

OCIs are a circumstance in which a contractor may have unequal access to Government information, or the existence of conflicting roles that might bias a contractor's judgment—either of which could lead to an unfair competitive advantage. OCIs may occur when a contractor is providing engineering and technical direction or advisory, analysis, assistance, and evaluation services; preparing specifications and work

[12] USD (AT&L) Memorandum, "Personal Conflicts of Interest of Contractors' Employees," 24 November 2009, https://acc.dau.mil/CommunityBrowser.aspx?id=336117.

statement; or acting in a capacity that gives them access to proprietary data. It is the Government professional's duty and legal obligation to ensure that this is not permitted to occur. The potential for OCI is a growing concern as the Government outsources more technical work to private companies and the defense industry continues to consolidate. As the Government partners more with industry, the opportunities for OCI increase.

Bribery

The term "bribery" means offering or giving something of value to a Government official or for a Government official to solicit or receive something of value in return for preferential treatment. Bribery is a criminal offense[13].

Anti-Kickback Act

The Anti-Kickback Act of 1986 modernized and closed the loopholes of previous statutes applying to Government contracts. The act does the following:

- Prohibits attempted as well as contemplated kickbacks, which include any money, fees, commission, credit, gift, gratuity, thing of value, or compensation of any kind. The inclusion of kickback amounts in contract prices is prohibited conduct in itself.
- Makes illegal the acceptance of a kickback "for improperly obtaining or rewarding favorable treatment."
- Prohibits kickbacks to prime contractors, prime contractor employees, subcontractors, and subcontractor employees.

Congress intended the act to embrace the full range of Government contracting.

Note: "Any person who knowingly and willfully engages in conduct prohibited by the Anti- Kickback Act shall be imprisoned for not more than 10 years or shall be subject to a fine … or both."[14]

Never solicit gifts of any type, regardless of their nature or dollar value. A small number of contractors and potential contractors are willing to offer favors in exchange for business. CORs must understand that a bribe occurs when someone "directly or indirectly gives, offers, or promises anything of value to any public official, former public official, or person selected to be a public official, for or because of any official act performed or to be performed by such public official." (Note that the value need not be

[13] See 18 U.S.C. § 201.
[14] See 41 U.S.C 54 and Articles 92 and 134 of the Uniform Code of Military Justice.

monetary.) Giving or accepting a bribe is a crime punishable by a fine, imprisonment, or both.[15]

Gratuities

Gratuities constitute a crime when offered or given to a Government official or when a Government official solicits or receives a gratuity (see 18 U.S.C. § 201 and FAR Subpart 3.2). To be categorized as a gratuity, the item being offered must be a thing of value and be presented with the intent of corruption. As a participant in the acquisition process, the COR must constantly keep himself or herself on guard to improper actions or those that can be construed as such.

Gifts

The term "gift" includes any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of training, transportation, local travel, lodgings and meals, whether provided in-kind by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

Contractor personnel may offer CORs welcome gifts upon arrival or souvenirs to take home in a possible attempt to gain favor provided the gift value is $20 or less per source per occasion, not to exceed $50 in the aggregate in a calendar year from the same source[16]. FAR 3.101-2 provides the overarching rule about accepting gifts from contractor personnel: do not accept any gratuity, gift, favor, entertainment, loan, or anything of value from a prospective or current contractor. In Government-contractor relationships, the COR must strictly avoid any conflict of interest or even the appearance of a conflict of interest.

Remember, a COR should not accept a gift in return for being influenced to perform an official act. Also he or she should not accept gifts so frequently that a reasonable person would think the COR is using the position for private gain.

When in doubt, the COR should call an ethics official about accepting a gift.

[15] See 18 U.S.C. 201 and Articles 92 and 134 of the Uniform Code of Military Justice.
[16] See 5 C.F.R. § 2635.204.

Reporting Gifts

If a gratuity[17] is delivered to a COR (e.g., left on the COR's desk or car), the COR must return it. If a contractor insists on giving the COR a gratuity, the COR must take one of the following steps:

- Attempt to persuade the contractor to take back the gratuity. Explain to the contractor your inability to accept gratuities as a COR and the repercussions you could face if you accept the gratuity.
- Pay the fair market value of the item, call contracting, and/or consult the legal office.
- As a last resort, if the contractor appears to be offended, do the following:
    - Accept the gratuity.
    - Contact legal counsel immediately.
    - Safeguard the gratuity. If necessary, have the finance officer put the gratuity in a safe and obtain a receipt from the finance officer.
    - Turn the gratuity over to counsel.
    - Write a memorandum for the record (MFR) that describes the circumstances and indicates the approximate value of the gratuity. Mention in the MFR that legal advice was obtained.
    - If the gratuity is perishable (e.g., food or flowers), share the gratuity within the office or dispose of it. Be cautious when consuming food from unknown sources.

If there is any doubt about whether a gift should or should not be accepted, the COR should consult either the ethics advisor or the legal office. If neither is available, contact the Contracting Officer.

Note: Whenever a contractor delivers a gratuity (leaves the gratuity on the COR's desk, slides it under the door, etc.), the COR must return it. If that is not possible, the COR must document the incident and turn over the gratuity to the ethics advisor or legal office along with his suspicions. The COR must play it safe and be safe. Whenever in doubt, consult your ethics advisor or legal office.

Protecting the Integrity of the Acquisition Process

Private firms must be able to compete for the Government's business on a scrupulously fair basis. Fairness is a prerequisite of Government acquisition due to the Government's unique position as representatives of the citizens of the United States. Fairness also helps ensure that the Government will obtain its supplies and services at the best price available. Government personnel who are associated with the acquisition process have a

[17] See FAR 3.203, "Reporting Suspected Violations of the Gratuities Clause", for reporting procedures.

responsibility to protect its integrity by maintaining fairness in the Government's treatment of all firms.

There are numerous points within the acquisition process where the potential to lose this fairness is elevated. For example:

- Pre-solicitation: Allowing a vendor or vendors access to information on a particular acquisition (especially the specification or work statement), before such information is available to the business community at large, may give the vendor receiving the information an unfair advantage over others.
- Specifications: Intentionally writing an unnecessarily restrictive specification or work statement that would effectively exclude the products or services of a vendor and/or increase the prospects for award to another vendor is an obviously unfair practice. Not only does this give advantage to one or more vendors over others, it also restricts competition and makes it more likely that the Government will ultimately pay a higher price.

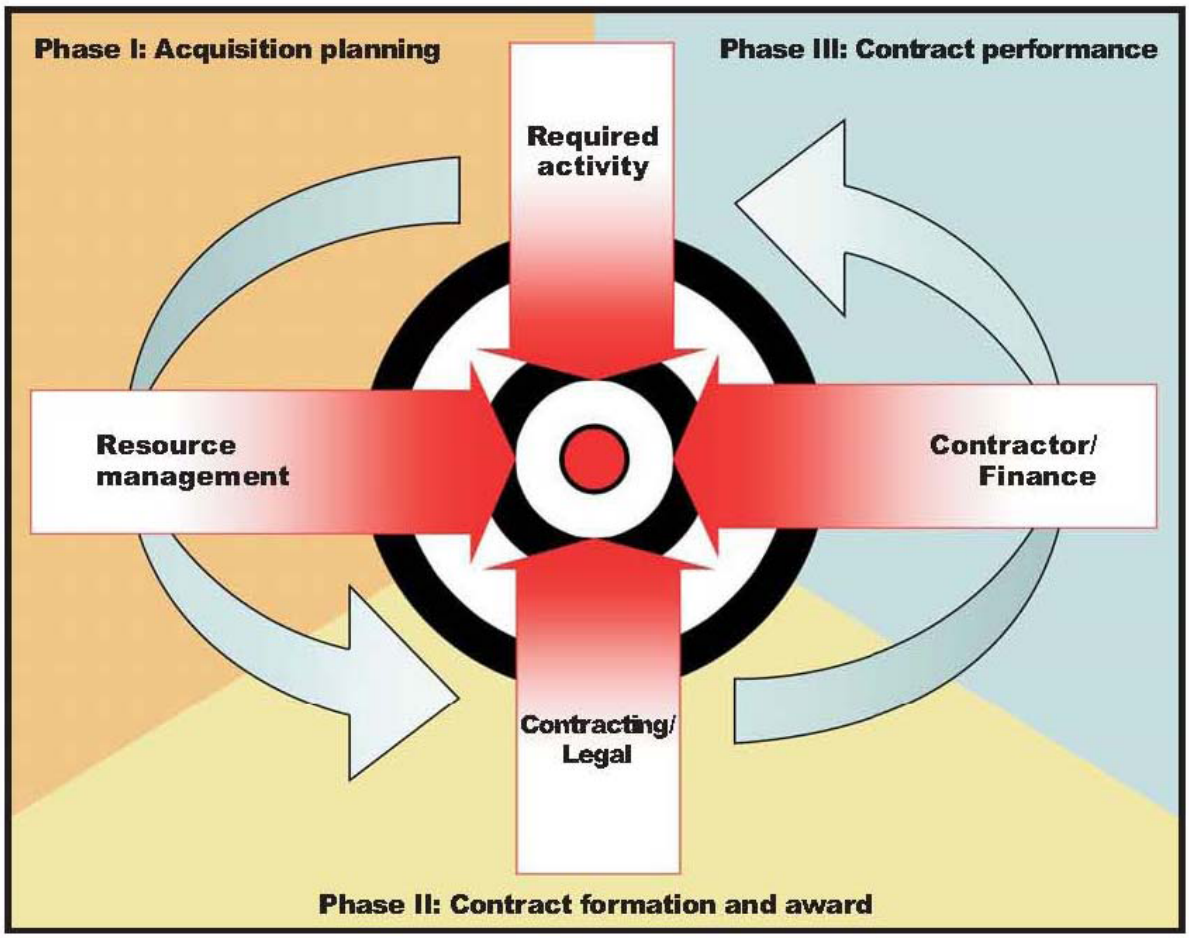
Chapter 3. Key Points

1. When performing COR functions an individual must adhere to the highest ethical standards.
2. Contact your Ethics attorney when you have any questions or concerns regarding any dealings with contractors.
3. There are post-employment restrictions that a COR needs to understand when performing as a COR.
4. Key ethics and integrity areas include:
    a. Procurement Integrity Act;
    b. Personal Conflicts of Interest; and,
    c. Gratuities, Gifts, Anti-Kickback Act.

Chapter 4:
The Acquisition Team and Process

The acquisition team consists of all participants in the acquisition process: requiring activity, contractor, finance, Contracting Officer, legal counsel, COR, resource manager, quality assurance representative, and others, as applicable. No one person has all the necessary skills for successful contract management. It requires a team with each member having specialized expertise and responsibilities. This chapter identifies and defines the roles of the acquisition team members and the importance of team cohesion and cooperation to ensure the successful delivery of required supplies and services. Successful acquisition teams typically assign specific duties, develop performance measures and milestones, and hold team members individually and collectively accountable. Everyone ensures the team has the target in sight — it is a team effort. Figure 4-1 illustrates the acquisition team functions involved in the successful completion of the acquisition process.

Figure 4-1. Acquisition Team Functions



The Acquisition Team

Contracting Officer

The Contracting Officer is the only individual authorized to enter into, administer, change, and terminate contracts. Contracting Officers are responsible for ensuring that all contract actions comply with appropriate laws, executive orders, regulations and other applicable procedures, and approvals. Appointed/designated through a warrant with dollar limitations, Contracting Officers may bind the Government only to the extent of the authority delegated to them. The Contracting Officer is the only person authorized to designate CORs.

Depending on the nature of the effort and agency procedures, a contract may require different types of Contracting Officers:

- Procuring Contracting Officer (PCO), who handles all planning and contract actions up to and including award of a contract;
- Administrative Contracting Officer (ACO), who assumes responsibility for administering the day-to-day contractual activities after award has been made; and,
- Termination Contracting Officer (TCO), who assumes responsibility for negotiating any termination settlements with the contractor.

Sometimes all three responsibilities reside in one person.

A contract specialist may also be assigned to assist with contract issuance and administration; however, he or she does not hold the same authority as a Contracting Officer.

Requiring Activity

The requiring activity is the entity that has a requirement for supplies or services and requests the initiation of the acquisition. The requiring activity has personnel who are responsible for developing command resource requirements, identifying sources of funding, determining costs, acquiring funds, distributing and controlling funds, and tracking costs and obligations. CORs routinely interface between the requiring activity (which is most likely the COR's organization), the contractor, and the Contracting Officer.

Legal Counsel

The legal counsel provides legal advice to the acquisition team and reviews acquisition documents for legal sufficiency.

COR

The COR is nominated by the requiring activity and is designated, in writing, by the Contracting Officer. The COR appointment shall be acknowledged by both the COR and COR management. The Contracting Officer shall provide the contractor notification of COR assignment. The COR, who will have technical expertise related to the requirement, shall monitor the technical or performance aspects of the contract and perform other duties specified by the appointment/designation letter. Ideally, the COR participates in pre-award activities (such as defining the requirement) so he or she is familiar with all aspects of the contract. The COR acts as the eyes and ears of the Contracting Officer. Appendix C provides additional information on COR qualifications and training.

Quality Assurance Representative

If a Quality Assurance Representative (QAR) from DCMA is assigned, the COR may work closely with the QAR. The QAR ensures the contractor is in compliance with contractual requirements, evaluates and documents contractor performance, follows up with the contractor on documented deficiencies, and provides input for the Performance Evaluation Board through the ACO.

Contractor

Once the contract is awarded, the contractor becomes a member of the Acquisition Team. FAR 46.105, “Contractor Responsibilities”, directs that the contractor be responsible, under the contract, for the following:

- Controlling the quality of supplies or services;
- Tendering to the Government for acceptance only those supplies or services that conform to contract requirements;
- Maintaining evidence that the supplies or services conform to required quality requirements, are within the expected cost, and are delivered on time; and,
- Furnishing such information to the Government.

Property Administrator

In accordance with FAR 45.201, Government Furnished Property (GFP) must be identified and appropriately listed in the contract. The Contracting Officer may designate management of GFP to the COR or a Property Administrator. The Property Administrator should be a member of the Acquisition Team.

Framework for Team Success

A successful contract often depends on a successful acquisition team. The key framework for a successful acquisition team is as follows:

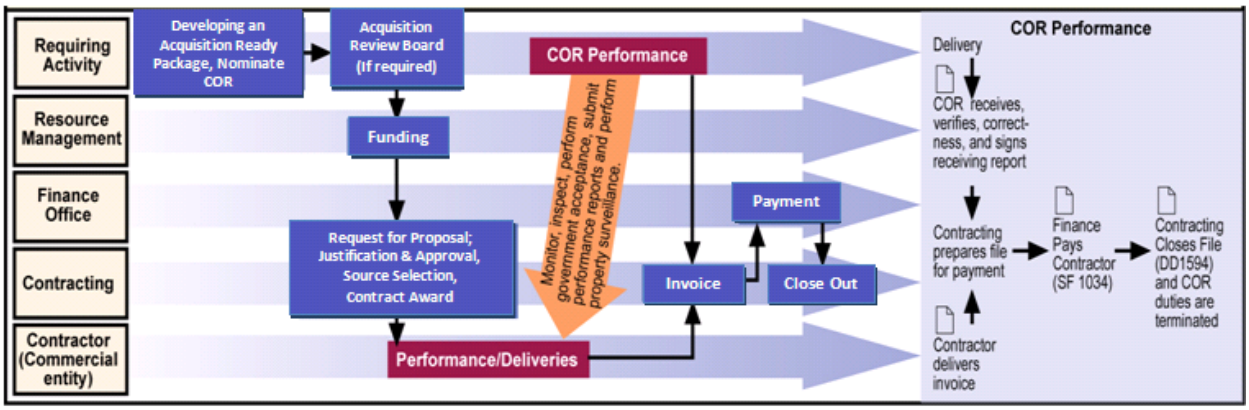
- Partnership
- Informed decisions
- Sound planning
- Efficient execution.

Note: The COR is responsible for bringing any issues or performance problems to the attention of the Contracting Officer.

The Acquisition Process

Figure 4-2 depicts a generalized acquisition process as it relates to the responsibility of each member on the acquisition team.

Figure 4-2. Acquisition Process by Activity[18]



[18]The Acquisition Review Board (ARB) normally occurs at or above the requiring activity.

The acquisition process begins with acquisition planning (requirements definition and funding); proceeds to solicitation, source selection, and award; and then proceeds to contract administration, which results in performance/deliveries. Upon COR acceptance of the supply or service (if the duty has been authorized by the Contracting Officer in the COR's appointment/designation letter), the acquisition process concludes with invoicing, payment, and closeout.

The COR's primary roles occur during the contract administration segment of the acquisition process. It is here that the COR monitors the contractor's performance, ensures quality, documents performance, supports the Contracting Officer with any options or modifications, and assists the Contracting Officer with contract closeout.

Chapter 4. Key Points

1. The acquisition team consists of all participants in the acquisition process:
    a. Contracting Officer;
    b. Requiring activity;
    c. Legal counsel;
    d. COR;
    e. Quality assurance representative;
    f. Property administrator;
    g. Others, as applicable; and
    h. Contractor.
2. The Acquisition Process includes the full spectrum of a procurement to include pre-award (e.g., developing the requirement), and post-award (e.g., dispositioning equipment, final payment, close-out) activities.

Chapter 5:
COR Responsibilities

General information about COR responsibilities is provided in FAR 1.602 and DFARS 201.602, "Contracting Authority and Responsibilities," and in a companion resource, DFARS PGI 201.602-2,"Responsibilities." The Contracting Officer specifies the COR's responsibilities in the letter of COR appointment/designation. All duties delegated to the COR by the Contracting Officer must be in the appointment/designation letter. If the duty is not in the letter, then the COR is NOT authorized to perform that duty. The COR's actions or inactions can subject the Government to disputes or claims and, in some cases, can result in the COR being personally liable for his or her actions. Therefore, the COR must carefully observe the scope and limitations of the delegated authorities and should contact the Contracting Officer about any doubts as to the correct course of action to be taken.

Post-Award Duties

A COR's specific duties and responsibilities are detailed in the letter of COR appointment/designation. The COR's responsibilities begin with understanding the contract and establishing the COR file. Monitoring the contract includes such activities as evaluating and maintaining data, documenting performance, and review/verification of invoices. The COR responsibilities end at contract close-out or when the Contracting Officer terminates the COR delegation.

Typical COR post-award responsibilities include:

- Understanding the contract;
- Keeping files current and complete;
- Correspondence and responses;
    - Correspondence with the contractor;
    - Notifications to the Contracting Officer;
- Monitoring contract performance;
    - Training;
    - Travel;
    - GFP
    - Personnel and labor;
- Inspection and acceptance or rejection of deliverables;
- Treatment of proprietary and classified information;
- Managing problems;
- Handling unsatisfactory performance;

- Tracking modifications;
- Conclude appointment/designation appropriately;
- Technical expertise;
- Understanding COR limitations;
- Protecting sensitive or Government information; and
- Related duties.

Understanding the Contract

The COR must:

- Understand the requirements of the contract — know the Government's responsibility as well as the contractor's. Questions about content or interpretation must be directed to the Contracting Officer.
- Attend, with the consent of the Contracting Officer, the post-award conference to ensure that all parties have a clear understanding of the scope of the contract, the technical requirements, and the rights and obligations of the parties.
- Develop quality assurance surveillance records, including surveillance checklists and schedules, and related files.
- Have ready access to all technical publications and regulations referenced in the contract.

Keeping Files Current and Complete

The COR shall maintain good records not only for the next COR, but also to document contractor performance under the contract. To maintain good files, the COR must:

- Maintain a separate and current file for each contract/order.
- If designated, endorse "visit request" and "need-to-know" documents prior to Contracting Officer approval. This also includes verification of classification status (e.g., "Secret").
- If designated, confirm or initiate all significant technical instructions to the contractor in writing, and provide a copy to the Contracting Officer.
- Coordinate with the Contracting Officer and the legal office on the content of any contractually significant correspondence addressed to the contractor to prevent possible misunderstanding or the creation of a condition that may be the basis of a later claim against the Government.
- Furnish the Contracting Officer copies of COR Government/contractor conference reports, trip reports, telephone conversation records, memoranda for the record, and correspondence.

- Sign all reports, trip reports, memoranda for the record, appropriate correspondence, and other related documents using your name and title, followed by "Contracting Officer's Representative."

Correspondence and Responses

The COR must sign all correspondence, reports, findings, recommendations, and other documents using name and title, followed by "Contracting Officer's Representative." The COR should communicate with the contractor, Contracting Officer, disbursing officer, and others directly concerned with contract performance. All correspondence must reference the contract number.

Correspondence with the Contractor

The COR must forward to the Contracting Officer a copy of any correspondence to the contractor along with an explanation if not apparent from the text. The COR must also forward to the Contracting Officer the original of the correspondence received from the contractor. In addition, the COR should coordinate with the Contracting Officer on the content of any contractually significant correspondence to the contractor in order to prevent possible misunderstandings or the creation of a condition that may be the basis of a later claim. The Contracting Officer will advise the COR of the appropriate mail system to be used.

Notifications to the Contracting Officer

The COR must promptly inform the Contracting Officer of the following:

- The exact date the contractor began performance.
- Incidents of unsatisfactory performance by the contractor. The COR should specify the applicable paragraph of the contract that has been violated by the contractor and the circumstances surrounding the violation, including names, dates and places, and estimated damages that have been incurred by the Government.
- Delays in the contractor's progress due to the fault of the Government. The COR should include recommendations regarding any extension of the contract completion date.
- Any discrepancy between actual conditions and those represented in the contract provisions, specifications, or drawings.
-

The COR must advise the Contracting Officer of the contractor's failure to complete performance or delivery in accordance with the contract schedule. Reporting of contractor failures should not be held for the monthly report. Only the Contracting

Officer may issue Suspension of or Stop Work orders (FAR 52.242-14 and 52.242-15, respectively).

Monitoring Contract Performance

The COR must:

- Ensure that technical guidance given to the contractor addresses or clarifies only the Government's "intent".
- Document deficiencies in performance.
- Periodically, inspect and carefully monitor and keep the Contracting Officer informed of contractor performance of the technical requirements of the contract.
- Ensure that contract performance is timely and within the scope of the work.
- Inform the Contracting Officer if the contractor is behind schedule, document the reasons, and coordinate with the Contracting Officer on actions necessary to restore the contract schedule.
- Ensure that, in no event, the contractor furnishes materials or services in addition to, less than, or different from those required by the contract.
- Ensure that inefficient or wasteful methods are not being used through surveillance of technical performance.
- Provide the Contracting Officer reports on contractor performance as specified in the letter of appointment/designation or more frequently if appropriate.
- If designated, review the contractor's Synchronized Pre-deployment Operational Tracker (SPOT) data to ensure the contractor correctly enters SPOT data.
- As required by the contract and appointment, use both quantitative and qualitative methods to evaluate monthly cost and performance data, including trends and projections.
- Track contract costs, depending on type of contract.
- Report suspected procurement fraud, bribery, conflicts of interest or other improper conduct on the part of the contractor, contractor employees, or Government personnel to the appropriate authorities.

Factors to consider while monitoring contractor performance:

- *Training:* Any training for contractor personnel must be within the scope of the contract. Contractor training not required by the contract shall not be paid for by the Government. The Contracting Officer may designate to the COR the approval of contractor training requests. If so, the COR shall ensure that Government-financed training for contractor personnel is within the scope of the contract.

- *Travel:* Travel for contractor personnel must be within the scope of the contract. The Contracting Officer may designate to the COR the approval of contractor

travel requests. If so, the COR shall evaluate travel requests to determine if within scope and the reasonableness of estimated costs.

- *Government Property*: Ensure the contractor properly accounts for and dispositions Government property if authorized under the contract.

- *Personnel and Labor:* CORs must not direct contractor personnel in performance of a contract. If designated, the COR shall review contractor invoices to ensure that labor hours and materials charged to the contract are accurate. The hours worked should equal the hours charged and invoiced to the contract. This may be done by reviewing time cards or in/out signing cards, and, for materials, by obtaining copies of invoices. Typical COR tasks include:

    - Verifying work completed and materials purchased are required under the contract.
    - Ensure the contractor is paid for acceptable performance and not paid for unacceptable performance (supplies or services).
    - Reporting performance deficiencies to the contractor's manager and Contracting Officer.
    - Reporting labor disputes or problems that could impair contractor performance to the Contracting Officer.
    - Validating the need for contractor overtime when requested by the contractor and inform the Contracting Officer.
    - Report actual overtime if required under the contract.
    - Ensure satisfactory subcontractor performance by observing contractor's surveillance.
    - Report inadequate or no contractor surveillance to the Contracting Officer.
    - Validate that contractor personnel have the licenses, certifications, security clearances, theater business clearance, and letter of authorization (if applicable) required by contract (e.g., electrical, plumbing, food service, security licenses).

Inspect and Accept/Reject Deliverables

If designated, the COR must:

- Promptly inspect the supplies and services delivered to determine acceptability. In other words, ensure that the Government receives the supplies or services for which it is paying. Reject those that do not meet the contract requirements and standards.
- Exercise caution in executing receipt and acceptance documents.
- Furnish the Contracting Officer a notice of satisfactory or unsatisfactory delivery.

- Complete the required performance reports thoroughly and accurately so that the Contracting Officer can properly evaluate the contractor.
- Manage the review process for contractor documents and deliverables. Verify the timeliness and accuracy of contractor reports and data to be delivered to the Government. Ensure prompt review of draft reports and provide approval/disapproval/comments to the contractor through the Contracting Officer.
- Validate that the contractor's reimbursable purchases are actually received before being billed to the Government.
- Upon acceptance of the contractor's final technical report (if required), prepare a memorandum for the PCO's signature, addressed to the contractor, "Subject: Notice of Acceptance of Final Technical Report." Upon receipt of the PCO's signature, forward the original memorandum to the contractor; place a copy in the contract work file and forward one copy to the ACO and one to the PCO for inclusion in the official contract file and upload to the CORT Tool.
- After verifying receipt of a deliverable, promptly sign all DD Form 250s or, if available, use Wide Area Workflow (discussed later in the handbook). Keep the originals in the contract work file and distribute copies to the Contracting Officer, the payment office, and any other entities as required.

Proprietary and Classified Information

The COR must:

- Protect contractor proprietary information.
- Ensure that the contractor maintains a current facility security clearance if required under the contract.
- Ensure that contractor personnel actively working under the contract and need access to classified information have the proper security clearances. Classified information must not be released to anyone who does not have a security clearance and a need to know.
- Report any restriction on deliverable technical data to the Contracting Officer and consider the response prior to accepting or rejecting the technical data.
- Recommend to the Contracting Officer the disposition of any contractor requests to publicly release information about work being performed under the contract.

Managing Problems

The COR must:

- Attempt to resolve technical and administrative issues that arise. Refer disputes between the COR and contractor to the Contracting Officer.
- Be firm but fair in all actions.

- Anticipate and resolve difficulties, and ensure satisfactory completion of the contract, foster full and complete coordination, cooperation, and communication among the contractor, Contracting Officer, and all Government personnel assigned to monitor contract performance.
- Validate the accuracy of all contractor responses.

Handling Unsatisfactory Performance

The COR must:

- Inform the Contracting Officer immediately if contract performance is unsatisfactory. Differences of opinion between the COR and the contractor that cannot be resolved by the COR should be referred to the Contracting Officer.
- Work with the Contracting Officer to identify corrective actions, if necessary.
- Make sure the contractor understands that the Contracting Officer's decisions are final. Take care not to take any action that may be construed as an actual or constructive change.
- Enforce correction of deficient work. However, do not personally supervise, or direct the work of, any contractor employee.

Tracking Modifications

The COR must:

- Ensure that changes in the work, services, and resulting effects on delivery schedule are formalized in a written supplemental agreement or change order issued by the Contracting Officer. The contractor must not proceed with the changes until formally approved and documented.
- Monitor financial management controls. Coordinate with Government resource managers on all actions relating to funding and changes in the contract.

Conclude Appointment/Designation Appropriately

The COR must do the following:

- Furnish the Contracting Officer with a formal request for termination of the COR appointment/designation signed by the COR supervisor, when it is required.
- Ensure that your replacement is thoroughly briefed, both verbally and in writing, on all important issues.

Note: Report suspected violations of ethics policies, incidents of fraud or bribery, conflicts of interest, and any other improper conduct to the Contracting Officer, legal counsel, chain of command, or DoD Inspector General.

Table 5-1 highlights the relationship between COR and Contracting Officer responsibilities.

Table 5-1. General COR/Requiring Activity and Contracting Office Responsibilities

Action	COR/Functional Office	Contracting Office
Conduct market research	Responsible	Assist
Prepare SOW/PWS	Responsible	Assist
Prepare QASP	Responsible	Assist
Prepare IGCE	Responsible	Assist
Prepare GFP list	Responsible	Assist
Develop sources	Assist	Responsible
Prepare solicitation	Assist	Responsible
Conduct pre-bid conference	Assist	Responsible
Evaluate proposals	Assist	Responsible
Award contract	N/A	Responsible
Conduct contract surveillance	Responsible	Assist
Request modifications	Responsible	Assist
Make modifications	Assist	Responsible
Conduct progress meetings	Assist	Responsible
Conduct inspection/acceptance	Responsible	Assist
Evaluate contractor's performance	Responsible	Assist
CPARS	Responsible/Assist	Responsible

Technical Expertise

To monitor a contractor providing services, the COR should have technical expertise in the services being performed and outcomes required. For some services requirements, a single COR may not be adequately versed in all technical issues that may arise. Therefore, the COR may need to consult additional personnel, such as the Defense Contract Management Agency (DCMA) as the technical subject matter expert on FAR Part 42 delegation. If the COR consults additional personnel, he or she should inform the Contracting Officer. The COR may involve additional personnel in communications with the contractor, but the COR remains the official liaison for any technical communications with the contractor, including technical interpretations. (Chapter 9 provides additional details on monitoring service contracts.)

Limitations

The COR must understand the limits of his or her authority. Although the Contracting Officer delegates certain responsibilities to the COR, authority to legally bind the Government remains with the Contracting Officer. Remember, CORs do not have the authority to:

- Make any agreement with the contractor that obligates public funds.
- Make commitments that affect the price, quality, quantity, delivery, or any other term or condition of the contract.
- Encourage or permit the contractor to perform any work beyond or outside the scope of the contract.
- Interfere with contractor's management of its employees, including "supervising" or directing the work of the employees.
- Order or accept supplies or services not expressly required by the contract.
- Allow GFP accountable under one contract to be used under another contract.
- Discuss any information that may give one contractor an advantage in future procurements.
- Direct the contractor to begin work prior to contract award date.
- Issue oral or written instructions to the contractor to start or stop work.

The COR must be mindful of the limitations to his or her authority and avoid the following:

- Getting into situations that may place the COR in a conflict of interest (financial or otherwise) between private and public interests.
- Accepting appointment/designation as a COR if a potential conflict of interest exists. Report the matter immediately to your supervisor and the Contracting Officer for determination.
- Accepting a COR appointment/designation if he or she does not have the time to perform a thorough and complete job of the duties in the letter of appointment/designation and this handbook. On some types of contracts, performance as COR may be a full-time effort. The COR is responsible for his or her own work/time management.
- Using an official position title to coerce or in any manner influence anyone for personal gain.
- Taking any action that will obligate, or give the appearance of obligating, the Government financially or otherwise. Only the Contracting Officer has this authority.
- Making or implying promises related to future business.

- Soliciting unsolicited proposals.[19]
- Contacting contractors and giving them information about upcoming procurements.
- Contacting prospective contractors when procurement is being solicited or offers are being evaluated.
- Assisting prospective contractors with their preparation of offers or quotations.
- Attesting to having read and understood DoDD 5500.7-R, Joint Ethics Regulation, without understanding the contents.
- Accepting any gratuities. To be safe, do not accept any gifts, loans, or favors from a contractor or from its employees.
- Report any offers immediately to the Contracting Officer and legal counsel. This applies both to the COR and to his or her family members.
- Splitting quantities to circumvent procedures/regulations and approvals required for higher dollar-value procurements.
- Telling the contractor how to run its operation. This includes telling the contractor to fire an individual. Terminations of employment are actions for the contractor.
- Letting personalities enter into discussions with the contractor.
- Permitting the contractor to proceed on work outside the scope of the contract. It may be in the contractor's interests to exceed the contractual limitation with the intent of claiming additional consideration for additional effort.
- Committing the equipment, supplies, or personnel of the contractor for use by others. The contractor and the Contracting Officer control all such matters.
- Permitting the contract to take on the appearance of a personal services contract, for example, when contractor personnel appear, in effect, to be Government employees.
- Engaging in any employee-employer relationship where contractor personnel are subject to relatively continuous supervision and control by a Government employee. The contract determines what, how and when the contractor does particular tasks, and the contractor is responsible for managing his work force.
- Re-delegating COR authority to any other person, such as a technical point of contact.

Additionally, while the COR limitations could simply be stated in a letter, in the real world ensuring that the COR does not exceed the authority granted is much more complex. In the course of performing COR responsibilities, situations might result in an implied change to the contract which, in turn, may impact the delivery, schedule, funds, or other areas outside the authority of the COR. CORs might exceed the scope of their authority by inaction or improper action. For example, a COR on an equipment installation contract fails to ensure the Government installs electrical outlets and a raised

[19] Refer to FAR Subpart 15.6, "Unsolicited Proposals."

floor in preparation for the equipment installation. When the contractor arrives to install the equipment, they are unable to do so as the site had not been properly prepared. By inaction, the COR allowed a potential claim to be made for Government-caused delay.

Protecting Sensitive or Government Information

Government employees may not divulge information received in the course of their employment or official duties [See 18 U.S.C. 1905, implemented at 3.104-2(b) (4), 3.104-3, 3.104-4, and others]. The penalty is a fine, a prison sentence of up to 1 year, or both. The COR should take care not to discuss acquisition or sensitive information in areas that are not secure (e.g., hallways) or in meetings that are not Government only. Additionally, the COR should take care to discuss acquisition or sensitive information only with Government personnel with a specific need-to-know.

Related Duties

DoD policy[20] encourages the COR's participation throughout the acquisition process. Here are some functions that the COR may be expected to complete but as an agent of his activity, not as the representative of the Contracting Officer.

Pre-Award Duties

One of the key pre-award duties in which the COR may be involved is documenting requirements. The requirements package is critical to the success of an acquisition, because it commits the funds and establishes the basis for a contractual action. The package documents both the requirement and its approvals. In other words, it is through the requirements package that the contracting office is told what the user wants, when the user wants it, and whom to contact for more information.

A key element of the requirements package is the purchase request document. This document:

- is an official request for action;
- authorizes the contracting process to begin;
- is coordinated and signed by a responsible official of the initiating office;
- forms the core information of the solicitation document and resulting contract; and,
- provides funding and financial officer certification as to the availability of funds.

[20] See DSD Memorandum, "Monitoring Contract Performance in Contracts for Services," 22 August 2008, http://www.acq.osd.mil/dpap/policy/policyvault/2008-0468-DPAP.pdf.

The requirements package also may include:

- Statement of Objectives (SOO), Statement of Work (SOW), or Performance Work Statement (PWS);
- Quality Assurance Surveillance Plan (QASP);
- Contract Data Requirements List (CDRL), DD Form 1423;
- DoD Contract Security Classification Specification, DD Form 254;
- List of Government-furnished property (GFP);
- Sole-source justification, including justification review document and justification and approval (J&A) coordination;
- IGCE;
- Patents list;
- Deliverable list;
- Award fee plan/incentive fee plan;
- Synopsis text;
- Source selection plan/evaluation factors;
- Source list;
- Funding form, e.g., Department of the Army (DA) Form 3953, Air Force Form 9, or Navy Comptroller Form 2276;
- Legal review memorandum; and,
- Market research results.

The time it takes to assemble the contents of the requirements package varies based on the dollar value of the requirement and the command. The following considerations apply when assembling the package:

- Do not combine accountable items with non-accountable items[21].
- Do not split requirements in order to fall under dollar thresholds.

The COR also may be involved in pre-award activities such as the following:

- Conducting market research.
- Assisting with preparing the procurement package, including the SOO/SOW/PWS. The package should use clear, accurate, performance-oriented language and express only the Government's actual minimum needs in the work statement.
- Preparing IGCEs, rather than obtaining them from a prospective contractor. (Appendix B provides more information on preparing IGCEs.)
- Advising the Contracting Officer if the item required is foreign made.
- Preparing and submitting purchase requests.

[21] Reference DoDI 5000.64.

- Drafting a QASP and checklist.
- Verifying the availability of funding and submitting the packet to request funds.
- Reading DoDD 5500.7-R, "Joint Ethics Regulation for Department of Defense Personnel," and its implementations.
- Becoming familiar with the Procurement Integrity Act (FAR 3.104).
- Evaluating proposals from vendors/contractors.

Chapter 5. Key Points

1. CORs need to understand the contract they are overseeing.
2. CORs must establish current and complete files associated with overseeing contractor performance. These files will eventually become part of the Contracting Officer's contract file.
3. Monitoring contractor performance is key to successful contract execution.
4. CORs may be called upon to review contractor training requests, travel, contractor time cards, and requests for using Government-furnished property.
5. CORs are often the primary person to accept or reject supplies/services.
6. CORs need to be careful in performing their duties in order to ensure contract claims are not filed by the contractor, or that there is not the appearance of preference for one contractor that may result in harming another contractor.
7. The Contracting Officer will rely upon the COR for their technical expertise relating to contract performance over and above performing the traditional COR functions for such areas as developing performance work statements, developing independent government estimates, or involvement in source selections.

Chapter 6:
Contract Structure

Categories and Types of Contracts

As stated in FAR 16.103(a), the objective in federal contracting is to negotiate a contract type and price (or estimated cost and fee) that will result in a reasonable contractor risk and provide the contractor with the greatest incentive to perform efficiently and economically.

Categories of Contracts

CORs deal with contracts for supplies, services, and construction. In addition to the general duties discussed in Chapter 5, each type of contract adds specifically related duties. The COR's duties vary with the category of contract, as explained below:

- **Supplies.** DoD contracts for supplies acquire an identifiable end item. The item may be an individual component (e.g., paint or lumber) or an entire system (e.g., a computer).
- **Services.** DoD contracts for services directly engage a contractor's time and effort to perform an identifiable task (e.g., transportation or latrine cleaning).
- **Construction.** DoD construction contracts acquire the construction, alteration, improvement, or repair of real property (e.g., buildings, airfields, and roads). COR duties tend to be the most complex for construction contracts.

Chapters 9 and 10 address COR duties specific to service and construction contracts, respectively.

Types of Contracts

The Government uses different types of contracts to acquire the supplies and services needed to support mission objectives. The contract type used depends on the requirement to be met. Contract types vary according to:

- The degree and timing of the responsibility assumed by the contractor for the costs of performance; and,
- The amount and nature of the profit incentive offered to the contractor for achieving or exceeding specified standards or goals.

The Contracting Officer considers these factors along with the SOO/SOW/PWS and specifications when deciding which contract type is best suited to a specific procurement.

The Contracting Officer also considers the amount of risk involved in performing the contract work, as well as, how much risk the contractor will assume (and the impact of risk on price) and whether it is in the Government's best interest to assume part of the risk.

Table 6-1 highlights the two main types of contracts: fixed-price and cost-reimbursement.

Table 6-1. Contract Types

Fixed Price	Cost Reimbursement
Firm fixed price Firm fixed price with economic price adjustments Fixed price incentive Firm fixed price level of effort	Cost Cost plus incentive fee Cost plus award fee Cost plus fixed fee Time and material Labor hour

Fixed-Price Contracts

When the Government has a specific, well-defined requirement (such as a requirement for certain office supplies), it uses a fixed-price contract. The price remains fixed throughout the contract life unless the Government makes a change. The Government's only obligation is to pay the price agreed to at the time of award, regardless of whether the costs to the contractor increase or decrease during performance. When a product has a history of large price increases (such as petroleum), the Government may use a fixed-price contract with an economic price adjustment (EPA). The fixed price with EPA is still a fixed-price contract because the limits and conditions are stated in the contract.

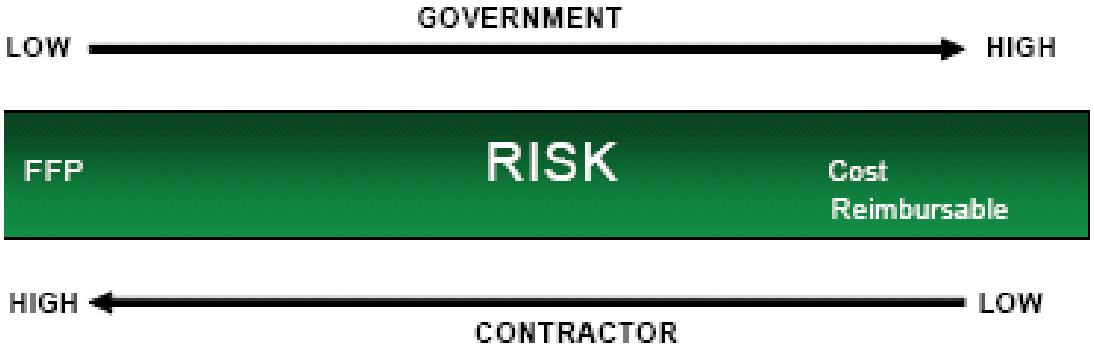
Cost-Reimbursement Contracts

When the Government cannot provide sufficient, detailed information about a requirement, it must assume some of the cost risk and use a cost-reimbursement contract. Instead of paying a predefined price, the Government reimburses the contractor for all allowable, allocable, and reasonable costs, defined as follows:

- Allowable costs — costs that are not prohibited by statute or regulation.
- Allocable costs — costs that add value and are directly related to a particular contract.
- Reasonable costs — costs that a prudent business person would pay.

Figure 6-1 compares the risks of FFP versus cost-reimbursement contracts.

Figure 6-1. Risks of Firm-Fixed-Price versus Cost-Reimbursable Contracts



Contracts for Commercial Items

There is a Federal preference for acquisition of commercial items. FAR Part 12 establishes acquisition procedures closely resembling those of the commercial marketplace to facilitate the acquisition of commercial items. Commercial items are any item or service customarily used by the general public or non-governmental entities for purposes other than governmental purposes, and:

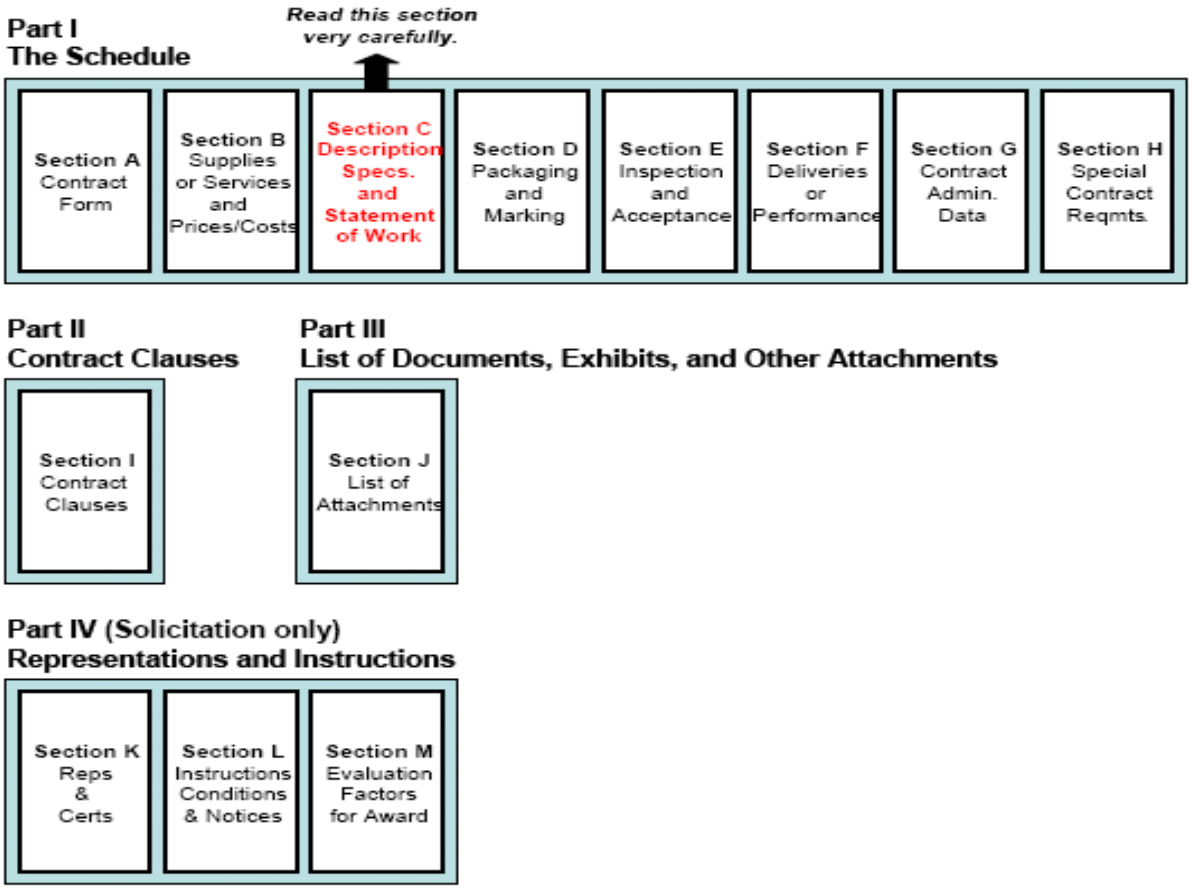
- Has been sold, leased or licensed to the general public; or
- Has been offered for sale, lease or license to the general public.

Contract Structure

Government solicitations and contracts, other than solicitations/contracts for commercial items, are usually organized in accordance with the Uniform Contract Format (UCF) which specifies the distinct sections of a contract and the sequence in which they must be arranged[22].

[22]See DFARS 204.70, "Uniform Procurement Instrument Identification Numbers" and 204.71, "Uniform Contract Line Item Numbering System."

Figure 6-2. Contract Structure



UCF Part I—The Schedule

Section A, Solicitation/Contract Form, contains basic information such as the issuing office, address, and contract number. Normally, a Standard Form (SF) 33 is used as the solicitation, offer, and award page for sealed bids. An Optional Form (OF) 308 or SF 33 may be used for Requests for Proposals. SF 33 can also be used as the face page of the contract.

Section B, Supplies or Services and Prices/Costs, contains a brief description of the supplies or services, quantity required, and their prices. CORs should read this section very carefully.

Section C, Description/Specifications/Statement of Work, contains a detailed description of the required supplies or services. In contracts for services, Section C will contain the SOO/SOW/PWS.

Note: Section C (SOW) defines the technical/performance requirements of the contract. CORs should read this section very carefully.

Section D, Packaging and Marking, provides packaging, packing, preservation, and marking requirements.

Section E, Inspection and Acceptance, contains inspection, acceptance, quality assurance, and reliability requirements.

Note: If inspection/receiving is part of the COR designated functions, the COR must inspect deliverables in accordance with the inspection plan to determine satisfactory compliance with the contract. Remember, it is too late to reject deliverables after signing the receiving report.

Section F, Deliveries or Performance, specifies the time, place, and method of delivery or performance.

Section G, Contract Administration Data, contains any required accounting and appropriation data and required contract administration information, or instructions other than those on the solicitation form.

Section H, Special Contract Requirements, contains a clear statement of any special contract requirements that are not included in Part I, Part II, or any other part of the contract (e.g., ordering details for task or delivery orders). This section requires very close reading by the COR.

UCF Part II—Contract Clauses

Although it is commonly viewed as standard information, Part II, **Section I**, of the contract cannot be overlooked, because it contains clauses defining the rights and responsibilities of the contracting parties. Part II also contains clauses required by procurement regulations or laws that pertain to the procurement. Some of the more prominent clauses in Part II include:

- Changes clause (FAR 52.243-1 through - 4), which enables the Government to make changes to the contract during performance, as long as those changes fall within the contract's scope in any one or more of the following: (1) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the Government in accordance with the drawings, designs, or specifications; (2) Method of shipment or packing; or (3) Place of delivery. The contractor is entitled to an "equitable adjustment" to the contract if the change

results in increased contract costs or performance time. This clause is probably the most powerful clause in the Government's arsenal of standard terms and conditions.

- Termination for Convenience clause (FAR 52.249-1 through -7), which permits the Government to terminate the contract without cause (in part or total) at any time when doing so is in "the Government's best interest." When this clause is exercised, the contractor is entitled to recover certain costs associated with performance to date and the timely and orderly ending of the terminated portion of the contract.
- Default clause (FAR 52.249-8 and -9), which permits the Government to terminate a contract if the contractor breaches the contract by failing to (1) deliver the supplies or perform the services within the time specified in the contract; (2) make progress, thereby endangering performance of the contract; or (3) perform any other material provision in the contract. If the Government intends to exercise its right to terminate the contract under the second or third circumstances, the Government must first notify the contractor in writing and allow the contractor to "cure" its deficient performance if there are at least 10 days left in the contract delivery schedule. If the performance deficiencies are not corrected, the Contracting Officer may terminate the contract for default. Under fixed-price contracts, the default clause entitles the Government to re-procure the supplies or services required under the terminated contract and charge the excess costs to the terminated contractor.
- Contract Terms and Conditions — Commercial Items clause (FAR 52.212-4), which incorporates all the major contract administration topics: changes, disputes, invoicing, payment, and termination.

UCF Part III—List of Documents, Exhibits, and Other Attachments

In Part III, which consists of **Section J**, List of Documents, Exhibits, and Other Attachments, the Contracting Officer lists the titles of each exhibit or attachment in Part III. The following are the most common attachments:

- SOO/SOW/PWS, if not under Section C;
- GFP inventory;
- Contract Data Requirements List (CDRL);
- Security requirements; and,
- Award/incentive fee plan.

UCF Part IV—Representations and Instructions

Part IV, which appears only in the solicitation and is not transferred to the contract, comprises Sections K, L, and M:

- **Section K**, Representations, Certifications, and Other Statements of Bidders, includes solicitation provisions that require representations, certifications, or submission of other information by bidders, offerors, or quoters.
- **Section L**, Instructions, Conditions, and Notices to Bidders, Offerors, or Quoters, contains information to guide bidders, offerors, or quoters in the preparation of bids, offers, and quotations, respectively.
- **Section M**, Evaluation Factors for Award, contains the evaluation factors and significant sub-factors by which offers will be evaluated. It also specifies the relative importance that the Government places on these evaluation factors and sub-factors.

Order of Precedence

In the event of an inconsistency in the contract, FAR 52.215-8 (Order of Precedence — Uniform Contract Format (UCF)) gives precedence in the following order:

- Schedule (excluding the specifications) — Sections A through H;
- Representations and Other Instructions — Sections K through M;
- Contract Clauses — Section I;
- Other Documents, Exhibits, and Attachments — Section J; and,
- Specifications.

Contract Structure – Solicitations/Contracts for Commercial Items

Solicitations/contracts for commercial items are significantly simpler than those for non-commercial items. The solicitation/contract format consists of these sections:

a. SF 1449 – Solicitation/Contract/Order for Commercial Items (a separate continuation sheet may be included as needed).

b. Contract Clauses:
   - 52.212-4, Contract Terms and Conditions — Commercial Items, by reference (see SF 1449 block 27a);
   - Any addendum to 52.212-4; and,
   - 52.212-5, Contract Terms and Conditions Required to Implement Statutes and Executive Orders.

c. Any contract documents, exhibits or attachments; and,

d. Solicitation provisions:
   - 52.212-1, Instructions to Offerors — Commercial Items;

- Any addendum to 52.212-1;
- 52.212-2, Evaluation — Commercial Items, or other description of evaluation factor for award, if used; and,
- 52.212-3, Offeror Representations and Certifications — Commercial Items.

Structure – Task or Delivery Orders

Task or delivery orders may be placed using any indefinite-delivery type contract and must contain the following information:

- Date of order; Contract number and Order number;
- For supplies and services, contract item number and description, quantity, and unit price or estimated cost or fee;
- Delivery or performance schedule;
- Place of delivery or performance (including consignee);
- Packaging, packing, and shipping instructions;
- Accounting and appropriation data; and,
- Payment and payment office information, if not specified in the contract.

Contract Language Rules

Some terms used in contracts have specific meanings:

- "Includes" means including but not limited to.
- "May" means is permitted to or is authorized to.
- "May not" means is not permitted to or is not authorized to.
- "Shall," used in the mandatory and imperative sense, means the contractor must perform the specified action.

Contract Numbers (For Example: N00062-90-C-0001)

Because the COR will be referencing the contract, it is important to be familiar with the structure of a contract number (also called a Procurement Instrument Identification (PII) Number). A contract number consists of 13 alphanumeric characters grouped to convey certain information:

- *Positions 1 through 6.* The first six positions constitute the DoD Activity Address Code (DoDAAC) that identifies the department/agency and office issuing the contract.[23]

[23] DoDAACs can be found at https://www.daas.dla.mil/daasinq/.

- *Positions 7 through 8.* The seventh and eighth positions are the last two digits of the fiscal year in which the procurement instrument identification (PII) number was assigned.
- *Position 9. Pos*ition 9 is a letter indicating the type of instrument: "A"— blanket purchase agreement, "C"— contracts of all types, "D"— indefinite-delivery contract, "F"— purchase from UNICOR, and "P"— purchase order.[24]
- *Positions 10 through 13.* Four digit serial number assigned by the contracting activity. Numbers are assigned sequentially.
- *Supplementary Numbers.* Numbers that follow the basic PII number to identify (1) Amendments to solicitations; (2) Modifications to contracts and agreements, including provisioned item orders; and (3) Calls or orders under contracts, basic ordering agreements, or blanket purchase agreements, issued by the contracting office or by a DoD activity other than the contracting office, including DoD orders against Federal supply schedules.[25]

Chapter 6. Key Points

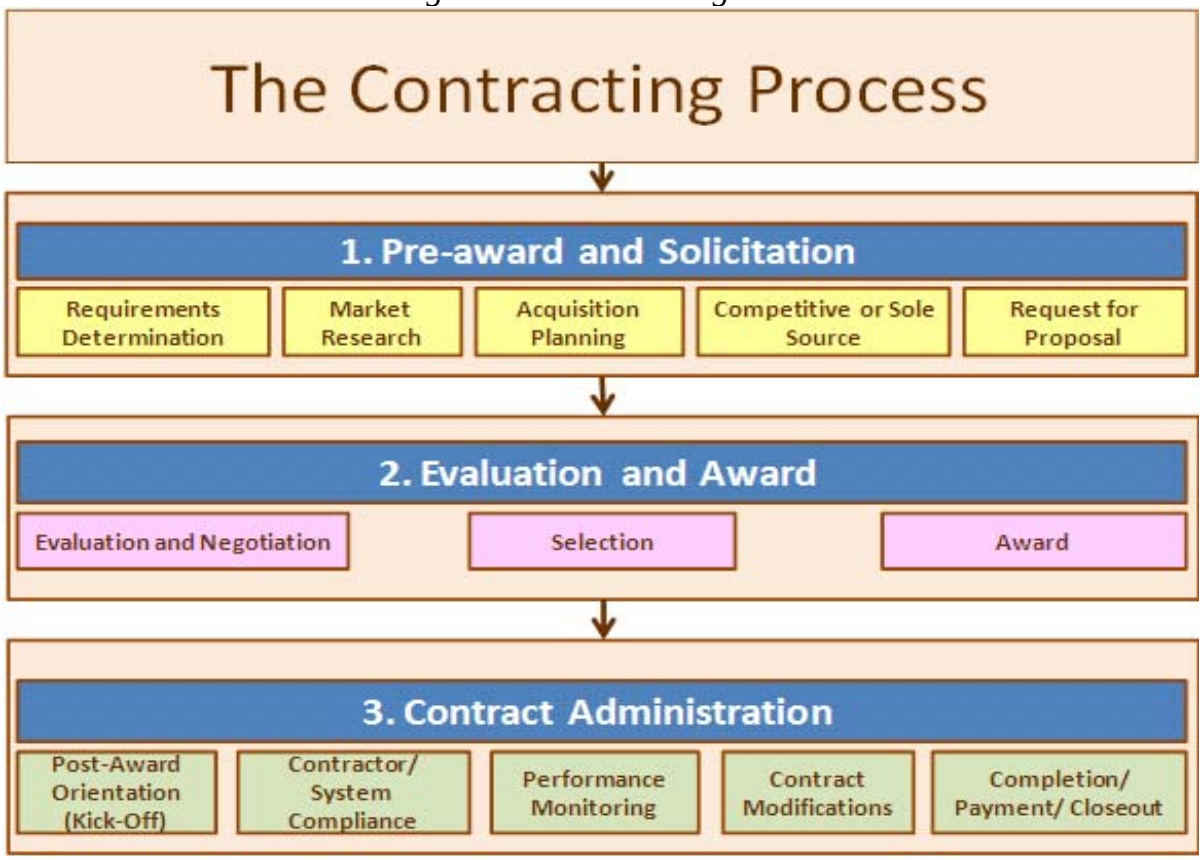
1. The Government uses different contract types depending on:
    a. The degree and timing of the responsibility assumed by the contractor for the costs of performance; and,
    b. The amount and nature of the profit incentive offered to the contractor for achieving or exceeding specified standards or goals.
2. Performance risk is higher for the Government under a firm-fixed price contract, while cost reimbursable contracts place a higher cost risk to the Government. The inverse is true for contractors on these two broad contract types.
3. The Uniform Contract Format is used for contracts awarded under FAR Parts 14 and 15. The UCF provides a structured, logical, and standardized approach in developing the contract documentation and administering the subsequent contract.
    a. DFARS 204.7003 and 204.7004 discuss the numbering conventions for solicitations, contracts, amendments, modifications, task and delivery orders.
4. There are some contract principles relating to contract interpretation and the force-and-effect of certain words (i.e., may and shall).

[24] See DFARS 204.7003, "Basic PII Number", for additional codes, if needed.
[25] See DFARS 204.7003 for a more complete explanation of Supplementary Numbers.

Chapter 7:
Contract Administration

Contracting is usually carried out in three stages–contract planning (Pre-Award and Solicitation), contract formation (Evaluation and Award), and contract management (Contract Administration). Figure 7-1 shows the major phases of the entire contracting process. The COR or the COR nominee may become involved in all stages of this process. For example, even before the Contracting Officer prepares the letter of COR appointment/designation, a nominee may be asked by their management to provide technical expertise to the pre-award/solicitation and the evaluation/award phases of the process. (Appendix B contains further discussion of a COR nominee's involvement in these two phases.) The third phase, contract administration, begins the official duties of a COR and is the focus of this chapter.

Figure 7-1. Contracting Process



Contract administration comprises the activities performed by Government officials after a contract is awarded. It encompasses all dealings between the Government and the contractor, from the award of the contract until the work is completed and accepted by

the Government, payment is made, any disputes are resolved, and the contract is closed out.

The focus of contract administration is on obtaining supplies and services of the required quality, on time and within the expected cost. Although the contract's legal requirements take precedence, the skill and judgment of the Contracting Officer and COR often are required to protect the Government's interests during the contract administration process.

Post-Award Orientation (Kick-off)

Before a contractor begins working on the contract, the Contracting Officer must ensure that the contractor understands the following:

- Contract terms and conditions;
- Security requirements;
- Value engineering provisions;
- Inspection, acceptance, and invoicing procedures; and
- Authority, responsibilities, and limitations of the COR.

The best way to ensure that the contractor and the Government have a complete understanding of their roles is for the Contracting Officer to conduct a Post-Award Orientation. At this meeting, all interested parties, including the COR, discuss the contract and the SOO/SOW/PWS. The discussion helps both the contractor and the Government to (1) achieve a clear and mutual understanding of contract requirements, terms, and conditions and (2) identify and resolve potential or actual problems. However, the Post-Award Orientation is not a substitute for a contractor fully understanding the requirement, nor is it to be used to alter the final agreement arrived at in any negotiations leading to contract award.

The decision to conduct a Post-Award Orientation is up to the Contracting Officer in accordance with FAR Part 42. The Contracting Officer may want to convene a meeting of the multifunctional team to outline the individuals' roles and responsibilities as they may have changed slightly since contract award. In some circumstances, a letter or other form of written communication to the contractor may be adequate in lieu of a full Post-Award Orientation. Such a letter should identify the Government representative responsible for administering the contract and cite any unusual or significant contract requirements.

Conducting the Post-Award Orientation

The orientation should be held as soon as possible after contract award and always prior to commencement of work. Normally, the orientation should be scheduled at a date and

time acceptable to the contractor and then arranged with other attendees. Government attendees should include anyone who has a vested interest in the successful completion of the contract.

Topics for Discussion at the Post-Award Orientation Meeting

The Post-Award Orientation gives everyone the opportunity to clear the air about any questions concerning the contract. The meeting demonstrates to the contractor that the Government expects to get what it contracted for, that the contractor is responsible for delivering the supply or service, and that the Government will commit people and resources to ensure compliance with the contract. After the meeting, the Contracting Officer prepares a report summarizing, for the record, the issues discussed. A DD Form 1484, Post-award Conference Record, may be used for this record. This meeting can also be used to ensure that everyone clearly understands the role and authority of all Government participants during contract performance. For example, all personnel must understand that the Contracting Officer is the only individual authorized to make changes to the contract.

Finally, the Post-Award Orientation meeting is an ideal setting to discuss formal or informal partnering agreements, the use of contractor metrics, and the importance and use of past performance information. The contractor must understand that they are part of the multifunctional team and that they have roles and responsibilities just like any other member of the team.

Contractor/System Compliance

In preparation for the contract monitoring phase, the COR must be aware of the contract requirements and regulatory standards related to the supply or service being acquired.

Contractor Accountability through SPOT

The Synchronized Pre-deployment Operational Tracker (SPOT)[26] is a web-based joint database used for tracking contractor personnel who accompany the U.S. armed forces. SPOT is the current system mandated for use in tracking contractor personnel movements within the forward area and for validating individual contractor personnel, their authorization for access to specific DoD facilities, and their individual eligibility for specific DoD support services. SPOT is the authoritative source for near real-time reporting on globally deployed individuals, by name, by location, and by contract. SPOT also provides for tracking the use of and accountability for DoD equipment in the custody of contractors. Contractors are responsible for entering employee data. The database

[26] The SPOT database can be accessed at https://spot.altess.army.mil.

continues to evolve and, ultimately, will incorporate secure functionality and web services with additional authoritative data sources.

Currently, SPOT is used in Iraq and Afghanistan by DoD, Department of State, and the U.S. Agency for International Development. If SPOT reporting is required in the contract, CORs should work with the contractor to ensure timely and accurate reporting if the duty has been authorized by the Contracting Officer in the COR's appointment/designation letter.

All contractors in Iraq or Afghanistan must have a letter of authorization (LOA). SPOT generates the LOA which is digitally signed by the appropriate Government agency's Contracting Officer or COR (if authorized by the Contracting Officer). LOAs can be retrieved and printed in portable document format (PDF). LOAs are supplied to contingency contractor personnel to be carried and presented for obtaining Government-furnished services within the area of operations to which they are assigned. Official identification must be presented with the LOA. Appendix A provides a sample LOA.

Performance Monitoring

The COR must document contractor performance, review and evaluate progress reports, review invoices, and perform site visits. Chapter 8 contains a detailed discussion of this topic.

Contract Modifications

Many things can affect a contract once it has been awarded. The requiring activity may need to reduce or increase the supplies or services, performance levels could change, or any number of unanticipated events may occur. A contract modification is a written change in the terms of the contract. Only Contracting Officers acting within the scope of their authority can execute contract modifications on behalf of the Government.

Reasons for Contract Modifications

A contract may need to be modified to, for example, do the following:

- Add or remove funding;
- Correct a mistake;
- Exercise an option;
- Change a delivery or period of performance (POP) date;
- Change any of the terms and conditions in any part of the contract (including attachments);
- Add or delete in scope supplies or services;

- Change what is needed or where it is needed (incorporate new requirements); or
- Suspend the work or partially terminate it.

Types of Contract Modifications

There are two types of contract modifications:

- *Unilateral modification*. A unilateral contract modification is official upon signature by the Contracting Officer; it does not require the contractor's signature/assent. A unilateral modification may be used to do the following:
    - Issue change orders;
    - Execute incremental funding actions;
    - Implement terms or conditions previously authorized in the contract (exercise of options, stop work orders, termination); and
    - Make administrative changes. Administrative changes are simple changes to the contract that have no impact on the terms and conditions or price of the work, for example, changing the name of the Contracting Officer or COR, updating a payment office, or correcting a fund citation.
- *Bilateral modification*. A bilateral contract modification is signed first by the contractor and then by the Contracting Officer. It is used to make negotiated equitable adjustments resulting from the issuance of a change order and reflect other agreements of the parties modifying the terms and conditions of contracts. A bilateral modification may be used to do the following:
    - Change the terms and conditions of a contract;
    - Negotiate equitable adjustments;
    - Execute a supplemental agreement that reflects other agreements between; the parties modifying the terms [27]; or
    - Definitize change orders.

Contract Options

Options provide the Government with the ability to order additional quantities of supplies or additional periods of service beyond those established in the initial contract. Normally, contract options establish the quantity, price, and delivery schedule for these additional supplies or services. The Government uses options when (i) there is a defined quantity, quantity range, or additional requirement for the supplies or services beyond what is being purchased on the basic contract, and when (ii) such additional requirement

[27] A supplemental agreement is a contract modification based on the parties' prior agreement regarding a change. It incorporates an equitable adjustment to the contract cost, schedule, or both, as a result of the change. Supplemental agreements often involve the submission, by the contractor, of a proposal and detailed negotiations.

may be finalized and funded during the performance period of the basic contract. Options are executed by unilateral modification. Contract options may be exercised in the following circumstances:

- After the contractor is notified of the Government's intent to exercise the option;
- Only by modification by Contracting Officer;
- When the option fulfills an existing need, already priced on the contract;
- When funds are available; and
- When exercising the option is the most advantageous method of fulfilling the Government's need, price, and other factors considered.

The COR's role with options is to make the need for them known prior to contract award. When exercising an option, the COR may assist the Contracting Officer by assessing the available options, determining the continuing need, determining whether the option is in the Government's best interests, and conducting market research on current pricing.

Contract Changes

The Changes clauses — FAR 52.243-1 through 52.243-4 — distinguishes Government contracts from other contracts. These clauses allow the Contracting Officer to order a change within the general scope of the contract in the areas of (i) specifications (for supplies) or description of required services (for service contracts); (ii) place of delivery or performance; or (iii) method of shipment or packing (for supplies); or time of performance (for services). Legally, a change outside the scope of the contract is a new procurement that the Contracting Officer is not authorized to execute and that the contractor is not obligated to perform under the Changes clause.

Note: CORs who are "following the boss's orders" are the primary source of unauthorized commitments or constructive changes. The Government is not liable for unauthorized acts of its employees. CORs making unauthorized commitments or constructive changes may be financially responsible for their actions.

Constructive Changes

Statements, acts, or inaction by employees who are not authorized to make contractual changes may be deemed constructive changes . These acts can contractually bind the Government if the result is that the contractor performs work beyond that which is required by the contract. A constructive change is an oral or written act or failure to act by the Government official (in position of authority) that is construed by the contractor as having the same effect as a written change order. Constructive changes may arise from situations such as the following:

- Inadequate or defective requirements documents;
- Disagreement over contract requirements;
- Failure of the Government to cooperate during contract performance (e.g., not responding in a timely manner to requests, or not being present to receive a service);
- Defective or improperly interpreted specifications and misleading information;
- Overly strict inspection;
- Failure to recognize Government-caused delays;
- Improper technical direction; or
- Acceleration of contract performance to finish sooner than what is stated in the contract schedule.

The COR may play a role in helping the Contracting Officer resolve a constructive change by doing the following:

- Providing all pertinent documentation to the Contracting Officer;
- Identifying the actual changes to the contract that have occurred;
- Preparing a technical analysis/evaluation, if the contractor submits a proposal based on the change;
- Assisting the Contracting Officer with negotiations; and
- Educating the contractor regarding the proper notification and handling of changes.

Unauthorized Commitments

Under contracts in the private sector, a company may be bound by the acts of agents with apparent authority, or authority based on the individual's position or title. In federal procurement, the Government may be legally bound only by the actions of personnel with actual authority — the Contracting Officer. Disputes between the Government and the contractor often occur when the Government representative who ordered a change did not have the authority to do so. This places a burden on the contractor to ensure that the person ordering a change has actual authority.

Government employees who are not Contracting Officers do not have the authority to order or authorize changes. There is a lot of litigation based on Government personnel, who are not Contracting Officers, making contract changes. In some cases, personnel who are not Contracting Officers have limited authority to represent the Contracting Officer (e.g., to inspect the services being provided to the Government).

FAR 1.602-3(a) defines an "unauthorized commitment" as "an agreement that is not binding solely because the Government representative who made it lacked the authority to enter into that agreement on behalf of the Government." Unauthorized commitments

violate federal law, federal regulations, and the Government-wide Standards of Conduct for Federal Employees, and the DFARS.

The following are examples of unauthorized commitments:

- A contractor is instructed to borrow a cherry picker from another contractor because the Government is supposed to supply the equipment but did not have it available.
- Someone from the command group asks to have the grass mowed before a big event, but the contactor has already mowed the grass to specification for the period.
- A contract on a copy machine has expired, and a new unit has been delivered. The contractor is told to leave the old copier in place, because it is important to the mission.

The COR should report any perceived unauthorized commitments immediately to the Contracting Officer. At the same time, CORs themselves must take great care not to instruct a contractor to perform a task that may be outside the scope of the contract. CORs are reminded that they, or any unwarranted Government official, may be financially obligated for any costs or damages incurred as a result of their directing contractor performance beyond the scope of their authority.

If a COR exceeds his or her authority, the circumstances of the action and the procedures in FAR 1.602-3 concerning ratification will dictate what action should be taken. The Contracting Officer may decide to revoke the COR's appointment. The revocation shall be in writing and provided to the contractor and other appropriate officials. The Contracting Officer will also take other actions required by law or regulation.

Ratification of Unauthorized Commitments

In some cases, an unauthorized commitment may be subsequently adopted, or "ratified" (see FAR 1.602-3). This long and time-consuming process involves, among other things, preparing statements and summaries of facts and investigating relevant documents, recommendations, and approvals, in accordance with individual agency procedures.

Only an action that would otherwise be proper can be ratified. The Anti-Deficiency Act prohibits authorizing or incurring obligations or expenditures in excess of amounts apportioned by the Office of Management and Budget or in excess of amounts permitted by agency regulations. An unauthorized commitment could potentially be a violation of the Anti-Deficiency Act subject to fines and other penalties. If the price is determined not to be fair and reasonable, then the price must be renegotiated.

Cases that cannot be ratified under FAR 1.602-3 may be subject to resolution as authorized by FAR Subpart 33.2, Disputes and Appeals. If the approval official does not elect to use his or her discretion to reimburse the contractor for acts exceeding the COR's authority, the COR may be held personally liable for any costs or damages incurred by the contractor or the Government. In fact, the consequences for all parties involved with an unauthorized commitment are severe. Regardless of dollar amounts involved, unauthorized commitments may result in disciplinary or administrative action against the individual making the unauthorized commitment, especially if the violations are flagrant or repetitive.

Ratification Process

As the first step in the ratification process, the individual responsible for making the unauthorized commitment must draft a statement detailing the circumstances and addressing, at a minimum, the following questions:

- Why were normal procedures not followed?
- What steps are being taken to preclude recurrence?
- Were funds available at the time of the action?

Next, the Contracting Officer, legal counsel, and requiring activity officials must review the statement of actions leading to the unauthorized commitment. Once satisfied, they must determine that:

- The Government received benefit;
- The Government has/had a bona fide need for the supply or service;
- Steps to be taken to prevent recurrence are adequate;
- Proper disciplinary action was taken or reasons why none was taken;
- The contract would otherwise be proper (e.g., funds are available, and the requirement is legitimate), and,
- The commitment should be ratified.

The Contracting Officer must then provide the ratifying authority a written determination and finding, addressing the facts and including a complete purchase description and funding for the ratification, and determining:

- The commitment was not made to evade normal statutes/regulations, but was the result of an urgent requirement or a mistake of fact by Government personnel;
- The contractor reasonably relied on apparent authority;
- The contractor has no other remedy to obtain relief;
- The contract would otherwise be proper (e.g., funds are available, and the requirement is legitimate);

- The contract price will be fair and reasonable.

The ratifying official shall review the file, and if ratification is proper, sign the determination and findings authorizing the Contracting Officer to ratify the unauthorized commitment.

Technical Evaluation

Upon receipt of a contractor's proposal for a modification (including ratification of an unauthorized commitment), the COR may be requested to prepare a documented analysis of the technical aspects of the proposal. This document will be used by the Contracting Officer to support negotiations and documentation of the change to the contract. When performing a technical evaluation, the COR should do the following:

- Determine the technical validity of the change;
- Determine that the proposed solution is necessary ;
- Consider the technical merit that will meet the Government's requirement;
- Assess cost and delivery implications versus technical merit (impact);
- Review the proposed basis of estimate;
- Review labor type, profile, and amount proposed;
- Analyze other direct costs (travel, materials etc.); and,
- Conduct a tradeoff analysis to evaluate technical merit versus proposed costs.

Cost/Price Evaluation

The Contracting Officer will analyze the cost/price proposal for accuracy and allowability. Then, with receipt of the technical evaluation, develop a pre-negotiation objective.

Completion/Payment

Acceptance

Acceptance is the responsibility of the Contracting Officer but this responsibility may be delegated to the COR. Acceptance can take place before, at the time of, or after delivery. However, supplies or services ordinarily should not be accepted before completion of Government contract quality assurance actions. Before services or supplies furnished by the contractor can be accepted, the COR must determine acceptability by review or inspection. Final acceptance by the Contracting Officer of supplies received or services rendered concludes performance by the contractor, except for administrative details relating to contract closeout. After final acceptance, the contractor can no longer be held

responsible for unsatisfactory effort unless otherwise specified in the contract. Therefore, the COR must ensure that the work performed under the contract is measured against the contract terms and quality requirements. If performance does not meet contract quality requirements, it is incumbent upon the COR to identify deficiencies and to advise the Contracting Officer. Acceptance is evidenced by execution of an acceptance certificate on an inspection or receiving report form or on a commercial shipping document/packing list.

Exceptions to final acceptance include:

- latent defects,
- fraud, and
- gross mistakes amounting to fraud.

A latent defect is one that is not readily noticeable upon reasonable inspection at the time of acceptance. The burden is on the Government to prove that defective material and workmanship was the probable cause of product failure. Latent defects can also apply to design and manufacture contracts; in those cases, the contractor may have to replace the designed product at no charge to the Government.

Documenting Acceptance

CORs are often the designated officials authorized to accept supplies or services for the Government (see COR appointment/designation letter for delegated duties and authorities). Acceptance prior to payment is accomplished in one of four ways:

- COR signature on DD250 (discussed, with other forms, in Chapter 10);
- COR signature on DD1155 (discussed, with other forms, in Chapter 10);
- COR signature on SF 1449 (discussed, with other forms, in Chapter 10); or
- COR electronic signature in the Wide Area Workflow (WAWF) system.

Wide Area Workflow

The 2001 Defense Authorization Act established the requirement that all contract invoicing must be done electronically. DoD implemented this requirement via Wide Area Workflow (WAWF). The WAWF system[28] is a secure, web-based system for Government contractors and authorized DoD users to generate, capture, and process receipt and payment documents. It enables electronic submission of contractor invoices and of Government inspection and acceptance documents.

[28] The WAWF system is found at https://wawf.eb.mil.

The WAWF system creates a virtual folder to combine the three documents required to pay a contractor: the contract, the invoice, and the receiving report. Authorized DoD users are notified of pending actions by e-mail and are presented with a collection of documents required to process the contracting or financial action.

WAWF is envisioned to ultimately be the single DoD system for all contractor invoicing and Government acceptance actions (where required). Processing invoices electronically will reduce the likelihood that the Government will have to pay an interest penalty; however, it is still important for the COR to understand his or her role in processing these invoices. WAWF training is required prior to appointment as a COR. A copy of the training certificate should be provided to the contracting office prior to appointment and saved in the CORT Tool.

Nonconformance

Nonconformance occurs when the contractor presents a deliverable to the Government that does not conform to the contract requirements.

Remedies for Nonconformance

Remedies for nonconformance include the following:

- Invoking the related contract clause (Stop Work, Cure Notice, Show Cause, Liquidated Damages, Warranty, or Termination);
- Withholding or reducing award and incentive fees;
- Invoking inspection clauses (reject the noncompliant work or allow rework);
- Suspending progress payments;
- Declining to extend the term of the contract (e.g., by not exercising an option or award term);
- Modifying the contract;
- Addressing claims or consideration;
- Taking legal recourse;
- Using Alternative Dispute Resolution (ADR); or
- Documenting the issue in the past performance database.

The COR's key role with regard to remedies is monitoring. Heavy reliance is placed on the COR's observations and documentation. The COR must keep good records and promptly notify the Contracting Officer of any noncompliance issues. In addition, the COR should be prepared to suggest remedies to the Contracting Officer.

Acceptance of Nonconforming Supplies or Services

Only the Contracting Officer can authorize acceptance of nonconforming supplies or services. The Government may deal with noncompliance in one of three ways:

- The first -and most preferable- action is to require the contractor to correct the nonconforming items or services.
- The second most preferable action is to accept the nonconforming supplies or services. This is useful only if the deficiencies are minor. Remember the COR cannot accept nonconforming supplies or services. Only the Contracting Officer can make this decision.
  Although a contractual right of the Government cannot be waived, nor may a contract be modified for the convenience of a contractor, it may be in the best interest of the Government not to reject the supplies or services because of the following:
  - The urgency of the need for the supplies or services and the period of time required to obtain them from other sources, as compared with the time delivery could be obtained from the contractor.
  - The availability of the supplies or services from other sources.
  - Any other pertinent facts and circumstances.

  If it is desired to accept work that essentially meets the needs of the Government but does not conform to the requirements of the contract, the COR must furnish the Contracting Officer with a documented recommendation to accept the work, a description of all points in which the work fails to meet contract requirements, and an estimate of the time required for the contractor to complete performance. The Contracting Officer may extend the contract completion date by formal modification to allow the contractor to correct deficient work.
- The third potential action for the Contracting Officer is to reject the noncompliant supplies and services and terminate the contract. (Remember the COR cannot terminate a contract.)

Invoice and Payment

Cash flow is the lifeblood of any company. Contractors need to be paid for the supplies and services they have provided so that they can pay their own bills and employees. Timely payment of contractors also encourages them to continue to do business with the Government. Congress, recognizing the importance of timely payments, passed the Prompt Payment Act. The act specifies that, if the Government does not make payment on a valid contractor invoice within a specified period of time, the Government is liable to pay interest, computed at the federal funds rate.

Note: The COR should ensure that invoices receive prompt attention and are reviewed for accuracy and consistency with contract terms.

The following are important terms regarding invoice and payment procedures:

- Invoice. The invoice is the billing statement for supplies or services accepted by the Government.
- Invoice payment. The invoice payment is the Government disbursement of monies for supplies or services accepted by the Government.
- Prompt payment. All solicitations and contracts must specify payment procedures, payment due dates, and interest penalties for late invoice payment. Unless specifically prohibited by the contract, the contractor is entitled to payment for accepted partial deliveries of supplies or partial performance of services that comply with all applicable contract requirements and for which prices can be calculated from the contract terms.

The contractor may request payment via an invoice or via the SF 1449 or DD1155. Appendix A contains a sample SF 1449. In reviewing the payment request, the COR should be familiar with the following:

- Contract number/order number;
- Office locations and points of contact;
- Contract line item number (CLIN) structure (a CLIN identifies a separate supply or service to be required under contract);
- Inspection/acceptance;
- SOO/SOW/PWS; and,
- Period of performance/delivery dates.

Contents of a Valid Invoice

According to FAR 32.905, the following are the minimum requirements for a valid invoice:

- Complete contract number, including delivery/task order number (if applicable);
- Name and address of contractor;
- Invoice date;
- Invoice number;
- Description of services/supplies provided;
- Quantity of services/supplies provided;
- Unit of issue–as specified in the “Schedule of Supplies”;
- Manufacturer’s part number (as applicable), as specified in the contract;
- Unit price and extended total, for each line item;

- Invoice total;
- Shipment number (as applicable);
- Postage and transportation (as applicable), if authorized by the contract to ship "Prepay and Add" include the transportation cost (parcel post, UPS, etc.) as a separate line;
- Required certification–as required by the contract, e.g., certification of conformance, ACO approval, etc.;
- Taxpayer Identification Number (TIN), if not required to be registered in the Central Contractor Registration (CCR);
- Registration in the CCR, when applicable;
- Electronic funds transfer (EFT)/banking or remittance information for foreign contractors who are CCR exempt, when applicable; and,
- Any other contract-directed requirements.

Inaccurate/invalid invoices must be returned within seven days.

DFARS 252.232-7003 requires contractors to submit payment requests electronically, but the clause lists exceptions. For a contingency contracting situation, two exceptions are key:

- DoD is unable to receive a payment request or provide acceptance in electronic form.
- The Contracting Officer administering the contract has determined, and documented in writing, that electronic submission would be unduly burdensome to the contractor.

Voucher and Invoice Review

The Contracting Officer is responsible for monitoring invoice payments according to the terms and conditions of the contract and local policy/guidance.

CORs can approve invoices on fixed-price contracts. However, for cost-reimbursement, time and-materials, and labor-hour contracts, CORs can review — but not approve — invoices. For other than fixed-price contracts, DCAA has the sole authority for verifying claimed costs and approving interim payment requests. Only the Contracting Officer can approve final payment requests.

Note: CORs must understand local finance office procedures and requirements for proper invoicing. CORs should ask their Contracting Officers for additional details.
Note: Payment to a contractor implies work is progressing according to the contract. Therefore, CORs must ensure the Government is getting what it is paying for. CORs must monitor contractor performance through review of monthly reports, onsite visits, and surveillance reviews. It is vital that CORs review billing statements thoroughly and

on time.
Note: If problems are identified in performance of the contract or in the CORs review of invoices, the COR must communicate the issues to DCAA through the Contracting Officer so the issues can be appropriately considered during the auditor's voucher approval process.

COR approval of a voucher or invoice implies that, to the best of the COR's knowledge, the nature, type, and quality of effort or materials being expended are in accord with the progress of work under the contract. In other words, the COR supports the Contracting Officer by ensuring that payments are made for performance in accordance with the contract terms and conditions.

The following are examples of typical problems that may be found on invoices:

- Inflated/unrealistic labor hours;
- Unsupported other direct costs (ODCs), e.g., poor descriptions that cannot be tied to specific tasks;
- Unauthorized overtime charges;
- Incorrect/unrealistic labor category;
- Management hours disproportionate to worker hours;
- Duplicate invoice, or wrong invoice;
- Math errors;
- Wrong contract/task order number;
- Wrong price (proposed vs. negotiated);
- Wrong CLIN or SubCLIN;
- No point of contact for defective invoices;
- No date;
- Incorrect/missing shipment information;
- No remittance address; and,
- Prompt pay discounts not offered.

Overtime

Overtime (OT) cannot be paid unless specifically authorized by the contract. Only the Contracting Officer can authorize the use of OT. When reviewing a contractor's OT claims, the COR should consider whether or not OT was authorized.

Interest Penalties

The COR must process invoices promptly. If the Government fails to make payment by the due date, the designated payment office must automatically pay an interest penalty. The due date is the later of two events (1) the 30th day after the designated billing office receives a proper invoice from the contractor or (2) 30th day after Government acceptance of supplies delivered or services performed. Specific due dates are as stated in each individual contract.[29]

Warranties

A warranty is a promise or affirmation given by a contractor to the purchaser regarding the nature, usefulness, condition, or performance of the supply or service to be delivered under of the contract.

Implied Warranties

There are two types of implied warranties: warranty of merchantability and warranty of fitness for a particular purpose. The warranty of merchantability implies that supplies must be fit for the ordinary purposes for which such supplies are normally used. This type of warranty is incorporated in the contract unless stated otherwise. The warranty of fitness for a particular purpose implies special protection for a buyer that relies on the seller's expertise in selecting suitable supplies.

Express Warranties

An express warranty may be purchased to cover the risk of a product defect. Express warranties are based on the following:

- Any promise or affirmation of facts that become part of the bargain;
- A description of supplies that is part of the basis for the bargain; and,
- Any sample or model that is part of the basis for the bargain.

Because expressed warranties must be purchased, the costs must be weighed against the need for protection against risk[30].

The warranty takes effect at time of delivery. If an item is delivered for storage or later use, the warranty provides a starting time after delivery. The length of the warranty period must be specified.

[29] Refer to FAR Subpart 32.9 and DFARS Subpart 232.9 for Prompt Payment discussions.
[30] For more information, reference DFARS 246.704, "Authority for Use of Warranties"

Warranties can be enforced when a defect within the warranty scope arises during the warranted period.

Past Performance

The Government relies on past performance data to assist with making award decisions. Therefore, in support of future acquisition efforts, the performance of contractors under current contracts should always be documented. The COR will be tasked with collecting and reporting contractor performance information. The COR should be fair in assigning a performance rating and should provide narrative explaining the reasons for the rating.

Contractor performance information is entered into the Contractor Performance Assessment Reporting System (CPARS), at intervals specified in the contract, when contractor performance warrants reporting, and at the end of the contract. CPARS documents the following aspects of the contractor's performance:

- Conformance to contracting requirements and standards of good workmanship;
- Forecasting and control of costs;
- Adherence to contract schedules;
- History of reasonable and cooperative behavior and commitment to customer satisfaction; and,
- Business-like concern for the interest of the customer.

The Government's CPARS assessment should reflect the contractor's performance as documented by the COR during the monitoring process.

Contract Closeout

Contract closeout actions are primarily the Contracting Officer's responsibility, but COR assistance may be required. COR assistance is indispensable when disputes or litigation is involved.

A contract is not completed until it has been closed. Timely contract closeout does the following:

- Allows all affected activities to concentrate on current and future requirements;
- Allows for deobligating excess funds; and,
- Identifies the need for additional funds.

The COR is to physically transfer their records to become part of the official contract file. The Contracting Officer, with the assistance of the COR, must ensure that the following actions are accomplished:

- Services have been rendered.
- Articles have been delivered and accepted.
- Payments and collections have been made.
- Property and classified information have been dispositioned.
- Releases from liabilities, obligations, and claims have been obtained from the contractor.
- Assignments of refunds, credits, etc., have been executed by the contractor.
- Administrative actions have been accomplished.
- Excess funds have been deobligated.
- Contract file is properly documented.

DOs and DON'Ts: Contract Administration

CONTRACT ADMINISTRATION	
DO	DON'T
• Remember that the COR is an agent of the U.S. government, with only the authority delegated by the Contracting Officer. • Get the names of contractor personnel authorized to represent the contractor. • Find out the specific authority of contractor personnel. Does the person you are dealing with have the authority to obligate the contractor? • See that all Government approvals or consents are timely.	• Accept less than what is required by the contract. • Assume an interpretation of ambiguous contract language, which would be favorable to the Government. Remember: if the contractor's interpretation is reasonable, it will prevail. • Hold up payment unless performance is deficient or defective. • Accept supplies or services without complete inspection. • Make any change, modification, deletions, or additions to the contract requirements. Work through the Contracting Officer. • Automatically consider all contractor claims unreasonable. Be fair and impartial.

Chapter 7. Key Points

1. Contract Administration is the primary focus area where a COR will generally spend most of their time
2. After contract award, a Post-Award Orientation (kick-off) meeting is critical to successful contract performance. This meeting will highlight the roles and responsibilities, along with expectations, of all the interested parties.
    a. The Contracting Officer will prepare minutes of the meeting and provide copies to all interested parties, including the COR.
3. Contractor personnel deploying to a contingency arena must be registered in the SPOT database.
4. Monitoring contractor performance is the key to contract oversight and ensuring compliance with the contract.
5. Key contract administration concepts a COR must be familiar with:
    a. The Changes Clause – This FAR clause allows the flexibility to make in scope changes to the contract without impacting contractor performance and allowing the contractor an equitable adjustment.
        i. Unilateral change – The changes clause allows for three specific criteria where the Government can issue a modification without first requesting a proposal from the contractor.
        ii. Bilateral changes – When a unilateral change is not possible then the Government will request a proposal from the contractor so a supplemental agreement can be negotiated and signed by the contractor and the Government.
    b. The Options Clause – Many contracts for recurring requirements may contain option clauses which allow the Government the ability to order additional quantities of supplies or additional period of services beyond those in the initial contract.
    c. Constructive Change Concept – When a contractor performs work that is not part of the contract scope but the contractor relied upon some degree of Government direction then a constructive change may have occurred, which will result in a contractor submitting a request for equitable adjustment.
    d. Unauthorized Commitments – Where a Government representative who does not have the authority binds the Government to a commitment.
    e. Ratification process – Each component or agency has established procedures for ratifying unauthorized commitments. Refer to local procedures for additional guidance.
    f. Technical Evaluation – The COR may be requested by the Contracting Officer to assist in validating proposed contract changes, assist in developing an IGCE, and evaluating the contractor's proposed costs for reasonableness.

g. Contract Closeout – The COR's documentation is key to ensuring successful contract closeout. It is important that the COR understands the steps associated with closeout and his/her role in closeout. Contract closeout is the Contracting Officer's responsibility, but COR assistance may be required.

h. Invoices and payment – CORs will often review invoices/vouchers to verify that charges for the supplies/services delivered are reasonable and in accordance with the terms and conditions of the contract. This section of the handbook provides a discussion of what should be contained in an invoice or voucher. In addition, this section also discusses some of the typical problems associated with an improper/incorrect invoice or voucher.

6. Good, clear communications with the contractor and the Contracting Officer is critical.
7. A COR may be required to administer warranty terms and conditions. It's important to understand warranty basics.
8. The COR may report on contractor performance so it can be captured in the Contractor Performance Assessment Reporting System (CPARS).

Chapter 8:
Monitoring the Contractor

To properly monitor the contractor, the COR must know and understand the requirements of the contract, as specified in the SOO/SOW/PWS in Section C of, or an attachment to, the contract. The COR should have a copy of the SOO/SOW/PWS readily available to check that the contractor is verifying and enforcing contract requirements as stated in the SOO/SOW/PWS. Interpreting the contract requirements can be difficult if the SOO/SOW/PWS is poorly written, displaying a lack of technical knowledge, inadequate planning or research, lack of communication, differing interpretations, and carelessness. With the proper SOO/SOW/PWS and performance-based metrics (see Chapter 9), contract performance is more likely to be successful.

Note: The COR monitors the contractor based on the contract requirements specified in the SOO/SOW/PWS and according to the COR appointment/designation letter from the Contracting Officer.

The COR must notify the Contracting Officer in a timely manner, orally **and** in writing, if the contractor is not performing well, i.e., if contractor performance deviates from the SOO/SOW/PWS. It is the responsibility of the Contracting Officer — and only the Contracting Officer — to give verbal or written directions to the contractor. These directions should be made a part of the record in the official contract file. The requiring activity should not attempt to interpret the SOO/SOW/PWS for the contractor and may not direct changes or accept substitute performance. Many people have improperly cost the Government, or themselves, money by making seemingly nonchalant remarks asking the contractor to act outside the scope of the contract.

Contractor Progress Reports

The contract may require the contractor to provide progress reports. Contractor progress reports provide the first early warning of potential changes, delays, or other problems in contractor performance. Submitted by the contractor, these reports summarize progress since the preceding report, so earlier reports are summarized, subsumed, and superseded by the new report. They vary in form from a single-page memo or letter to several hundred pages of detail by task, with supporting graphs and tables. Progress reports normally address the following topics:

- Project status;
- Measurement of achievements against objectives;
- Problems encountered;

- Actions taken to correct deficiencies;
- Percentage of work completed;
- Acceptability of the work;
- Work remaining; and,
- Evaluation.

Progress reports do not relieve the contractor of a separate obligation to report anticipated or actual delays to the COR and Contracting Officer.

For indefinite-delivery type contracts, each delivery or task order must be covered by a separate progress report, except that one report per contract may be used to identify those orders on which no work was performed during the period being reported.

The contractor must forward the progress reports in accordance with the instructions of the Contracting Officer.

The COR must ensure that each progress report is factually accurate and complete and should check each progress report to determine the following:

- Will the contractor meet the delivery dates? Are any problems foreseen?
- Are the expenditures in line with the work performed and with the work planned?
- How does the percentage of work completed compare to the funds expended?
- How does the status of the deliverables (reports, designs, texts) compare to the progress report?

The COR should discuss and document any ambiguities or discrepancies with the contractor and Contracting Officer. The COR should document any discussions with the contractor and keep a copy of this document in the COR file. The COR should also inform the Contracting Officer of any ambiguities or discrepancies in the progress report.

The Government should not expect a one-to-one correlation between the expenditures identified in the progress report and those in the invoice. The coverage dates may be different, and the progress reports may not reflect lags in the accounting system.

Assessing Performance

The contractor has the primary responsibility for quality assurance and timeliness of its supplies or services. However, the COR must assess the contractor's performance to ensure that the supply or service delivered conforms to contract requirements. Unsatisfactory performance under a contract may jeopardize a project or may directly affect an activity's ability to perform its mission.

The COR must continually monitor the contractor's performance, both formally and informally, throughout the contract. The COR should consider the following:

- How well the contractor is doing.
- Whether performance, quality, schedule, and cost requirements are being met,
- Whether the requiring activity is satisfied,
- Whether the processes are working,
- If and where improvements are necessary.

The following are key assessment factors:

- *Cost Control.*
- *Timeliness (schedule/delivery).* Is the contractor on schedule to meet contractual requirements? Did the contractor meet the contractual delivery requirements? Does the contract include a reward for early delivery, or a penalty for late delivery?
- *Quality*. Do the supplies or services meet the requirements? Do they conform to the contract specifications, standards, SOO/SOW/PWS, and quality assurance plan?
- *Business relations*. Is the contractor responsive, professional, and courteous?
- *Management of key personnel*. Are technical experts highly qualified and effective in performing the required services? Do they meet the skill level stated in the contract? Are an appropriate number of personnel assigned to the project? Do delivered supplies reflect the skill and standardization required by the user?
- *User satisfaction*. Will the requiring activity be satisfied in terms of cost, quality, and timeliness of the delivered supplies or services? What percentage of the deliverable meets the user's expectations? How long has the contractor taken to address any user complaints? How many user complaints have there been?
- *Compliance*. Has the contractor complied with, for example, Occupational Safety and Health Administration, Environmental Protection Agency, and Department of Labor regulations or local standards?

Acceptable Inspection Methods

The assessment of quality is particularly important because if the quality of a supply or service does not meet contract requirements, the safety of the requiring activity could be jeopardized. The Government has the right to inspect all contract deliverables at any time prior to acceptance. Inspections may be announced or unannounced, but they must not unduly delay work, nor must they include directions that would change the contract. The Government also has the right to reject any deliverables that do not meet contract requirements.

For commercial item acquisitions, FAR 46.202-1 requires that the Government rely on contractors' quality assurance systems as a substitute for Government inspection and testing before tender for acceptance, unless customary practices for the supply being acquired include in-process inspection. Any in-process inspection by the Government must be consistent with commercial practice.

For services, the COR can monitor contractor performance using a variety of inspection methods. Before an inspection, the COR should check the contract for any specific inspection and testing requirements. The COR should use a systematic approach and should ensure that the inspection methods do not interfere with the contractor's progress, or at least only to the extent that disruption is absolutely necessary. The following subsections briefly describe the most common inspection method and their use.

Random or Stratified Sampling

With random sampling, deliverables are sampled to determine if the level of performance is acceptable. Random sampling works best when the number of instances in which the supplies or services is very large, allowing a statistically valid sample to be obtained. Stratified sampling focuses on selected parts of total contractor output for sampling. Computer programs may be available to assist with establishing sampling procedures. This is the preferred surveillance method, because it is an efficient way to obtain an unbiased, comprehensive evaluation of the contractor's performance. The COR need only make relatively few observations from which he or she can project the quality of the entire lot. The contractor does not know which service output will be observed. Consequently, all must be done correctly, and the COR is prevented from biasing the sample by his or her own judgment. The advantage is that the results can be projected to the lot, without inspecting the entire lot.

100 Percent Inspection

This inspection method is too expensive for most cases. As the name implies, all outputs in the designated lot would be observed by the inspector. For example, with a service requirement for required reports, all reports listed in the lot would be examined for acceptance. The Government uses 100-percent inspection for stringent performance requirements concerning health and safety.

Periodic Inspection or Planned Sampling

This method consists of the evaluation of tasks selected on other than a 100 percent inspection or random basis. This type of sampling is normally used to check the contractor's quality control system to ensure that it is capable of meeting the Government's quality requirements. Because defects found as the result of planned

sampling cannot be considered statistically valid for evaluating the entire work lot, monetary deductions for other than satisfactory performance are limited to only the work specifically found defective. For this reason, planned sampling should not be used as the only method of surveillance.

When planned sampling is used, work process outputs are selected in accordance with subjective criteria established in the QASP. These criteria should be documented and applied consistently throughout the observation period and from one period to the next. Surveillance consistency enables the inspector to detect trends in performance and requires less inspector retraining time and document/report revisions. The advantages to this method are that Government inspectors can focus their attention on known problem areas and the contractor or in-house work force has a greater incentive to improve those deficient areas that they know will be observed. The disadvantage is that because the observations are not selected randomly, comparisons of quality cannot be made between the sampled outputs and the lot.

User Feedback

This method requires documentation and is not usually a primary surveillance method. However, user feedback is a valuable supplement to more systematic surveillance methods. Performance to be observed is not selected by the COR, but is based on written or telephonic complaints made by users. Once the COR receives a complaint, he or she will investigate and, if valid, will document it as a contractor performance deficiency.

Further guidance on these surveillance tools is set forth in the Office of Federal Procurement Policy (OFPP) Pamphlet 4, "A Guide to Best Practices for Performance-Based Service Contracting" Chapter 5, "The Quality Assurance Surveillance Plan."[31]

The COR should notify the Contracting Officer whenever supplies or services do not meet requirements and should provide the Contracting Officer with documentation on the number of observations made, the number and type of problems, actions taken to notify the contractor, and any corrective actions already taken by the contractor. A COR can use the receiving report or other method provided by the Contracting Officer to document the reasons for rejecting a deliverable.

Contractors will reply to a notice of rejection by one of the following methods:

- Submitting a proposal to repair or correct the deficiencies;
- Offering to provide an adjustment to cost or price as a basis for accepting nonconforming services; or

[31] The OFPP Pamphlet can be found at http://georgewbush-whitehouse.archives.gov/omb/procurement/pbsa/guide_pbsc.html.

- Challenging the deficiency assessment.

If authorized to reject supplies or services, the COR may approve a contractor's proposed course of action to repair or correct deficiencies. However, only the Contracting Officer may approve courses of action that require a change in the contract (e.g., a price reduction) or result in a dispute (e.g., the contractor challenges the assessment). The COR must forward these cases to the Contracting Officer for resolution.

The Contracting Officer normally consults with the COR when considering the contractor's reply. The COR can provide advice on the appropriateness of the contractor's corrective action plan, the impact of accepting nonconforming services, and the validity of the contractor's rebuttal.

Documenting Performance

Documenting how well a contractor performs on a contract is an important part of the performance assessment process. When documenting a contractor's performance, the COR should follow the advice below:

Comments should be:

- submitted regularly;
- contractually based and professional;
- applicable to the monthly reporting period;
- performance based;
- specific, fully detailed, and stand alone;
- based on information gathered during audits, when possible, and
- supported by the checklist comments.

Comments should not be:

- beyond the scope of the contract;
- requesting information that is not applicable to the contract;
- requesting contractor personnel actions (e.g., hiring, firing, or disciplinary action);
- personal (all comments are seen by higher leaders); or
  simply copied and pasted from one month to the next without verifying whether the condition still exists.

Following are some examples of poorly—and better—written comments.

Sample Comment 1
Poor: "Contractor met the Class I requirements this month."

Better: "During October, contractor exceeded the Class I requirement to have all incoming rations and bottled water placed into inventory within 24 hours. The daily average to place stock into inventory was only 4 hours!"

Sample Comment 2
Poor: "Contractor was late in meeting the link-up time."
Better: "On 12 Oct 06 at 2130 hrs, the contractor team linked up with the military escorts at East ECP one hour after notification. This didn't meet the contractual requirement of 40 minutes for link-up as provided under Section C."

Sample Comment 3
Poor: "Contractor management was especially responsive this month."
Better: "On 12 Oct 06, contractor responded within two hours to a DCMA request for DFAC statistics. This allowed a quick turnaround to the user for a high-visibility area."

Sample Comment 4
Poor: "My audit for MHE showed that several of the guys weren't certified for the forklifts."
Better: "On 23 Oct 06, an audit revealed that three employees operating 9K forklifts did not have a forklift drivers license when prompted. Their badge numbers were XXX, YYY, and ZZZ."

Note: The COR must always ensure that all comments relate to a specific contract requirement. Contractor performance is judged solely on the contract.
Note: When possible, it is helpful for a COR to use a digital camera to document deliveries of supplies and services.

Remedies for Poor Contract Performance[32]

The Contracting Officer has several remedies available to address items or services that do not conform to contract requirements. The Contracting Officer will rely heavily on the COR's observations and documentation on supplies or services that do not conform to contract requirements. When unsatisfactory contract performance is identified, the COR should notify the Contracting Officer promptly so remedial steps can be taken. Silence on the part of the Government could be interpreted by the contractor as the Government's acceptance of substandard supplies or services. Such situations could adversely affect the Government's right to withhold payments, terminate for cause or default, or otherwise exercise certain rights under the contract.

[32] This section is on contract performance and not the business system rule. Refer to DFARS for the business system rule.

Depending on the Contracting Officer's evaluation of the seriousness of the unsatisfactory performance, he or she may do the following:

- Bring the particular deficiency to the attention of the contractor by letter or through a meeting and obtain a commitment for appropriate corrective action.
- Extend the contract schedule if excusable delays in performance are involved (such as combat situations or extreme weather conditions).
- Withhold contract payments if the contractor fails to comply with delivery or reporting provisions of the contract.
- Terminate the contract for cause or default.

After a complete review of the situation, the Contracting Officer may send an official notice of failure of performance to the contractor. This notice requires the contractor to inform the Contracting Officer of the cause of the delinquency so a proper determination can be made concerning continuation or termination of the contract. In some cases, liquidated damages can be assessed against the contractor performing the service. Liquidated damages are amounts agreed to in advance that reflect the financial damage the Government may incur if the contract is not completed on time.

Note: COR records are vital for determining the amount of money the contractor may be entitled to if a suspension is determined to be unreasonable.

DOs and DON'Ts: Remedies

REMEDIES	
DO	DON'T
• Exercise Government rights, such as warranties. Make sure to deal with any problems before the warranty period runs out. • Work with contractor personnel to prevent problems before they arise. • Take actions to protect Government rights before delivery is due. •	• Act without consulting the Contracting Officer. Work with the contract administration team and Contracting Officer. • Allow interim or final delivery dates to be waived.

Delays

The COR is required to notify the Contracting Officer about any delay in the delivery or performance schedule. Specifically, the COR must (1) identify and verify the delay, (2) notify the Contracting Officer of the technical impact of the delay, and (3) assist the

Contracting Officer with evaluating the contractor's response. The COR should be able to correctly identify the cause of a delay and work with the Contracting Officer for resolution. The technical analysis should be sufficient to support the action taken by the Contracting Officer to address the delay.

Identifying and Verifying a Delay

A delay has occurred if the contractor fails to meet the delivery or performance schedule in the contract, or if the Government caused the contractor to stop performing. The COR should review the contract for any applicable clauses and any modifications to ensure that the performance or delivery schedule was not previously extended by the Contracting Officer. The COR can confirm the delay by doing the following:

- Obtaining feedback from Government individuals responsible for monitoring the performance or delivery schedule.
- Reviewing the notice and supporting documents from the contractor regarding the delay.
- Reviewing the contractor's claim regarding the delay.

The contractor may not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the contractor. For instance, the delay may have been caused by the Government, hostile actions, or natural disasters.

Notifying the Contracting Officer of the Technical Impact of a Delay

Once a delay is confirmed, the COR should prepare documentation to assist the Contracting Officer with developing the Government's position on the delay. Documentation should include facts and relevant information about the delay, such as the following:

- List of people with factual knowledge of the delay;
- Description of the delay; and
- History of performance, indicating when work under the contract began, when work deviated from the performance, and when the work stopped.

Below are other issues that may be covered in a technical analysis:

- Information that would support whether the delay was excusable;
- The contractor's progress to date and the remaining obligations;
- Estimate of a reasonable period of additional time to perform;
- Potential alternatives and resolution; and,

- Pros and cons of each alternative (price, quantity, and quality).

Assisting the Contracting Officer with Evaluating the Contractor's Response

The COR may be asked to assist the Contracting Officer with evaluating the contractor's response. The Contracting Officer may ask the contractor to do the following:

- Substantiate the evidence of the delay;
- Substantiate the costs associated with the delay;
- Demonstrate that the delay was unreasonable; or
- Demonstrate that the delay was void of any concurrent or commingled delays.

Before allowing the contractor to recover costs as a result of the delay, the contractor's response must provide verifiable documentation of the expenses incurred. The Contracting Officer, with the assistance of the COR, must consider each expense and determine if the contractor should receive compensation. Compensation may be in the form of money or time extensions.

Fraud

Fraud is the intentional presentation of a falsehood as a truth with the intent of causing someone to part with something of value. Various types of improper contractor activities fall within the general heading of procurement fraud and can lead to criminal and civil punishment. Only the U.S. Department of Justice may prosecute and resolve fraud cases on behalf of the U.S. Government. However, that does not mean CORs should ignore suspicions of fraud or other dubious conduct. The Department of Defense has an obligation to administer its contracts effectively and efficiently for the U.S. taxpayer, and has the ability to, with appropriate coordination with the relevant criminal investigative organizations, take contractual and administrative remedies (e.g., suspension and debarment) as appropriate to address contractor misconduct while criminal investigators work to punish the misconduct. This requires a coordinated approach to assessing and dealing with procurement fraud indicators.

Primary procurement fraud indicators include:

- Gratuities (gifts/travel/entertainment);
- Duplicate documentation;
- Payments made to other than the firm's official address;
- Subcontractor/supplier complaints of non-payment;
- Errors in invoices or contractor data;
- Acting beyond normal scope of duties;

- Irregular typeface on invoices;
- Payment without receiving a receipt;
- Little progress, but significant charging;
- Multiple payments to the same supplier in similar amounts;
- Shifting costs between contracts;
- Failed tests or inspections;
- Bid information available before opening;
- Poor quality; and
- Price discrepancies.

COR's responsibilities:

CORs are not investigators and should not personally investigate suspected cases of fraud. CORs are responsible for alerting the following stakeholders of fraud indicators or suspected fraud:

- The Contracting Officer;
- COR management;
- The cognizant legal office; and
- The cognizant defense criminal investigative agency (e.g., the local DCIS, AFOSI, NCIS or Army CID agent).

Note: If local agents are not readily available, the COR may report suspicion of procurement fraud to the following hotline:

- Department of Defense Inspector General, Hotline (general hotline): 1-800-424-9098, DSN 664-8799, http://www.dodig.mil/HOTLINE

CORs must keep a record of ALL suspected fraud communication.

Combating Trafficking in Persons

According to the United Nations, human trafficking "involves the movement of people through violence, deception, or coercion for the purpose of forced labor, servitude, or slavery-like practices." Human trafficking is the third largest criminal activity in the world. Traffickers use violence, threats, and other forms of coercion to force their victims to work against their will. For example, they control the victims' freedom of movement; where and when they will work; and what pay, if any, they will receive. Traffickers treat their victims as nothing more than goods for sale to the highest bidder. Victims of human trafficking no longer control their lives. Their lives belong to the trafficker who is holding them against their will. Human trafficking is not new and is actively practiced globally, especially in third-world countries.

DoD has a particular duty to act, because human trafficking is a direct threat to our national security. FAR 52.222-50 – Combating Trafficking in Persons is a mandatory clause on all contracts. CORs must be aware of how contractors treat their employees. CORs are the first line of defense in the battle against human trafficking.

CORs must complete Combating Trafficking in Persons training annually. CORs must be diligent in ensuring that contractors and contractor personnel are not trafficking in persons.

The COR must inform the Contracting Officer if the contractor, contractor personnel, subcontractor, or subcontractor personnel have failed to comply with the requirements of the clause at FAR 52.222-50. After receiving this information, the Contracting Officer shall provide information for any investigation and enforcement to:

Program Manager
DoD CTIP Law Enforcement and Support
OUSD (P&R) DHRA
4800 Mark Center Dr Suite 06J25-01
Alexandria, VA 22350-4000

Reports may also be made:

- On-line at http://ctip.defense.gov/;
- On-line via the National CTIP Hotline website at http://www.polarisproject.org/;
- By e-mail to CTIPReports@OSD.Pentagon.mil; or
- By phone to the National CTIP Hotline at 1-888-373-7888.

Note: DoD has a zero tolerance policy for human trafficking. As the COR monitors the contractor and its employees, Combating Trafficking in Persons should rank among the COR's chief priorities.
Note: The COR must correct and report any suspected violations or activities to the Contracting Officer (See FAR Subpart 22.17 and DFARS Subpart 222.17).
Note: CORs should not personally investigate suspected incidents of Trafficking in Persons but should forward all reported or suspected violations to the Contracting Officer immediately.

Government Property

Government property means all property owned or leased by the Government and includes both Government-furnished property (GFP) and contractor-acquired property (CAP) to which the Government has title. Normally, contractors furnish all equipment and material necessary to perform Government contracts. However, sometimes it is in the best interest of the Government to provide the contractor with GFP for performance of a contract.

The COR may be asked to assist the Contracting Officer with administering the contractor's use of GFP. The property administrator acts on behalf of the Contracting Officer to oversee Government property in the possession of a contractor. If a property administrator is not assigned, the COR must be Level I certified in Contract Property Management in order to perform specific functions of property administration as specified by the Contracting Officer. Specific functions may include:

- Alerting the Contracting Officer of any delay of GFP that may delay contractor performance;
- Reviewing the contractor property management procedures and advising the Contracting Officer of deficiencies and recommendations;
- Ensuring the contractor reports loss, theft, damage, or destruction (LTDD) of GFP during contract performance to the Contracting Officer[33]; and,
- Ensuring the contractor complies with disposition instructions given by the Contracting Officer for the disposal of Government property.

Property Responsibilities

The contractor is required to follow the FAR and DFARS when it comes to Government property[34] along with the contract. The contractor has inherent responsibilities related to the control, use, preservation, repair and maintenance of Government Property (GFP and CAP).

Reporting, Reutilization, and Disposal of Government Property

Typically upon contract closeout, Government property is transferred, abandoned, destroyed, donated or sold to relieve the contractor of stewardship responsibility. Determining the correct disposition procedures for Government property that will not be transferred to a follow on contract takes a great amount of experience and training to correctly accomplish. The Contracting Officer and/or appointed Plant Clearance Officers have the inherent fiduciary responsibility of correctly determining what avenues and priorities will be utilized to dispose of excess Government property. With this in mind, it is imperative that only minimal duties are delegated to the COR unless the individual has the appropriate training and experience commensurate with the tasks stated in FAR Subpart 45.6

Contract Termination

[33] Reference DFARS Clause 252.245-7002, "Reporting Loss of Government Property."

[34] Reference FAR Part 45 and DFARS Part 245.

There are two types of contract termination, termination for convenience of the Government and termination for cause/default.

Termination for Convenience of the Government

Under the Termination for Convenience clause, the Government has the right to cancel a contract when doing so is in the best interest of the Government, notwithstanding the contractor's ability and readiness to perform. The Government may terminate a contract for convenience if the supply or service is no longer needed, the contract is no longer affordable, it is impossible for the contractor to perform as specified in the contract (through no fault of the contractor), or the requirement has changed radically.

A termination for convenience allows the contractor to submit a settlement proposal for the work that has been accomplished under the contract up to the effective date of the termination, including the cost associated with any work in progress. The Contracting Officer and the contractor then negotiate a settlement agreement. The contractor is entitled to be reimbursed for costs for work completed.

Termination for Cause/Default

The Government may, by written notice, terminate the contract for the contractor's failure to do the following:

- Deliver supplies or perform services within a specified time;
- Make progress, thereby endangering contract performance; or
- Perform any other provisions of the contract.

Because the Government is not liable for work not accepted, the termination for cause/default has a greater adverse consequence on contracts for supplies than on service contracts.

A termination for cause/default is improper if the required notice and opportunity to "cure" the situation is not given to the contractor. There must be at least 10 days remaining in the contract delivery schedule to use the "Cure Notice".
Another type of delinquency notice is called "Show Cause Notice." This is used as a means of discovering any excusable cause/default of the contractor's failure to perform. The "Show Cause Notice" is used when there are fewer than 10 days remaining on the contract delivery schedule.

The following are examples of excusable failure to perform:

- Acts of God;

- Acts of a public enemy;
- Acts of Government;
- Natural disasters such as fires, floods, and earthquakes;
- Epidemics;
- Quarantine restrictions;
- Strikes; or
- Freight embargoes.

Note: The COR's responsibilities are essentially the same in terminations for convenience, default, or cause – (1) Keep the Contracting Officer informed, (2) Provide recommendations to the Contracting Officer and requiring activity, (3) Review settlement proposals, and (4) Document the file.

Disputes

Disputes between a contractor and the Government may occur when a controversy develops as to the interpretation of the contract terms. Any differences with the contractor should not interfere with timely performance of the contract. All contracts contain a Disputes clause (FAR 52.233-1) that presents the procedures to be followed in case of any unresolved disagreements between contractors and the Contracting Officer. The COR will play a key role in advising the Contracting Officer as to the intent of specifications or provisions of the contract that may be the subject of dispute. Therefore, the COR should know the contract and create and keep the documentation required to state a position, in writing, to help the Contracting Officer. The Contracting Officer must respond promptly with a written decision, including the reasons for each dispute received. Unless appealed within certain time limits, the Contracting Officer's decision becomes final and is not subject to review. Because the Government must pay interest on claims that are in dispute, the COR must provide the Contracting Officer with the necessary documentation promptly. DFARS Subpart 233.2 provides specific instructions concerning disputes, Contracting Officer decisions, and appeals.

CORs should be prepared to submit various forms of documentation and correspondence developed during the course of a contract. CORs also should be prepared to give verbal testimony before the U.S. Government Accountability Office (GAO), the General Services Administration Board of Contract Appeals (GSBCA), the Armed Services Board of Contract Appeals (ASBCA), or a court of the judicial system in connection with disputes or other contractual matters. The completeness, accuracy, and currency of the COR's records may determine who prevails — the Government or the contractor.

The following are warning signs of potential disputes:

- Failure to meet performance deadlines;

- Repeated safety violations;
- Repeated incidents of poor quality work;
- Complaints from site workers;
- Prolonged delays;
- Persistent complaints regarding Government employees or inspectors; and,
- Complaints from subcontractors.

Disputes often can be resolved through an alternative disputes resolution (ADR) process. The ADR process offers the following advantages:

- Reduced settlement time;
- Expertise and objectivity of a neutral advisor;
- Privacy; and,
- Reduced costs.

The COR supports the ADR process by providing surveillance documentation and reports supporting the Government's position.

COR Working File

The COR is required to maintain a working file — in hard copy, electronically, or both — containing records relating to his or her COR duties during the life of the contract and to dispose of those records as directed by the Contracting Officer. In addition, the COR is charged with safeguarding all procurement sensitive, business sensitive, and proprietary information in the files. The contents of the COR working file will vary according to the size and complexity of the contract. At minimum, the file must contain (1) A copy of the Contracting Officer's letter of appointment/designation and other documentation describing the COR's duties and responsibilities; and (2) Documentation of actions taken in accordance with the delegation as well as any other documentation required by the Contracting Officer and referenced in the COR's appointment/designation letter. Appendix F contains a checklist of minimum COR file contents. However, good judgment and experience on the part of the COR will determine what is necessary for CORs to maintain in their files.

Note: The COR working file is business sensitive and must be safeguarded appropriately.

The COR working file is a part of the official contract file and must be maintained according to the Contracting Officer's instructions. The following are key procedures related to the COR file:

- Maintain a separate, current COR working file for each contract and each delivery or task order.

- As a matter of practice, prepare a memorandum for record no later than 1 business day after significant meetings or discussions with the contractor or the Contracting Officer, including telephone conversations and trip reports.

- Clearly index all documents and file them by category, in chronological order, in a suitable folder. Examples of document categories are memoranda for record, inspections, trip reports, minutes of meetings, and conferences. The goal is to organize the records in a way that allows for rapid access to information by the COR and inspection by the Contracting Officer and other authorized officials.

- Forward any correspondence received from the contractor to the Contracting Officer, and retain a copy in the COR working file.

- Send copies of all correspondence the COR prepares to the Contracting Officer.

- Mark the contract number clearly on all documents and file folders.

- Make the COR working file available for review by the Contracting Officer and other authorized officials. The Contracting Officer will schedule an appointment with the COR for review of the COR file. At a minimum, the Contracting Officer should review the COR file on a yearly basis and annotate the file with the results of the review to include finding and any recommended actions.

- Retain records that pertain to unsettled claims, open investigations, cases under litigation, or similar matters until final clearance or settlement.

- Upon completion or termination of the contract (or as otherwise directed by the Contracting Officer), forward the COR working file to the Contracting Officer for retention in the official contract file.

- Upon termination of a COR appointment/designation, promptly transfer the COR files to the successor COR, or forward them to the Contracting Officer, as instructed by the Contracting Officer.

DOs And DON'Ts: Contract Monitoring

CONTRACT MONITORING

DO	DON'T
• Set a level of monitoring consistent with the type of contract, the complexity of the supply or service, and the importance of the contract to the overall program. • Read progress reports and immediately act on problems they reveal. • See that the contractor complies with every requirement of the contract. • Immediately contact the Contracting Officer when deficiencies or delinquencies are noted. • Use the contractor's invoices to help monitor technical progress.	• Assume that "no news is good news." • Wait until delivery is due or overdue to check progress. • Take action against a delinquent contractor on your own. Work through the Contracting Officer. • Order, request, or even suggest that the contractor do work that is not called for by the contract. • Act as if you are the contractor's personnel manager. The COR reviews and approves or disapproves; the contractor supervises contractor personnel. • Assume the contractor billings are correct.

Chapter 8. Key Points

1. To properly monitor the contractor, the COR must know and understand the contract requirements, as specified in the SOO/SOW/PWS.
2. The COR monitors the contractor based on the contract requirements specified in the SOO/SOW/PWS and according to the COR appointment/designation letter from the Contracting Officer.
3. The COR must notify the Contracting Officer, orally and in writing, if the contractor is not performing well, i.e., if contractor performance deviates from the SOO/SOW/PWS.
4. The Contracting Officer — and only the Contracting Officer — has authority to give verbal or written directions to the contractor
5. Progress reports, when applicable to a contract, are critical in monitoring contractor performance, especially as a way to gauge early warning of potential changes, delays, or other problems in contractor performance.
6. The contractor has the primary responsibility for quality assurance and timeliness of its supplies or services. However, the COR must assess the contractor's performance to ensure that the supply or service delivered conforms to contract requirements.
7. For services, the COR can monitor contractor performance using a variety of inspection methods:

    a. Random sampling or stratified sampling.
    b. Use 100-percent inspection for stringent performance requirements concerning health and safety.
    c. Use periodic inspection or planned sampling to evaluate tasks selected on other than a 100 percent inspection or random basis.
    d. User feedback is a valuable supplement to more systematic surveillance methods.
8. Documenting how well a contractor performs on a contract is an important part of the performance assessment process.
9. The Contracting Officer has several remedies available to address items or services that do not conform to contract requirements:
    a. Bring the particular deficiency to the attention of the contractor by letter or through a meeting and obtain a commitment for appropriate corrective action.
    b. Extend the contract schedule if excusable delays in performance are involved (such as combat situations or extreme weather conditions).
    c. Withhold contract payments if the contractor fails to comply with delivery or reporting provisions of the contract.
    d. Terminate the contract for cause or default.
10. The COR is required to notify the Contracting Officer about any delay in the delivery or performance schedule.
11. CORs are not investigators. CORs should not personally investigate suspected cases of fraud. Rather, CORs should determine the facts of the questionable circumstances and occurrences and advise the Contracting Officer, commander, supervisor, or cognizant defense criminal investigative agency.
12. According to the United Nations, human trafficking "involves the movement of people through violence, deception, or coercion for the purpose of forced labor, servitude, or slavery-like practices." CORs must be diligent in ensuring that contractors and contractor personnel are not trafficking in persons.
13. When there is a dispute or request for equitable adjustment, CORs should be prepared to submit documentation developed during the course of contract performance in support of the Contracting Officer.
14. The COR is required to maintain a working file — in hard copy, electronically, or both — containing records relating to his or her COR duties during the life of the contract and to dispose of those records as directed by the Contracting Officer. The COR working file should be considered confidential and be safeguarded appropriately. If key documents are missing from the file, the COR should contact the Contracting Officer to obtain copies.

Chapter 9:
Monitoring Service Contracts

Personal and Non Personal Services

A service contract may be either for personal services or for nonpersonal services. It can also cover services performed by either a professional or nonprofessional entity, whether an individual or an organization. A personal services contract is a contract that, by its express terms or as administered, makes the contractor personnel appear to be, in effect, Government employees.

Personal services are characterized by the employer-employee relationship created between the Government and the contractor's personnel. Obtaining personal services by contract rather than by direct hire circumvents civil service laws unless Congress has specifically authorized acquisition of the services by contract. (Agencies may not award personal service contracts unless specifically authorized by statute.[35]) An employer-employee relationship under a service contract occurs when, as a result of the contract's terms or the manner of its administration during performance, contractor personnel are subject to the relatively continuous supervision and control of a Government officer or employee. The following are typical of a personal services contract:

- Performance is on site.
- Principal tools and equipment are furnished by the Government.
- Services directly support the integral effort of an entity to accomplish its assigned function or mission.
- Comparable services, meeting comparable needs, are performed in the same or similar agencies using civil service personnel.
- Performance of inherently governmental functions. The inherent nature of the service, or the manner in which it is provided, reasonably requires, directly or indirectly, Government direction or supervision of contractor employees in order to:
    - adequately protect the Government's interest;
    - retain control of the function involved; or,
    - retain full personal responsibility for the function supported in a duly authorized Federal officer or employee.

The FAR defines a nonpersonal services contract as "a contract under which the personnel rendering the services are not subject, either by the contract's terms or by the manner of its administration, to the supervision and control usually prevailing in

[35] See 5 U.S.C. 3109.

relationships between the Government and its employees." Stipulating the employees' duty hours, requiring individuals to report to a Government person, requiring the contractor's employees to complete certain Government forms, maintaining contractor personnel records such as time cards, and granting leave requests are examples of actions that are grounds for the nonpersonal services contractor to initiate a claim against the Government. The post-award administration of a non personal services contract is a critical time to use caution to prevent nonpersonal service contracts from becoming personal. The COR must be vigilant. This is a critical area and one that exposes the COR and the Government to liability. The solution is to write a SOO/SOW/PWS that specifies the duty hours and the contractor's arrangement for supervising its employees.

When contracting for services, it is Government policy to use performance-based contracting methods and to contract for nonpersonal services rather than personal services to the maximum extent practicable.

Contractor Inspection Clauses for Service Contracts

FAR 52.246-1 addresses contractor inspection requirements as follows:

- The Contractor is responsible for performing or having performed all inspections and tests necessary to substantiate that the supplies or services furnished under this contract conform to contract requirements, including any applicable technical requirements for specified manufacturers' parts.

The related clauses specific to services contracts include the following:

- FAR 52.246-4 ("Inspection of Services — Fixed-Price"), FAR 52.246-5 ("Inspection of Services — Cost-Reimbursement"), and FAR 52.246-6 ("Inspection — Time-and-Material and Labor-Hour") require the contractor to provide and maintain an inspection system acceptable to the Government covering the services to be performed under the contract, to keep complete records of contractor performed inspections, and to make such records available to the Government during the term of the contract.
- FAR 52.246-14 ("Inspection of Transportation") requires the contractor to furnish Government representatives with the free access and reasonable facilities and assistance required to accomplish their inspections and tests.

At a minimum, the contractor's records must indicate the nature of the observations, the number of observations made, and the number and type of deficiencies found. The inspection records must also indicate the acceptability of the services and actions taken to correct deficiencies. The COR must ensure that the contractor complies with this contract requirement.

Performance Work Statements for Service Contracts

The PWS defines the contract's performance requirements, that is, the work to be accomplished. Defining the performance requirements includes identifying required outputs, key performance indicators or performance characteristics, and acceptance standards.

There is no standard template or outline for a PWS. The Contracting Officer will provide specific guidance on the development of a PWS. The DAU Service Acquisition Mall[36] provides tools and templates to assist with creating a PWS. FAR 37.602 requires that agencies, to the maximum extent practicable, do the following:

- Describe work in terms of required results rather than "how" the work is to be done or the number of hours to be provided.
- Enable assessment of work performance against measurable performance standards.
- Rely on measurable performance standards and financial incentives in a competitive environment to encourage innovation and cost-effective methods of performing the work.

Quality Assurance Surveillance Plans for Service Contracts

A QASP is an important tool that the COR can use as a guide for systematically and effectively monitoring the quality of the services received and in compliance with the terms of the contract. It also is used as a guide for determining if and when the Government needs to intercede and perhaps terminate a contract, as well as for determining if and when the Government needs to exercise contract options. (Options should be exercised after assessing the incumbent's performance under the current contract and testing the market to ensure a fair and reasonable price for conduct of services.) In FFP contracts, the purpose of surveillance is to identify any factors that may delay performance, particularly when it becomes necessary for the Government to accept performance shortfalls from contractually established standards.

Typically, the requiring activity that drafts the SOO/SOW/PWS also develops the QASP and surveillance methods, tailoring them to meet specific contract requirements and operating conditions. The QASP details how and when the Government will survey, observe, test, sample, evaluate, and document contractor performance. The QASP shall include procedures to monitor the contractor's performance regarding trafficking in

[36] The DAU Service Acquisition Mall website is located at http://sam.dau.mil/. DAU also provides Service Acquisition Mall training workshops.

persons such that non-compliance with FAR 52.222-50, “Combating Trafficking in Persons”, is brought to the immediate attention of the Contracting Officer. It also outlines the corrective procedures to be taken against the contractor for deficient performance, for example, issuing discrepancy reports that require corrective action responses, taking deductions from payments in FFP contracts (where such provisions have been made), and submitting recommendations to the Contracting Officer about the nature and significance of any performance shortfalls. The QASP may be adjusted to address contract risk not originally anticipated or no longer a risk to contract success. The Performance Requirements Summary (PRS) is releasable to the contractor but the QASP is an internal Government document.

Not every contract, delivery order, or task order requires a QASP. Such a plan is mandatory, though, for any contract, task order, or delivery order for services over the simplified acquisition threshold. Therefore, contracts for services, including time-and-material and labor-hour contracts, must include QASPs to facilitate assessment of contractor performance. These plans must be prepared in conjunction with the preparation of the SOO/SOW/PWS and should be tailored to address the performance risks inherent in the specific contract type and the work effort addressed by contract.

The objective of contract surveillance is to monitor contractor performance to assure the services received are consistent with contract quality requirements and received in a timely manner. To be effective, contract surveillance requires appropriate and immediate on-site monitoring of the services being performed. On-site monitoring should include periodic verification and analysis of the services performed. The effectiveness of contract surveillance depends on keeping the Contracting Officer informed of deviations from the contractual requirements in a timely manner. The objective of surveillance is to determine if and when to intercede and terminate a contract, when to take other appropriate corrective actions, and if and when to exercise contractual options.

The surveillance procedures must be discussed at the post-award orientation meeting (if held) to ensure understanding by all parties. Because it is developed and used by the Government, the QASP can be modified at any time. The decision to change the plan depends largely on the contractor’s demonstrated capability to carry out its quality control plan effectively.

QASP Composition and Method

The QASP should address the following topics:

- Purpose;
- Roles and responsibilities;
- Procedures;

- Methods of assessment;
- Successful performance and remedies;
- Certification of services;
- Sample of contract discrepancy report;
- Complaint procedures and training instructions; and,
- Abbreviations.

At a minimum, the QASP should do the following:

- Provide a schedule for periodic on-site inspections, floor checks, and audits of contractor's billings to ensure that costs being charged to the contract are legitimate and reasonable. Specify how often (weekly, monthly, etc.) inspections will occur.
- Identify what will be checked during an inspection, how it will be checked, and what type of sample will be used (random, 100 percent, etc.). For example, "Once every month, technical bulletin revisions will be inspected to assess the quality of work and progress toward completion. The revisions will be read for quality and accuracy. Random sampling will be done as work progresses. Near contract completion, a 100 percent inspection will be done."
- Describe the method that will be used for checking cost-type contract invoices to ensure that only those labor categories used for the performance of a task or project are invoiced to the Government. Describe how material or supplies will be delivered and accepted under a cost or fixed-price type contract. Identify the frequency of inspections of time cards and payroll records. Specify the policy for delivery and acceptance procedures.
- For cost type contracts, explain how the Contracting Officer will ensure that the prime contractor has obtained adequate competition when acquiring materials. For example, state in the QASP that contractor's acquisition of materials by competition will be checked for charges over a certain amount of money.
- Explain how the Contracting Officer will ensure that progress payments on fixed-price contracts do not exceed the quality and quantity of work completed and that payment is made in accordance with the progress payment clause. For example, state that the quantity and quality of work will be inspected to determine if the work completed to date justifies the amount of payment to be made.

Effective use of the QASP, in conjunction with the contractor's quality control plan, will allow the Government to evaluate the contractor's success in meeting the specified contract requirements. Surveillance should be increased if the contractor begins to experience problems or difficulties in performance, financial strength, management, quality assurance, or accounting system.

Each inspection made by Government inspectors must be scheduled and the results must be documented and filed for further reference, audit, and proof of inspection. User complaints, unsatisfactory contract performance, equipment breakdown, meetings, and so on should also be documented and filed. This documentation could be in the form of a contract deficiency report, minutes of meetings, annotations on tally checklists, correspondence, and so forth.

Contract Surveillance Checklist

The COR should use a contract surveillance checklist to ensure correct performance of COR duties. Appendix F contains a checklist for contract surveillance.

Incident Reporting

It is important for CORs to know that contractors are required to report offenses alleged to have been committed by or against contractor personnel to appropriate investigative authorities and may need to assist the contractor in locating the appropriate authority. Victim and witness protection and assistance to contractor personnel in connection with alleged offenses will be provided.

Contract Work Hours and Safety Standards Act

Depending on the nature of the contract and the COR's appointment/designation letter, the COR may get involved with reviews of the contractor's time charges. The Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333) requires that certain contracts contain a clause (FAR 52.222- 4, "Contract Work Hours and Safety Standards Act – Overtime Compensation") specifying that no laborer or mechanic doing any part of the work contemplated by the contract may be required or permitted to work more than 40 hours in any work week unless paid for all additional hours at not less than one and a half times the basic rate of pay.

Violations of the act may be detected during a labor interview. A part of the interview requires the employee to divulge the total number of hours he has worked during the previous week. Contractors and subcontractors in violation of this contract provision must pay back wages owed the employee plus liquidated damages per day per affected employee. This amount can be withheld from monies owed the contractor under the contract or from any other contract that the contractor has with the Government. The approval of the use of overtime may only be granted by an authorized agency approving official (i.e. Contracting Officer) after determining in writing that overtime is necessary.

Chapter 9. Key Points

1. The majority of Government service contracts are for nonpersonal services.
2. A personal services contract is a contract that, by its express terms or as administered, makes the contractor personnel appear to be, in effect, Government employees.
3. The acquisition regulation inspection clauses are key in providing the COR the statutory authority with the contractor to allow the COR to oversee contract performance.
4. The PWS is a critical document in that it defines the contract's performance requirements.
5. To assist the COR in ensuring the contractor is meeting performance requirements a QASP is utilized and included in the contract. The QASP establishes the metrics that will be used by the COR to assess successful contract performance.

Chapter 10:
Monitoring Construction Contracts

Performance and Payment Bonds

The Miller Act requires contractors to furnish performance and payment bonds for construction contracts over $150,000. Bonds are similar to an insurance policy. A bond is a written instrument between the contractor and a third-party surety to ensure fulfillment of the contractor's obligation to the Government and to suppliers of labor and material for a given project. Performance bonds protect the Government from default by the prime contractor and are required in the amount of 100 percent of the original contract price in construction contracts (See FAR 52.228- 15, "Performance and Payment Bonds — Construction"). Payment bonds protect suppliers of labor and materials in the event that the prime contractor does not reimburse the subcontractors. Payment bonds are required because construction subcontractors do not have the legal right to place liens against real property of the Government in the form of mechanics' liens. Such liens can be placed against real property by subcontractors in civilian contracting if the prime contractor does not reimburse the subcontractors.

Contractor Inspection Clauses

When construction contracts are in excess of the simplified acquisition threshold, the contractor is required by FAR 52.246-12, "Inspection of Construction," to maintain an inspection system:

> The Contractor is responsible for performing or having performed all inspections and tests necessary to substantiate that the supplies or services furnished under this contract conform to contract requirements, including any applicable technical requirements for specified manufacturers' parts.

The contractor must make its records of inspection available to the Government. At a minimum, the contractor's records must indicate the nature of the observations, the number of observations made, and the number and types of deficiencies found. The records also must indicate the acceptability of the work and the actions taken to correct deficiencies. The COR must ensure that the contractor complies with this contract requirement.

COR Compliance Checking

The COR must make the following compliance checks for construction contracts:

- Review the contractor's certified payrolls.
- Check work sites for required postings.
- Conduct labor standard interviews.
- Compare payrolls and onsite interviews.
- Resolve discrepancies/violations.

Correction of Deficiencies

In accordance with the Inspection of Construction clause, the contractor must replace materials or must correct workmanship not conforming to the contract requirements at no additional cost to the Government. In addition, the contractor is subject to any liquidated damages specified in the contract or actual damages incurred by the Government. If the contractor fails to correct deficiencies, the general provisions of the contract provide for specific actions to be taken by the Contracting Officer, as follows:

- Replace or correct the item or work at the contractor's expense. This may be accomplished by award of a new contract or by use of the Government's own resources.
- Accept the items with a reduction in price. This action is accomplished by formal modification to the contract. The reduced price is based upon the reasonable value of the item, considering the possible cost of correcting the item.
- Terminate the contract for default. This action is taken only as a last resort. If the item or work must be re-procured, the contractor is normally liable for excess costs incurred by the Government.

The COR may not take any of these actions, but must ensure timely notice of deficiencies to the Contracting Officer.

Liquidated Damages

Liquidated damages are required in DoD construction contracts over $500,000 but may be used in contracts under this threshold if the Contracting Officer determines that the Government may suffer a loss if the project is not completed on time. Liquidated damages are amounts agreed to and settled on in advance to avoid litigation. They are based on the damage one party may incur if the other does not complete the contract on time. Because they are determined prior to award of the contract, they can be only estimates and may not be the actual damages that the party ultimately may incur. The amount does not have to be the exact damages that may be incurred, but must show some reasonable relationship to the anticipated damages. If there is no reasonable relationship to the anticipated damages, these damages will be determined a penalty and will not be enforced. The contract must contain a clause limiting the amount of liquidated damages

that can be assessed a contractor. The Government is entitled to the amount of liquidated damages agreed to unless the contractor has encountered an excusable delay.

The COR must keep accurate notes and records. For example, contractors normally dispute the number of days that have been assessed and not the liquidated damage rate. Consequently, the COR must keep adequate daily records of weather or any conditions that may affect the completion of the contract. Contracting Officers have the final authority as to whether or not they will enforce liquidated damages if the delay is not excusable.

Differing Site Conditions

One of the major risks of a construction project is the type of subsurface or other latent physical condition that will be encountered. If bidders were required to assume the full risk of these conditions, they would either have to examine the site extensively or include contingencies in their bids to protect themselves against potential unfavorable conditions. On the other hand, the Government normally has obtained information concerning site conditions during its design of the project prior to soliciting bids and wants to avoid the disruption and bidding expense that would be involved if each bidder were to make borings or other extensive investigations. The Government's response to this situation has been to make its information about the site available to bidders, to admonish bidders to make reasonable site investigations, and to relieve the contractor from the risk of certain types of unexpected unfavorable conditions while protecting the Government if the conditions turn out to be more favorable than expected. The contractor has an affirmative duty to notify the Government when a differing site condition is encountered.

Contractual Rights of The Government

A contractual right of the Government cannot be waived, nor may a contract be modified for the convenience of a contractor. However, it may be in the best interest of the Government not to reject the materials or services of a construction contract because of resultant utilities shut-off, downtime of equipment or facilities, excessive inconvenience to users or occupants, or other reasons unique to the contract — costs that may not be recoverable from the contractor as damages. If it is desired to accept work that essentially meets the needs of the Government but does not conform to the requirements of the contract, the COR must furnish the Contracting Officer recommendations to accept the work, along with findings on all points in which the work fails to meet contractual requirements and an estimate of the time required (and cost decrease, if applicable) for the contractor to complete performance. The Contracting Officer may extend the contract completion date by formal modification to allow the contractor to correct deficient work.

Progress Payments

FAR 52.232-5, "Payment under Fixed-Price Construction Contracts," provides that the contractor is entitled to progress payments monthly as the work proceeds, or at more frequent intervals as determined by the Contracting Officer. This clause further permits a maximum retention of 10 percent of the amount of the payment until satisfactory progress is achieved, unless a lesser retention percentage is approved by the Contracting Officer. For progress payments, the Contracting Officer should advise the contractor prior to commencement of on-site work to furnish a breakdown of the total contract price showing the amount for each principal category of the work. Such breakdown should be in as much detail as requested by the Contracting Officer, to provide a basis for processing progress payments. The categories of work shown on the contractor's request for progress payment may be the same as set forth in the progress schedule approved by the Contracting Officer in accordance with FAR 52.236-15, "Schedules for Construction Contracts," which is included in all construction contracts having a performance period exceeding 60 days. A detailed breakdown is not needed for final payments under a contract line item.

FAR 52.232-5 also requires the following:

> Along with each request for progress payments, the contractor shall furnish the following certification, or payment shall not be made: I hereby certify, to the best of my knowledge and belief, that (1) The amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract; (2) Payments to subcontractors and suppliers have been made for previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by this certification, in accordance with the subcontract agreements and the requirements of 31 U.S.C. 39; and (3) This request for progress payments does not include any amounts that the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of the subcontract. This certification is not to be construed as final acceptance of a subcontractor's performance.

The COR must screen each invoice for progress payments and the above certification, and compare the total amount invoiced with the progress reports to ensure that the percentage of the amount invoiced is not excessive relative to the percentage of work accomplished. The COR must ensure that quantities, percentage of work completed, list of materials delivered to the job site, and monetary amounts are accurately stated on all receipts and acceptance documents. The COR must forward a copy of each receipt and acceptance document, processed in connection with progress or final payments, to the Contracting Officer concurrent with forwarding the document to the paying office. The COR is responsible for ensuring that payments to the contractor are processed promptly.

Suspension of Work

The Government includes the Suspension of Work clause in all fixed-price construction contracts and in architect-engineer contracts. The Suspension of Work clause allows the Contracting Officer to suspend a contractor's performance for a reasonable period of time. If the suspension is unreasonable, the contractor may be entitled to reimbursement of certain costs that can be attributed to the delay. Ordered suspensions covered by the Suspension of Work clause can be compensated for only if they result in unreasonable delay. A suspension of work differs from a stop work order, which is used in negotiated contracts for supplies and services.

The CORs must maintain adequate records for any actions taken under the Suspension of Work clause. Adequate records may reveal that the contractor contributed to the suspension, that the contractor may not have been damaged by the suspension, or that the Government's suspension was reasonable. COR records are vital in determining the amount of monies that the contractor may be entitled to if the suspension is determined to be unreasonable.

As prescribed in FAR 42.1305 (a), the Contracting Officer must insert the "Suspension of Work" clause in solicitations and contracts when a fixed-price construction or architect-engineer contract is contemplated. "Suspension of Work: The Contracting Officer may order the Contractor, in writing, to suspend, delay or interrupt all or any part of the work of this contract for the period of time that the Contracting Officer determines appropriate for the convenience of the Government."

If the performance of all or any part of the work is, for an unreasonable period of time, suspended, delayed, or interrupted (1) by an act of the Contracting Officer in the administration of this contract, or (2) by the Contracting Officer's failure to act within the time specified in this contract (or within a reasonable time if not specified), an adjustment must be made for any increase in the cost of performance of this contract (excluding profit) necessarily caused by the unreasonable suspension, delay, or interruption, and the contract modified in writing accordingly. However, no adjustment may be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the contractor, or for which an equitable adjustment is provided for or excluded under any other term or condition of this contract. A claim under this clause must not be allowed (1) for any cost incurred more than 20 days before the contractor has notified the Contracting Officer in writing of the act or failure to act involved (but this requirement may not apply as to a claim resulting from a suspension order), and (2) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the contract.

Chapter 10. Key Points

1. Performance and Payment Bonds are critical tools in ensuring satisfactory contractor performance for construction contracts in excess of the simplified acquisition threshold.
2. The acquisition regulations inspection clause for construction is key in providing the COR the authority to oversee contract performance.
3. Just like service contracts the COR must ensure the contractor is complying with the terms and conditions of the contract and correct any contractor caused deficiencies in a timely manner.
4. Liquidated damages are another key tool of construction contracts and acts as a motivator to ensure timely completion. Liquidated damages cannot be considered a penalty but must adequately reflect what costs the Government will incur if the project is not completed according to the contract schedule.
5. The unique nature of construction is that there will be something discovered during performance that differs from the original contract documentation. Addressing these changes is accomplished through differing site conditions. There are two types of differing site conditions: 1) Category I, and,2) Category II. The changes clause process is used to definitize these actions.
6. Progress payments are typically provided under a construction contract due to the length of time it takes to complete a project and the incremental nature of the costs incurred under a construction contract.
7. It is imperative for a COR to maintain good records if a suspension of work is issued. The COR records may be vital in determining the amounts the contractor may be entitled to if the suspension is determined to be unreasonable.

Chapter 11:
Foreign Acquisition and International Relationships

Domestic Trade

Many countries, including the U.S., have established domestic preference laws to protect the domestic economy and industry. However, in today's global economy, no one country is immune from the economic benefits to international trade.

International Trade

International Trade is the exchange of capital, goods and services across international borders. Generally, however, international trade is more expensive than domestic trade because of tariffs, time costs in border delays and packaging, and costs directly related to differences in language, culture and legal requirements. Also, factors of production such as capital and labor are more mobile within a country than across borders. To offset the increased costs of international trade, countries often enter into trade agreements, which eliminate tariffs, import quotas, and preferences for most goods and services traded.

Prohibited Sources[37]

DoD is prohibited from awarding contracts or allowing subcontracts to a firm or a subsidiary of a firm if the government of a terrorist country. Currently the Department of State lists Cuba, Iran, Sudan, and Syria as terrorist countries.

U.S. Domestic Preference Legislation

The Buy American Act

The Buy American Act (BAA) is the major domestic preference statute governing procurement by the Government. Essentially, the BAA protects domestic labor by providing a preference for domestic goods in Government purchases. In determining what are or are not American goods, the place of mining, production, or manufacture is the determining factor. The nationality of the contractor is not considered when determining if a product is of domestic origin. The BAA does not apply to articles

[37] For more information about policies toward foreign countries for the export of defense articles and defense services, visit http://www.pmddtc.state.gov/embargoed_countries/index.html.

procured for "use outside the U.S.", nor is it applicable to procurements below the micro-purchase threshold. (See definition in FAR 2.101)

The Trade Agreements Act of 1979 authorizes the President to waive any otherwise applicable "law, regulation or procedure regarding Government procurement" that would accord foreign products less favorable treatment than that given to domestic products. Other treaties and agreements also place limitations on the application of the Act and must be considered when looking at any Buy American question.

Coverage of the Buy American Act

The Act applies to all federal procurements, but has separate provisions for supply contracts and construction contracts. Most of the rules and definitions used in applying the Act are found in the FAR Part 25 and DFARS Part 225, not in the Act itself.

The Act differentiates between manufactured and un-manufactured articles. An un-manufactured article will be deemed a domestic end product or construction material if it has been mined or produced in the U.S. Manufactured articles are considered domestic if they have been manufactured in the U.S. from components, substantially all of which have been mined, produced, or manufactured in the U.S. Substantially all means that the cost of foreign components does not exceed 50% of the cost of all components.

Exceptions to the Buy American Act

The primary exceptions to the Buy American Act are:

- ***Inconsistent with the Public Interest***

The Head of the Agency may waive the requirements of the Act if a determination is made that the application of the Act would be inconsistent with the public interest. This public interest exception has often been used like a national security exception by the DoD, but is also available for non-defense purposes. This exception places considerable discretion in the head of the agency.

- ***Unreasonable Cost***

A federal agency is permitted to use a foreign product if the Contracting Officer determines that the cost of the lowest priced domestic product is "unreasonable." A 50% differential is applied to DoD procurements.[38] The differential is added to the lowest acceptable foreign offer and then compared to the lowest acceptable domestic offer. The differential is applied only to the bid price for material to be delivered under the contract,

[38] Outside DoD, the differential is 6% or 12% if the contract involves a small business or labor surplus area.

not the total contract price. In most cases, the differential is applied on an item by item basis; however, a solicitation may provide that, for purposes of the BAA, certain items will be lumped together.

- ***Not Produced or Manufactured in the U.S. in Sufficient and Reasonably Available Commercial Quantities and of Satisfactory Quality***

FAR 25.104 provides a list of articles which fall under this exemption.

The Berry Amendment

The Berry Amendment is a statutory requirement that restricts the DoD from using funds appropriated or otherwise available to DoD for procurement of food, clothing, fabrics, fibers, yarns, other made-up textiles, and hand or measuring tools that are not grown, reprocessed, reused, or produced in the U.S. This includes foreign military sale transactions and any time a DoD buying activity is purchasing on behalf of another agency. Likewise, any purchase on behalf of DoD by another agency, for example the General Services Administration (GSA), must also comply. Berry Amendment rules apply even if the DoD-funded purchase is not a DoD-awarded contract. The Berry Amendment follows the funds – if DoD funds are sent to another federal agency, the Berry Amendment still applies.

The Berry Amendment applies to BOTH end items and components. The requirement for domestic origin flows down through all the tiers of suppliers, e.g., it does not stop with what the prime contractor manufactures or assembles. The prime contractor is responsible for verifying the source of all materials and components from subcontractors.

If an acquisition involves items covered by the Berry Amendment, and the contractor cannot locate a domestic source, a Domestic Non-Availability Determination (DNAD) may be appropriate. The prime contractor must request a DNAD through the Contracting Officer. DFARS PGI 225.7002-2(b) establishes the process for requesting a DNAD.

In accordance with DFARS 225.7002-2(b), the Secretaries of the Military Departments and the Director, Defense Logistics Agency, without power of redelegation, have authority to approve DNADs for their respective requirements. The Under Secretary of Defense for Acquisition, Technology & Logistics is the DNAD approval authority for the other defense components.

Note: A comparison of the Berry Amendment and the BAA is provided in figure 11.1. The figure is another way to see the differences discussed above between the Berry Amendment and the BAA.

Figure 11.1 – A Comparison of the Berry Amendment and the Buy American Act

Name	Ref Law	Applies to	Flow down	Covered Items	Thresholds	Domestic Content	Commercial Exception?	Qualifying Country Exception	Where Contract Performed
Berry	10USC 2533a	DoD	All tiers of contractors	Specified in law	> Simplified Acquisition Threshold	100%	No	Applies to Chemical Warfare Protective Clothing (all qualifying countries) and par-aramid fibers (Netherlands only))	Anywhere
BAA	41 USC 10a - 10d	Gov't wide	End item only	Supply Purchases	> Micro-purchase Threshold	50%	Yes - for IT	Applies to all items	In U.S. Only

Trade Agreements

The U.S. is party to many trade agreements worldwide including:

- The World Trade Organization Government Procurement Agreement (WTO GPA) allows for reciprocal acquisition of items with the 39 signatory countries if it is an authorized item (specified broadly by the Federal Supply Code) and meets a certain dollar value threshold (see FAR Part 25);
- Free Trade Agreements (FTA) (with 17 countries);
- The least developed country designation made by the U.S. Trade Representative in acquisitions covered by the WTO GPA (this includes Afghanistan); and
- The Caribbean Basin Trade Initiative, with the exception of Panama, must be treated as eligible products in acquisitions covered by the WTO GPA.

For more information on Trade Agreements, please go to the Office of the U.S. Trade Representative website at http://www.ustr.gov/trade-agreements.

International Relationships

CORs need to consider cultural differences when monitoring contracts performed overseas. CORs who work with non-U.S. contractors should be aware of the total spectrum of communication: language, nonverbal communication, customs and perceived values. Examples of cultural differences that can effect contract performance include:

- Americans value equality and believe that they will become successful if they work hard. In the Middle East, family status is more important to success. For example, to become a police officer in Saudi Arabia, a person must be related to the King, even if remotely, like a third cousin.
- Americans value competition, but in many places of the world, cooperation is more important. This cultural difference can lead to collusion among contractors proposing on contracts. Also, nepotism, whereby multiple family members are involved in one or more business units, is very common. For example, contractors may decide which one of them will get the next contract and some of the competing offerors may be extended family members of multiple business units.
- Americans value individuality. In places like the Middle East, the group or tribe is more important than individuals and may be key to an individual's success.
- In the Mediterranean, South American and Asian cultures, extended family is very important.

To work effectively with people from other cultures, the COR should keep the following tips in mind:

- Be careful when using first names. First names may mean a lifelong relationship. Therefore, be careful to use only last names unless the relationship is sincerely close. Using first names too freely may hurt the COR's reputation and possibly the business relationship.
- Constructive criticism is often viewed as a personal attack. Be careful on providing criticism and making a negative point. Foreign cultures handle criticism differently. Always try to make the point without too much criticism unless you have a lot of back-up documentation.
- Find different ways of saying "no" without actually saying "no". For example, the COR could say "I'll see what I can do." Americans appreciate an honest answer, but in many cultures, an evasive answer is the norm. People from such cultures do not want to disappoint others. In some cultures, "no" is interpreted as an expression of personal dislike.
- Be sensitive to ethnic or national sensitivities. For example, do not refer to people from Okinawa as Japanese, and do not refer to the Arabian Gulf as the Persian Gulf when speaking to a Saudi. In other cases, not knowing or not distinguishing the difference between nationalities can cause hard feelings. Do Canadians like being grouped in with Americans? Do the Scots like being referred to as English?
- Ethical and legal dilemmas are always prevalent. Many foreign cultures do not have either a legal or ethical limit regarding providing gifts, food, money, or other items or services of value to people in positions of influence or power. Be very careful to not cross over the legal boundary to violate U.S. Law. It is your responsibility to find the most appropriate tone and phrase to say 'no' when you need to.

Working in another culture can be an exciting experience. CORs may make friends for life and do things they never thought possible. However, CORs must be careful when dealing with foreign contractors. There is a thin line between working within the foreign culture and violating U.S. Laws. Even the best intentions can land someone in jail. CORs must be careful and understand their limitations. Even if it is legal to do something, it does not necessarily mean it should be done. The COR should consult with the legal office about such concerns.

Business Culture

CORs meet with contractors routinely. When scheduling meetings with non-U.S. contractors, remember non-U.S. contractors may routinely start meetings with small talk and even a meal before turning to business. The COR should discuss this issue – particularly the need to accept meals – with their leadership, legal office and the Contracting Officer.

Third world contractors may view time differently than Americans. **Americans place a great emphasis on timeliness.** A COR may find that a contractor's approach to time is much slower and more relaxed than in American culture. This cultural difference can frustrate a COR to the point of being counterproductive. To be most effective, the COR needs to understand the differences and work within the system, rather than forcing American ideas of urgency.

Americans love their personal space, but in many countries, such as in the Middle East, personal space is very small. In those countries, moving away from the person gives the perception you do not like them (and may be considered rude). Touching may be more or less prevalent. In the Middle East, holding hands for a long time, compared to a normal handshake, is common. Their handshake may be soft and may hold your hand for 30 seconds to a minute, which may be awkward for those who are not used to it.

Living patterns in some countries are very different. For example, in Saudi Arabia, transactions are slower from June to September due to vacations. In Europe, many individuals take their vacations for the entire month of August. Also CORs should be prepared for contractors to accomplish very little during Ramadan, a month long Muslim holiday.

Note: CORs should use their understanding of the local culture to achieve successful outcomes. It takes understanding, planning and patience when working with non-U.S. contractors. When communicating, CORs should use clear and concise language and should avoid jargon and acronyms. Above all, CORs should keep a professional working relationship. They should take cultural factors into account, but should discern between cultural differences and excuses.

Additional Guidance

Listed below are some sources of additional guidance on cultural awareness.

• The US Marine Corps Center for Advanced Operational Culture Learning (CAOCL) provides information about regional cultures and languages to help planning and operations in a Joint expeditionary environment. The CAOCL Web site (http://www.tecom.usmc.mil/caocl/) provides specific cultural links related to Operation Iraqi Freedom, Operation Enduring Freedom, United States Africa Command, United States Pacific Command, United States Southern Command, and United States Central Command.

• The Defense Language Institute Foreign Language Center offers culturally based education (including predeployment materials) in more than 40 languages. The center's Web site offers downloadable products for predeployment training, deployment use, or refresher training at http://www.dliflc.edu/products.html.

• The Air Force Air University Web site offers sociocultural and language resources at http://www.au.af.mil/culture/index.htm. One such resource is the Air Force Culture and Language Center's Expeditionary Skills Training Portal (http://www.culture.af.edu/estPortal.html) for those who are preparing to deploy.

Chapter 11. Key Points

1. The BAA applies to acquisitions by any organization of the Federal Government. The BAA applies to end products only, not to components. It does not flow down to subcontractors, and there are many exceptions. Two of the most commonly used by DoD are the exception for 21 Qualifying Countries and the exception for items "not reasonably available commercial quantities and of satisfactory quality."
2. The Berry Amendment applies to acquisitions for DoD funds. It requires that 100 percent of the covered products be produced in the U.S. It applies to all components in the product and to suppliers at every tier of the supply chain. There are very few exceptions.
3. The exception allowing overseas purchase for goods to be used only outside the U.S. is very helpful in a deployed theatre.
4. CORs need to consider cultural differences when monitoring contracts performed outside the U.S. CORs who work with non-U.S. contractors should speak clearly and avoid acronyms. The COR may need to take more time to explain what's required in the contract. If there are any problems, the COR must contact the Contracting Officer.

5. Be sensitive to ethnic or national sensitivities.
6. The offering of gifts, food, money, or other items or services of value is common in foreign cultures. Be very careful not to cross over the legal boundary to violate U.S. Law. It is the COR's responsibility to find the balance between tone and the correct phrase to use saying "no". There are many ways to say "no" to a non-U.S. contractor.

Appendix A: Forms

Contents

- Contract Forms:
  - Standard Form (SF) 26: Award/Contract
  - SF 30: Amendment of Solicitation/Modification of Contract
  - SF 33: Solicitation, Offer and Award

- Receiving Reports:
  - SF 1449: Solicitation/Contract/Order for Commercial Items
  - Department of Defense (DD) Form 1155: Order for Supplies or Services
  - DD 250: Material Inspection and Receiving Report
  - Invoices Used as Receiving Reports

- Other Reports:
  - DD 2772: Contractor Discrepancy Report
  - COR Monthly Report to the Contracting Officer
  - SPOT Letter of Authorization

- Funding Forms

Contract Forms

CORs need to understand the terms and conditions of the contract as well as the Uniform Contract Format.

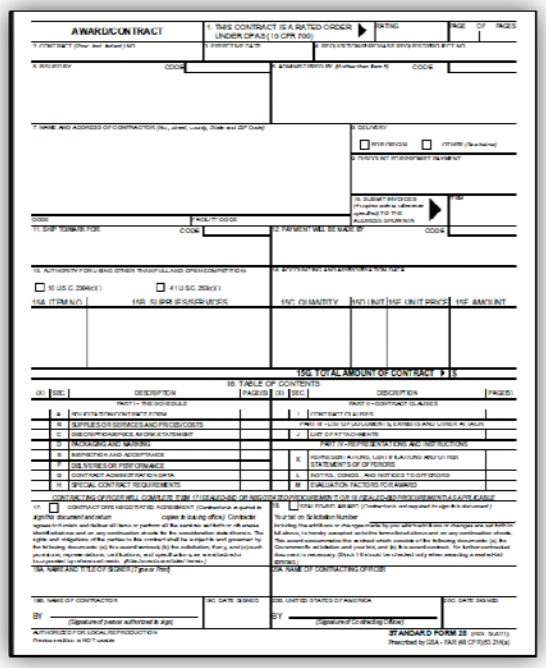
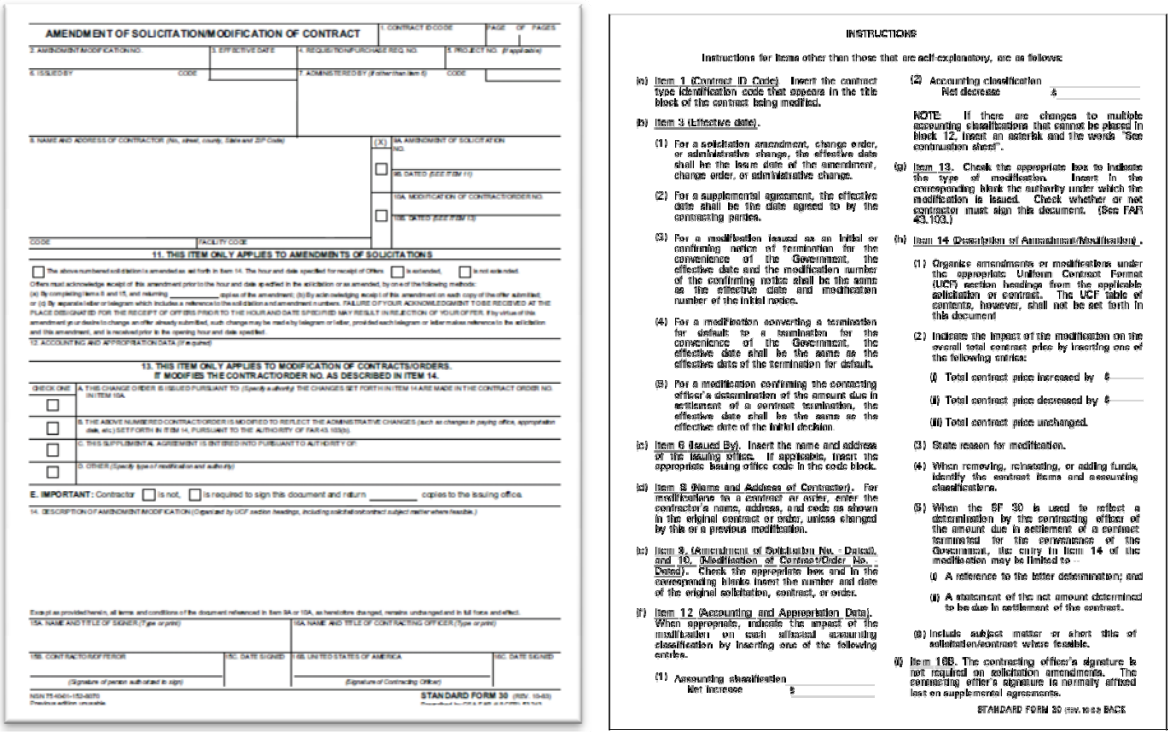


Figure A.1: SF 26 – Award/ Contract



AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE | PAGE OF PAGES

2. AMENDMENT/MODIFICATION NO. | 3. EFFECTIVE DATE | 4. REQUISITION/PURCHASE REQ. NO. | 5. PROJECT NO. (If applicable)

6. ISSUED BY | CODE | 7. ADMINISTERED BY (If other than Item 6) | CODE

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)

(X) 9A. AMENDMENT OF SOLICITATION NO.

☐ 9B. DATED (SEE ITEM 11)

☐ 10A. MODIFICATION OF CONTRACT/ORDER NO.

☐ 10B. DATED (SEE ITEM 13)

CODE | FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE

☐ A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.

☐ B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).

☐ C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:

☐ D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor ☐ is not, ☐ is required to sign this document and return _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print) | 16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)

15B. CONTRACTOR/OFFEROR | 15C. DATE SIGNED | 16B. UNITED STATES OF AMERICA | 16C. DATE SIGNED

(Signature of person authorized to sign) | (Signature of Contracting Officer)

NSN 7540-01-152-8070 | STANDARD FORM 30 (REV. 10-83)

INSTRUCTIONS

Instructions for items other than those that are self-explanatory, are as follows:

(a) Item 1 (Contract ID Code). Insert the contract type identification code that appears in the title block of the contract being modified.

(b) Item 3 (Effective date).

(1) For a solicitation amendment, change order, or administrative change, the effective date shall be the issue date of the amendment, change order, or administrative change.

(2) For a supplemental agreement, the effective date shall be the date agreed to by the contracting parties.

(3) For a modification issued as an initial or confirming notice of termination for the convenience of the Government, the effective date and the modification number of the confirming notice shall be the same as the effective date and modification number of the initial notice.

(4) For a modification converting a termination for default to a termination for the convenience of the Government, the effective date shall be the same as the effective date of the termination for default.

(5) For a modification confirming the contracting officer's determination of the amount due in settlement of a contract termination, the effective date shall be the same as the effective date of the initial decision.

(c) Item 6 (Issued By). Insert the name and address of the issuing office. If applicable, insert the appropriate issuing office code in the code block.

(d) Item 8 (Name and Address of Contractor). For modifications to a contract or order, enter the contractor's name, address, and code as shown in the original contract or order, unless changed by this or a previous modification.

(e) Item 9 (Amendment of Solicitation No. - Dated), and 10. (Modification of Contract/Order No. - Dated). Check the appropriate box and in the corresponding blanks insert the number and date of the original solicitation, contract, or order.

(f) Item 12 (Accounting and Appropriation Data). When appropriate, indicate the impact of the modification on cost accounting classification by inserting one of the following entries.

(1) Accounting classification
Net increase $ _____

(2) Accounting classification
Net decrease $ _____

NOTE: If there are changes to multiple accounting classifications that cannot be placed in block 12, insert an asterisk and the words "See continuation sheet".

(g) Item 13. Check the appropriate box to indicate the type of modification. Insert in the corresponding blank the authority under which the modification is issued. Check whether or not contractor must sign this document. (See FAR 43.103.)

(h) Item 14 (Description of Amendment/Modification).

(1) Organize amendments or modifications under the appropriate Uniform Contract Format (UCF) section headings from the applicable solicitation or contract. The UCF table of contents, however, shall not be set forth in this document.

(2) Indicate the impact of the modification on the overall total contract price by inserting one of the following entries:

(i) Total contract price increased by $ _____

(ii) Total contract price decreased by $ _____

(iii) Total contract price unchanged.

(3) State reason for modification.

(4) When removing, reinstating, or adding funds, identify the contract items and accounting classifications.

(5) When the SF 30 is used to reflect a determination by the contracting officer of the amount due in settlement of a contract terminated for the convenience of the Government, the entry in Item 14 of the modification may be limited to:

(i) A reference to the letter determination; and

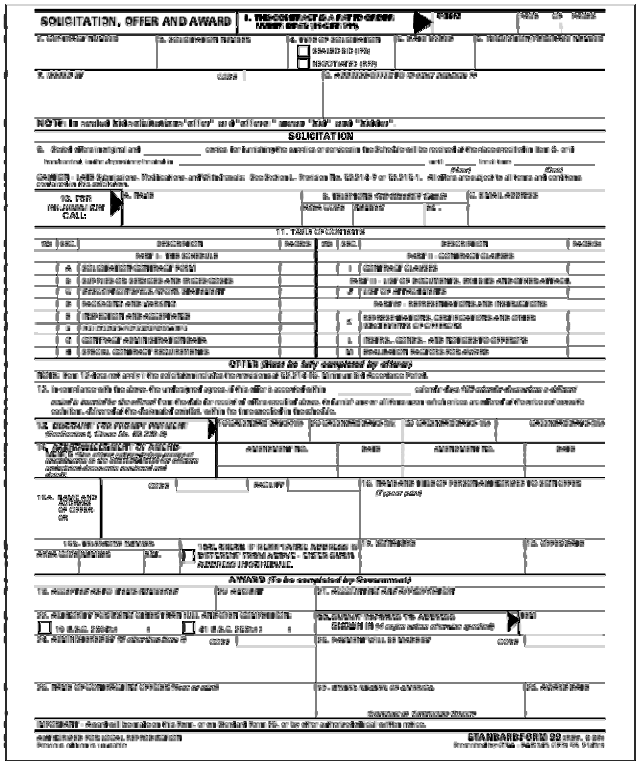
(ii) A statement of the net amount determined to be due in settlement of the contract.

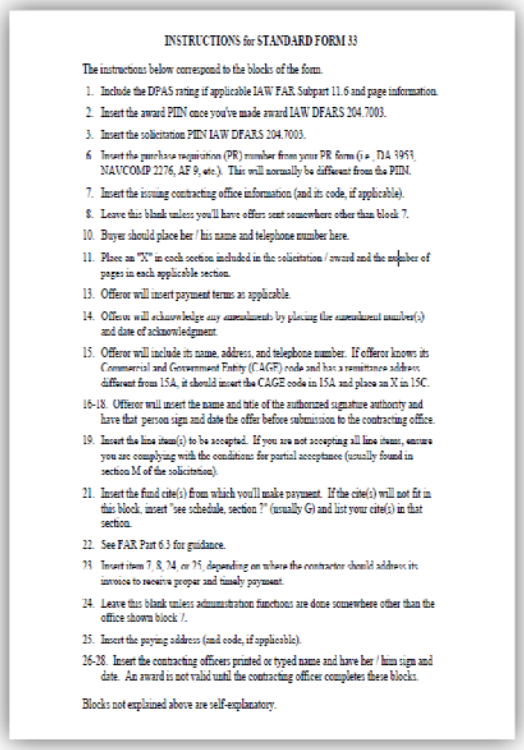
(6) Include subject matter or short title of solicitation/contract where feasible.

(i) Item 16B. The contracting officer's signature is not required on solicitation amendments. The contracting officer's signature is normally affixed last on supplemental agreements.

STANDARD FORM 30 (REV. 10-83) BACK

Figure A.2: SF 30 - Amendment of Solicitation/Modification of Contract





INSTRUCTIONS for STANDARD FORM 33

The instructions below correspond to the blocks of the form.

1. Include the DPAS rating if applicable IAW FAR Subpart 11.6 and page information.
2. Insert the award PIIN once you've made award IAW DFARS 204.7003.
3. Insert the solicitation PIIN IAW DFARS 204.7003.
6. Insert the purchase requisition (PR) number from your PR form (i.e., DA 3953, NAVCOMP 2276, AF 9, etc.). This will normally be different from the PIIN.
7. Insert the issuing contracting office information (and its code, if applicable).
8. Leave this blank unless you'll have offers sent somewhere other than block 7.
10. Buyer should place her / his name and telephone number here.
11. Place an "X" in each section included in the solicitation / award and the number of pages in each applicable section.
13. Offeror will insert payment terms as applicable.
14. Offeror will acknowledge any amendments by placing the amendment number(s) and date of acknowledgment.
15. Offeror will include its name, address, and telephone number. If offeror knows its Commercial and Government Entity (CAGE) code and has a remittance address different from 15A, it should insert the CAGE code in 15A and place an X in 15C.
16-18. Offeror will insert the name and title of the authorized signature authority and have that person sign and date the offer before submission to the contracting office.
19. Insert the line item(s) to be accepted. If you are not accepting all line items, ensure you are complying with the conditions for partial acceptance (usually found in section M of the solicitation).
21. Insert the fund cite(s) from which you'll make payment. If the cite(s) will not fit in this block, insert "see schedule, section J" (usually G) and list your cite(s) in that section.
22. See FAR Part 6.3 for guidance.
23. Insert item 7, 8, 24, or 25, depending on where the contractor should address its invoice to receive proper and timely payment.
24. Leave this blank unless administration functions are done somewhere other than the office shown block 7.
25. Insert the paying address (and code, if applicable).
26-28. Insert the contracting officers printed or typed name and have her / him sign and date. An award is not valid until the contracting officer completes these blocks.

Blocks not explained above are self-explanatory.

Figure A.3: SF 33 - Solicitation, Offer & Award

Receiving Reports

Depending on the kind of contract, the COR uses one of the following receiving reports to document the Government's acceptance of the delivered supply or service:

- SF 1449: Solicitation/Contract/Order for Commercial Items;
- DD 1155: Order for Supplies or Services;
- DD 250: Material Inspection and Receiving Report; or
- Invoices used as receiving reports.

The COR most likely will use the SF 1449, DD 1155, or DD 250 (Table A.1 is a crosswalk between the key blocks on these three forms). The COR also may use an agency-specific requirements package or SF 26, Award/Contract.

When partial supplies or services are required, once the initial receiving report is done on the SF 1449, the subsequent receiving reports are made with a DD 250.

This section depicts the three forms and contains some instructions on completing them. The Office of Defense Procurement and Acquisition Policy (DPAP) provides further instructions on completing these forms, and links to the forms themselves, at

http://www.acq.osd.mil/dpap/ccap/cc/jcchb/HTML/forms.html. There is also a discussion on invoices used as receiving reports.

The SF 1449, Solicitation/Contract/Order for Commercial Items, Figure A.3, is the most common receiving report for supplies and services for commercial items and is usually the first page of the contract. It is a streamlined document, but it still contains contract line item numbers (CLIN), delivery dates, funding, clauses, and the Statement of Objectives, Statement of Work, or Performance Work Statement (SOO/SOW/PWS).

When preparing the SF 1449, the COR should ensure completion of blocks 32a (check received and accepted), 32b (signature of official authorized to accept supplies/services), 32c (date supplies/services accepted), 32d (printed name and title of authorized representative), 32e (mailing address of authorized representative), 32f (telephone number), 32g (e-mail address), 33 (shipment number), 35 (amount verified correct), 36 (payment: complete, partial, or final), 42a (printed name of receiver), and 42c (date received). The same name may appear in blocks 32d and 42a if the same individual both receives and accepts the supplies or services. If the receiver and acceptor are different individuals, the names in these two blocks will be different.

If partial payment is authorized, the COR should document the number of items or amount of services that have been received and accepted and the total dollars per line item to be paid.

Note: CORs must document partial payments carefully. Some contractors will understand the system better than the COR and may try to obtain double payments for the same work completed.

As noted above, DPAP provides instructions for completing blocks 1 through 31c of the SF 1449. The Contracting Officer will complete blocks 1 through 30, with the exception of blocks 12, 17, 23, 24, and 30, which are completed by the contractor. The remaining blocks are the responsibility of those performing the receiving and payment functions.

Note: CORs may see versions of SF 1449s that do not have the receiving information blocks at the bottom of the back of the form. If that is the case, CORs should use DD 250 as the receiving report.

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER: 824 — PAGE 1 OF 2

2. CONTRACT NO.: W90WH9-09-0011
3. AWARD/EFFECTIVE DATE: 23 Jun 09
4. ORDER NUMBER:
5. SOLICITATION NUMBER: W90WH9-09-T-0011
6. SOLICITATION ISSUE DATE: 11 Jun 09

7. FOR SOLICITATION INFORMATION CALL: a. NAME: John Jones — b. TELEPHONE NUMBER (No collect calls): (123)-456-7890 — 8. OFFER DUE DATE/ LOCAL TIME: 05:00 PM 15 Jun

9. ISSUED BY: CODE W90WH9
TFBSO
TFBSO
APO AE 09348

10. THIS ACQUISITON IS
☑ UNRESTRICTED OR
☐ SET ASIDE: % FOR:
☐ SMALL BUSINESS ☐ EMERGING SMALL BUSINESS
☐ HUBZONE SMALL BUSINESS
☐ SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS ☐ 8(A)
NAICS:
SIZE STANDARD:

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED ☐ SEE SCHEDULE
12. DISCOUNT TERMS: Net 30 Days
☐ 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)
13b. RATING
14. METHOD OF SOLICITATION ☑ RFQ ☐ IFB ☐ RFP

15. DELIVER TO: CODE W90WH9
TFBSO
APO AE 09348

16. ADMINISTERED BY: CODE
See Block 9

17a. CONTRACTOR/ OFFEROR: CODE 2XKX2 FACILITY CODE
Company's Name
Address
City, State ZIP
TELEPHONE NO. (987)-654-3210
☐ 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18a. PAYMENT WILL BE MADE BY: CODE HQ0302
DFAS ROME-HQ0302
DFAS RO-FPT
325 BROOKS ROAD
ROME NY 13441-4527
18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED ☐ SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	See Schedule				

(Use Reverse and/or Attach Additional Sheets as Necessary)

25. ACCOUNTING AND APPROPRIATION DATA: See Schedule
26. TOTAL AWARD AMOUNT (For Govt. Use Only): $12,400.00

☐ 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA ☐ ARE ☐ ARE NOT ATTACHED
☐ 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA ☐ ARE ☐ ARE NOT ATTACHED

☐ 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN ____ COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED
☐ 29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR
31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER)
30b. NAME AND TITLE OF SIGNER (Type or print) — 30c. DATE SIGNED
31b. NAME OF CONTRACTING OFFICER (Type or print) — 31c. DATE SIGNED

AUTHORIZED FOR LOCAL REPRODUCTION
PREVIOUS EDITION IS NOT USABLE
STANDARD FORM 1449 (REV. 3/2005)
Prescribed by GSA - FAR (48 CFR) 53.212

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN
☐ RECEIVED ☐ INSPECTED ☐ ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
32c. DATE
32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE
32f. TELPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE
32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER ☐ PARTIAL ☐ FINAL
34. VOUCHER NUMBER
35. AMOUNT VERIFIED CORRECT FOR
36. PAYMENT ☐ COMPLETE ☐ PARTIAL ☐ FINAL
37. CHECK NUMBER
38. S/R ACCOUNT NO.
39. S/R VOUCHER NUMBER
40. PAID BY

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER
41c. DATE
42a. RECEIVED BY (Print)
42b. RECEIVED AT (Location)
42c. DATE REC'D (YY/MM/DD)
42d. TOTAL CONTAINERS

STANDARD FORM 1449 (REV. 3/2005) **BACK**

Figure A.4: Sample SF 1449

DD Form 250, Material Inspection and Receiving Report

The DD Form 250, shown in Figure A.4, is a multi-purpose report used for the following.

- To provide evidence of Government contract quality assurance at origin or destination;
- To provide evidence of acceptance at origin or destination;
- For packing lists;
- For receiving;
- For shipping;
- As a contractor invoice; and
- As commercial invoice support.

DD 250 is used as the receiving report for procurement actions awarded using SF 1449 or DD 1155. When filling in the DD 250, the COR can find related information on the SF 1449 and DD 1155 as identified in Table A.1.

The receiving or acceptance activity will complete blocks 1 to 20, 21a, 21b, and 22, including signatures, typed names, titles, mailing address, and phone numbers. If there are separate receiving and acceptance officials, blocks 21 and 22 must reflect each individual appropriately. The acceptance authority (signer) is designated in Section E of the contract.

Defense Federal Acquisition Regulation Supplement (DFARS) Appendix F provides instructions for preparing and completing the DD 250. The following instructions provide guidance for the COR and quality assurance personnel, as appropriate.

MATERIAL INSPECTION AND RECEIVING REPORT

Form Approved
OMB No. 0704-0248

The public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to the Department of Defense, Executive Services and Communications Directorate (0704-0248). Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to any penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE ABOVE ORGANIZATION.
SEND THIS FORM IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN THE DFARS, APPENDIX F-401.

1. PROCUREMENT INSTRUMENT IDENTIFICATION (CONTRACT) NO.	ORDER NO.	6. INVOICE NO./DATE	7. PAGE	OF	8. ACCEPTANCE POINT
W91GDW-00-M-1234		M-1234/31 Jan 09	1	1	

2. SHIPMENT NO.	3. DATE SHIPPED	4. B/L	5. DISCOUNT TERMS
		TCN	

9. PRIME CONTRACTOR CODE	10. ADMINISTERED BY CODE
CAMP VICTORY BAGHDAD IRAQ POC: FRED SMITH	JOINT CONTRACTING COMMAND - IRAQ Task Force - Business Stability Operations International Zone, Baghdad, Iraq APO AE 09348
11. SHIPPED FROM *(if other than 9)* CODE FOB:	**12. PAYMENT WILL BE MADE BY** CODE DFAS-ROME 325 Brooks Rd Rome, NY 13442-4527 Customer Service # 800-555-4444
13. SHIPPED TO CODE Capt David Jones Task Force - Business Stability Operations Baghdad, Iraq APO AE 09348	**14. MARKED FOR** CODE

15. ITEM NO.	16. STOCK/PART NO. DESCRIPTION *(Indicate number of shipping containers - type of container - container number.)*	17. QUANTITY SHIP/REC'D*	18. UNIT	19. UNIT PRICE	20. AMOUNT
1	LAX ISD-26X12CMB SYS PAL (Surveillance Camera) SN: SPD6022J000000, SPD6022J00099	2	EA	4,360.00	$ 0.00

21. CONTRACT QUALITY ASSURANCE

a. ORIGIN

☐ CQA ☐ ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.

DATE | SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
TYPED NAME:
TITLE:
MAILING ADDRESS:
COMMERCIAL TELEPHONE NUMBER:

b. DESTINATION

☐ CQA ☒ ACCEPTANCE of listed items has been made by me or under my supervision and they conform to contract, except as noted herein or on supporting documents.

00090311 //SIGNED//
DATE | SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
TYPED NAME:
TITLE:
MAILING ADDRESS:
COMMERCIAL TELEPHONE NUMBER:

22. RECEIVER'S USE

Quantities shown in column 17 were received in apparent good condition except as noted.

00090311 //SIGNED//
DATE RECEIVED | SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE
TYPED NAME:
TITLE:
MAILING ADDRESS:
COMMERCIAL TELEPHONE NUMBER:

** If quantity received by the Government is the same as quantity shipped, indicate by (X) mark; if different, enter actual quantity received below quantity shipped and encircle.*

23. CONTRACTOR USE ONLY

DD FORM 250, AUG 2000 PREVIOUS EDITION IS OBSOLETE. Reset

Figure A.5: Sample DD 250

SF 1449	*DD 1155*	*DD 250*
Block 2 and/or 4	Block 1	Block 1 (procurement instrument identification number)
Block 11	Block 8	Block 8 (acceptance point)
Block 17a	Block 9	Block 9 (prime contractor)
Block 16	Block 7	Block 10(administered by)
Block 18a	Block 15	Block 12 (payment will be made by)
Block 15	Block 14	Block 13 (shipped to)
Page with CLINs	Page with CLINs	Blocks 15-20 (item no, description, quantity, unit, unit price, total amount)

Table A.1: SF1449/DD1155/DD250 Crosswalk

Invoices Used as Receiving Reports

A contractor's invoice can be used as a receiving report if the contract or purchase order provides for use of Government certified invoices instead of a separate receiving report.

If the COR is accepting contractor performance or delivery by using a Government certified invoice, he or she should include this statement: "I certify the supplies/services have been received and accepted on (day, month, and year)." This statement may be on an invoice, delivery ticket, voucher, or separate piece of paper, and it must contain printed name, title, telephone number, date, and signature of the Government official authorized to receive and accept the supplies or services.

Other Reports

The **DD 2772, Contractor Discrepancy Report (CDR),** Figure A.5, is generally prepared by a COR to notify the contractor of a pending discrepancy. In most instances the purpose of the form is to allow the contractor to correct the discrepancy without interference from the Government.

CONTRACT DISCREPANCY REPORT

1. CONTRACT NUMBER	2. REPORT NUMBER FOR THIS DISCREPANCY
3. TO *(Contractor and Manager's Name)*	4. FROM *(Name of QAE)*

5. DATES *(YYYYMMDD)*

a. PREPARED	b. RETURNED BY CONTRACTOR	c. ACTION COMPLETE

6. DISCREPANCY OR PROBLEM *(Describe in detail. Include reference to PWS Directive; attach continuation sheet if necessary.)*

7. SIGNATURE OF CONTRACTING OFFICER

8a. TO *(Contracting Officer)*	b. FROM *(Contractor)*

9. CONTRACTOR RESPONSE AS TO CAUSE, CORRECTIVE ACTION AND ACTIONS TO PREVENT RECURRENCE. *(Cite applicable Q.C. program procedures or new Q.C. procedures. Attach continuation sheet(s) if necessary.)*

10. SIGNATURE OF CONTRACTOR REPRESENTATIVE	b. DATE *(YYYYMMDD)*

11. GOVERNMENT EVALUATION *(Acceptance, partial acceptance, reflection. Attach continuation sheet(s) if necessary)*

12. GOVERNMENT ACTIONS *(Reduced payment, cure notice, show cause, other)*

13. CLOSE OUT

	NAME (1)	TITLE (2)	SIGNATURE (3)	DATE *(YYYYMMDD)* (4)
a. CONTRACTOR NOTIFIED				
b. QAE				
c. ACO				

DD FORM 2772, SEP 1998 REPLACES MT FORM 352-R, WHICH IS OBSOLETE. Reset Adobe Professional 8.0

Figure A.6: Sample DD 2772

COR Monthly Report to the Contracting Officer: A sample form for the COR's monthly report to the Contracting Officer appears in Figure A.6.

COR Monthly Report to the Contracting Officer

1. CONTRACT NO / SERVICE.:

2. CONTRACT PERIOD OF PERFORMANCE

3. CONTRACTOR:

4. METHOD(S) OF SURVEILLANCE:

5. This document is in accordance with the Inspection of Services Clause FAR 52.246-4 or FAR 52.212-4(a) Inspections (for commercial contracts) and the Quality Assurance Surveillance Plan requirements.

6. Complete each of the following and provide detailed explanation. Attach additional documents if explanation is long or requires supporting evidence.

a. Quality of Work: *( ) Exceptional* *( ) Very Good* *( ) Satisfactory* *( ) Marginal* *( ) Unsatisfactory*

b. Was the contractor's performance timely: *( ) YES* *( ) NO*

c. Are there any significant issues that should be brought to the contracting officer's attention? *( ) YES* *( ) NO*

d. Action being taken by contractor to correct discrepancies: *( ) YES* *( ) NO Discrepancies this month*

7. CUSTOMER COMPLAINTS:
   a. Number of customer complaints:
   b. Number of VALID customer complaints:

8. ADDITIONAL COR COMMENTS:

9. I hereby certify that services have been received and accepted.

CONTRACTING OFFICER'S REPRESENTATIVE SIGNATURE / DATE

Figure A.7: Sample COR Monthly Report

Synchronized Pre-deployment and Operational Tracker (SPOT) Letter of Authorization

The letter of authorization (LOA) form generated by SPOT states that "the Government organization specified above, in its mission support capacity under the contract, authorizes the individual employee identified herein, to proceed to the location(s) listed for the designated deployment period set forth above." It identifies specific privileges, and it addresses travel and emergency medical support. The LOA must include the Contracting Officer's signature, or the COR's signature (if authorized by the Contracting Officer), and contact information. Figure A.7 shows a sample LOA.

LETTER OF AUTHORIZATION			DATE OF REQUEST 8/23/2007
REQUIRING ACTIVITY (e.g. Army Contracting Agency)	GOVT AGENCY POC Doe, John	GOVT AGENCY POC PHONE 123-456-7890	GOVT AGENCY POC EMAIL lskdjsdjf@tst.com
NAME (Last, First, Middle Initial) Jones, Stanley	SSN / FIN xxx-xx-1234	DATE OF BIRTH 6/1/1960	PLACE OF BIRTH
HOME ADDRESS		CITIZENSHIP United States	PASSPORT # / EXPIRATION 1234567890123 12/31/2010
		DEPLOYMENT PERIOD START Wednesday, August 01, 2007	DEPLOYMENT PERIOD END Monday, September 01, 2008
EMAIL sfdjsk@tst.com		THEATER EMAIL test.data@us.army.mil	
CLEARANCE LEVEL w/ AGENCY None	CLEARANCE DATE (MM/DD/YYYY) Monday, January 01, 0001	JOB TITLE Action Officer	SUPERVISOR / MANAGER ☑ NON-SUPERVISOR / NON-MANAGER ☐
COMPANY (full name) XYZ Company	COMPANY POC Smith, Jane	COMPANY POC TELEPHONE 123-456-7890	COMPANY POC EMAIL skdljk@tst.com
CONTRACT NUMBER/ TASK ORDER XYZ1234/ABC7890	CONTRACT PERIOD START 12/12/2006	CONTRACT PERIOD END 12/12/2012	CONTRACT ISSUING AGENCY (e.g. DARPA)
NEXT OF KIN (NOK) NAME	NOK RELATIONSHIP	NOK TELEPHONE	NOK ALTERNATE TELEPHONE
IN-THEATER CONTACT		CONTACT'S PHONE 02993802394209	CONTACT'S EMAIL skdflkjsdf@tst.com

COUNTRIES TO BE VISITED	GOVERNMENT FURNISHED SERVICES	
Belgium	☐ APO/FPA ☑ Billeting ☑ Commissary ☑ DFACS ☑ Excess Baggage ☐ Medical/Dental ☑ Mil Clothing ☐ Mil Issued Equip ☑ MWR	☑ Authorized Weapon ☑ CAC/ID Card ☑ Dependents Authorized ☐ DoDI Essential ☑ Fuel Authorized ☑ Mil Banking ☑ Mil Exchange ☐ Milair ☑ Transportation
PURPOSE Test data		
FUND CITE w/ BILLING ADDRESS Fund Cite Fund Address, fund City, 55848 United States		

The government organization specified above, in its mission support capacity under the contract, authorizes the individual employee identified herein, to proceed to the location(s) listed for the designated deployment period set forth above. Non-supervisory positions shall be rated GS-12 or equivalent. Supervisory / Managerial positions shall be rated as GS-13 or equivalent. Upon completion of the mission, the employee will return to the point of origin. Travel being performed is necessary and in the public's service. Travel is in accordance with FAR 31.205-36 and the maximum per diem allowable under the appropriate travel regulations (Joint Travel Regulation (for AK, HI and outlying areas of the United States and US possessions), Federal Travel Regulation for CONUS and US Territories, and Dept of State's Standardized Regulations for OCONUS Foreign Areas designated by DOS).

Emergency medical support will be determined by the appropriate supported commander. Contractor authorization aboard military aircraft will be determined by the supported commander. Necessary identification badges will be determined and provided by the supported command.

This Contractor is considered as "Key Personnel, Government Civilian" in connection with "Non-Combatant Evacuation Orders" at the civil service grade indicated above.

Figure A.8: Sample SPOT Letter of Authorization

Funding Forms

Refer to local procedures for identification of funding forms.

Appendix B: Contract Planning and Source Selection

Contents

- Planning and Source Selection

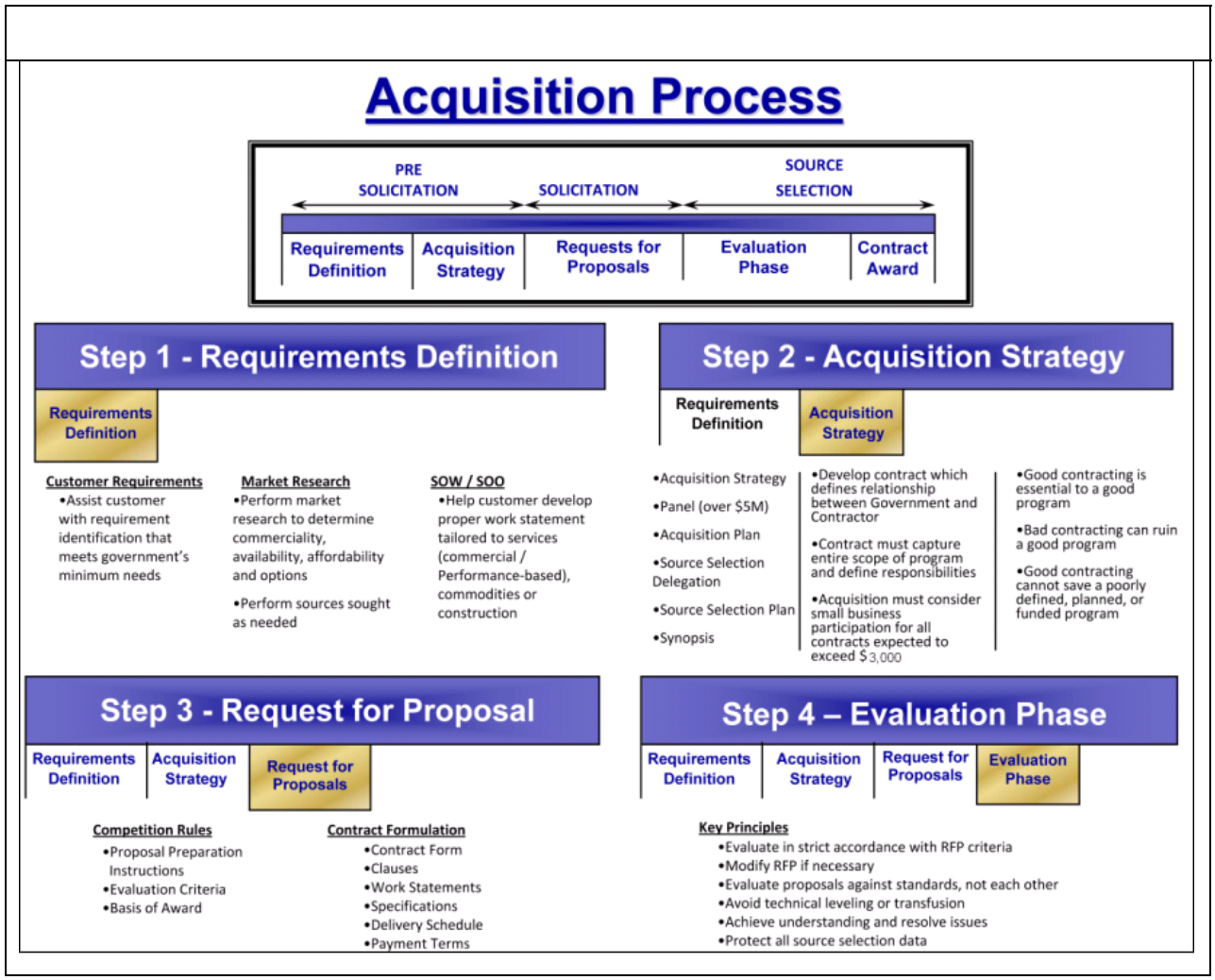
- Pre-award and Solicitation:
  - Market Research
  - Independent Government Cost Estimate
  - Performance Work Statements
  - Socio-economic Development Programs
  - Planning for the Evaluation of Proposals
  - Types of Source Selections
  - Competition
  - Amending the Solicitation
  - DOs and DON'Ts for Pre-award and Solicitation

- Evaluation and Award:
  - Receiving and Managing Proposals
  - Evaluating Proposals
  - Technical Evaluation Reports
  - Assisting in the Review of Business/Cost Proposals

- Communicating with Proposed Contractors:
  - Determining the Competitive Range
  - Communications after Establishing the Competitive Range
  - Selecting the Right Contractor
  - Debriefing Proposed Contractors
  - Handling Protests
  - Handling Freedom of Information Act Requests
  - DOs and DON'Ts for Evaluation and Award

Planning and Source Selection

This appendix provides an overview of contract planning (pre-award and solicitation) and of source selection (evaluation and award). Figure B.1 depicts the overall acquisition process.



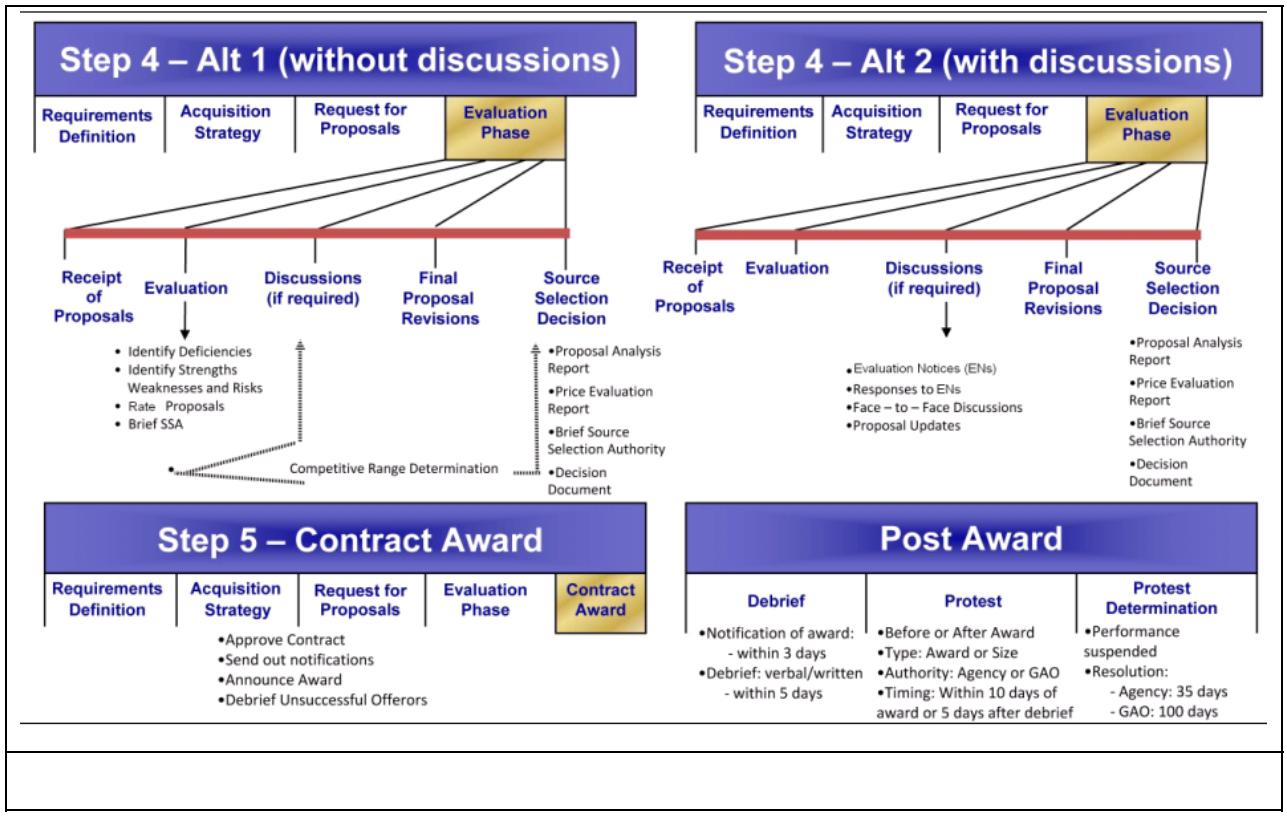


Figure B.1: Acquisition Process Overview

Pre-award and Solicitation

The requiring activity has the responsibility to determine the need for supplies and services. This is the first and most critical step in the planning process. The follow-on steps focus on forecasting, planning, and defining the acquisition requirements; developing and updating acquisition plans and strategies, justifications, and authorizations; conducting market research; preparing program plans, cost estimates, and schedules; and determining priorities. FAR 7.102(a) requires that "agencies shall perform acquisition planning and conduct market research for all acquisitions." In addition to ensuring compliance with the FAR requirement, contract planning helps anticipate problems, save time in the future, save money, stay on schedule, communicate to higher management, and generate the commitment.

Market Research

Acquisitions of supplies and services begin with a description of the Government's needs stated in terms sufficient to allow the acquisition team to conduct market research. The results of the market research form the basis for developing new requirement documents

and issuing solicitations. Market research is an ongoing process used to collect, organize, maintain, analyze, and present data. Its purpose is to maximize the capabilities, technology, and competitive forces of the marketplace to meet an organization's needs for supplies and services. The COR may be asked to assist with gathering market research information for use by decision makers to determine the best approach for acquiring the needed supply or service.

The research will vary, depending on such factors as urgency, estimated dollar value, complexity, and past experience. This research involves obtaining information specific to the item being acquired and determining whether the Government's needs can be met by items that are customarily available in the commercial marketplace, by items that are customarily available in the commercial marketplace but need modifying, or by items used exclusively for governmental purposes. Results should be documented in a manner appropriate to the size and complexity of the acquisition. Market research also helps the Government develop independent government cost estimates (IGCE) when conducting cost analysis.

Independent Government Cost Estimate (IGCE)

- Cost Estimates
  - Labor Costs
  - Burden of Labor Costs
  - Other Direct Costs
  - Indirect Costs (Overhead)
  - General and Administrative Expenses
  - Profit and Fee
  - Escalation Considerations for the IGCE
- Price Estimates
- Other Guidance

The IGCE is the Government's estimate of the resources and projected cost of the resources a contractor will incur in the performance of a contract. These costs include direct costs such as labor, products, equipment, travel, and transportation; indirect costs such as labor overhead, material overhead, and general and administrative (G&A) expenses; and profit or fee (amount above costs incurred to remunerate the contractor for the risks involved in undertaking the contract).

This discussion addresses key elements of an IGCE; it is not intended to cover every possible acquisition. Large, complicated acquisitions costing millions of dollars have dozens of cost elements, while acquisitions for single items of relatively low dollar value have only a few cost elements. Their application will vary with the circumstances of the specific acquisition and market situations. The IGCE should include only those elements

applicable to and developed from the statement of objectives/ statement of work/ performance work statement (SOO/SOW/PWS) or description of the supplies, services, or construction to be acquired. An IGCE is required for every procurement action in excess of the simplified acquisition threshold at FAR 2.101.

Commercial items are supplies or services sold to the general public that require no major modification to meet the government's specific requirements.

The IGCE is developed by the requiring activity and used to establish a realistic price/cost for budget purposes. In addition, the Contracting Officer uses the IGCE for technical and management information. The IGCE is the baseline for evaluating an offeror's contract price/cost. The format and contents of the IGCE vary with the complexity and value of the requirement.

Acquisition statutes require analysis of price/cost to determine either a reasonable price in the event of a fixed-priced contract or a realistic cost resulting from award of a cost-reimbursement contract. The results of any contract action in terms of quality and reasonableness of price/cost rely heavily on the accuracy and reliability of the IGCE. Any significant variation between an offeror's proposal and the IGCE requires analysis. When variations exist, the Government can identify and correct inaccuracies in the IGCE or use the IGCE to negotiate a more realistic price.

The IGCE is a procurement-sensitive document and should be handled accordingly. Access to the IGCE is on a need-to-know basis.

The first step in developing the IGCE is establishing a mindset as if the developers would be working in a commercial environment. Standards, practices, and procedures that are normally used by industry should be used as the basis for developing the IGCE.

A simple estimate of current market prices or historical prices may be adequate for requirements up to the Simplified Acquisition Threshold (SAT). Above that level, a more complete cost or price estimate is required.

The differences between a cost estimate and a price estimate can be summarized as follows:

- Cost estimate. The cost estimate is a detailed estimate that requires a breakdown of costs anticipated in performance of the contract. A detailed estimate is required for services, construction, and noncommercial products estimated to exceed the SAT. Review of current or previous contract documents and the previous IGCE is usually an excellent place to start research. These documents may be obtained from the supporting contracting office files.

- Price estimate. The price estimate is generally used for products, equipment, and simple services that are routinely available on the open market at competitive prices. The price estimate is required on all contract requirements over the SAT and must be independently developed based on a comparison and analysis of factors such as published catalog prices, historical prices paid, market survey information, and contractor price quotes. The price estimate is not broken down into specific cost elements and depends more upon bottom-line prices paid or available in the marketplace. The Contracting Officer or specialist may help with research for pricing information.

The following sections contain basics on developing an IGCE.

Cost Estimates

Costs are generally divided into the following primary cost elements: labor, burden on labor costs, other direct costs, indirect costs (overhead), G&A, and profit/fee. This section describes these cost elements, as well as escalation considerations.

Labor Costs

Labor costs are often the most significant part of the IGCE in terms of dollars for either services or construction contracts. Direct labor is the labor directly applied to the performance of the contract requirements. In contracts for services and construction performed within the Continental United States (CONUS), most direct labor is covered by the Department of Labor wage determinations provided under the provisions of the Service Contract Act (SCA) for services or the Davis-Bacon Act (DBA) for construction. Neither the statutes nor the related wage determinations apply to declared contingency or peacekeeping operations OCONUS.

Labor categories and skills that, in CONUS operations, are covered by the SCA or DBA, are considered nonexempt. All nonexempt wages must be paid at a rate no less than that identified on the applicable wage determination. Exempt personnel (management and professional salaried staff) are not paid on an hourly basis and are not covered by the wage determinations. They will receive comparable benefits and wages to like employees in comparable industries or the Government.

Setting reasonable estimates for required labor categories will also assist the COR with combating coercive and abusive labor practices during contract administration.

The IGCE should identify the labor categories and the level of effort (work hours) required for each category. For instance, the effort of a carpenter for renovation of one

set of kitchen cabinets may be limited to 100 hours, with proportional benefits, whereas a contract requiring a full-time carpenter working under the terms of a contract year, would project a full-year cost with all benefits.

The IGCE must consider realities of the work environment. Employee benefits (leave and holidays) must be factored into the cost estimate of any Government contract. To estimate costs for a typical service contract year, the COR should begin with the average work year of 2,080 hours (40 hours per week, 52 weeks per year). These are available hours, which are used to estimate how much each employee will be paid under the contract. However, the COR's estimate must be adjusted to also consider productive hours to determine the number of contract employees required. Productive hours are the number of hours an employee actually performs his or her duties. When full-time employees are anticipated, a good rule of thumb is to use 1,880 hours (2,080 hours less 80 hours for holidays, 80 hours for vacation, and 40 hours for sick leave) as productive hours. When part-time employees are anticipated, productive hours may be estimated using a basis of 1,920 hours per year (2,080 hours less 80 hours for holidays, 80 hours for vacation, and 0 hours for sick leave). Actual available/ productive hour patterns may vary by host nation, service/industry, or contract requirement.

Burden on Labor Costs

Once the basic labor categories and hours have been determined labor burdens must be calculated[39]. Typical burdens on labor costs are:

- Health and welfare (H&W). H&W includes life, accident, and health insurance plans; pension plans; civic and personal leave (vacation and holidays); severance pay; savings and thrift plans; and so on. H&W costs are based on the most recent wage determination issued by the Department of Labor. Currently, the figure of $2.15 is approved for all wage categories covered by the SCA (services). Refer to individual DBA wage determinations for specific fringe benefits for H&W. Because all figures are subject to change, they should be verified before developing the IGCE. The rate should then be multiplied by available hours. Similar fringe benefits should also be projected for exempt labor hours.

- Federal Insurance Contributions Act (FICA). The FICA tax rate is 7.65 percent (6.2 percent for Social Security and 1.45 percent for Medicare). This rate has been constant for a number of years and rarely changes. Multiply 7.65 percent by total wages up to the FICA maximum rate of $84,900 (as of 2003).

- Federal unemployment taxes. Federal unemployment taxes are paid on the first

[39] The BLS publishes the Employer Cost of Employee Compensation (ECEC) at http://www.bls.gov/ncs/ect/. This website publishes current information and provides a statistical basis for the numbers.

$7K of total wages, multiplied by a factor of 0.8 percent. This rate changes periodically; the current rate is available on the Internal Revenue Service (IRS) Web page at http://www.irs.gov/formspubs.

- State unemployment taxes. State unemployment taxes are set by individual state governments and are paid on the first $9K of total wages. The tax rate varies based on the type of business involved. Rates may be available from the states' workers compensation Web sites. However, if state unemployment tax rates are not available, the COR could use an average rate of 3.0 percent. This percentage is then multiplied by the first $9K in wages per employee.

- Workers compensation. Workers compensation is insurance designed to cover injuries and associated benefits that arise from work-related injuries. The rate varies from state to state and, for the most part, depends on a contractor's years of business in the state and claims-related experience. Workers compensation is applied to total wages and will vary between 2 and 5 percent of the total payroll. The state tax code should contain details.

A straight-line approach using an average overall burden rate may be used to estimate fringe benefits. It may be used in place of the separate computation of benefits as outlined above. This may not be adequate for some high-cost areas of the country or for all DBA categories. Whichever method is used, the rationale for the method used should be documented on the IGCE.

For foreign (outside the United States) operations, some of these additives may not be encountered, depending on the host nation and common practices within their industry. Contact authorities from the host nation to inquire about applicable host nation labor practices and common burdens on labor costs. For CONUS, comparable information may also be available from the Defense Contract Audit Agency (DCAA), the Defense Contract Management Agency (DCMA), or the local pricing personnel.

Other Direct Costs

When estimating other direct costs, the emphasis should be on accuracy of type and quantity required to complete the contracted work. The following are general groupings of other direct costs.

- Materials and equipment. Item descriptions and related cost estimates can be obtained using catalogs, price quotes, market surveys, historical data, and so on.

- Travel. To estimate travel costs, first determine the need for travel by the contractor, including destinations (both local and long distance), the number of trips

anticipated, the number of personnel traveling, and the number of days per trip. Using that information as a starting point, the cost per trip can be calculated. Then the individual trip totals must be summed to arrive at a total for all travel under the contract.

The Joint Travel Regulation (JTR), Volume 2, managed by the Defense Travel Management Office, contains useful information on travel costs. It establishes per diem rates (lodging, meals) that may be used to estimate such costs under any type of proposed contract. The JTR also establishes the reimbursable mileage rates for travel by privately owned automobile. Other travel costs (airfare, rental car) can easily be obtained from commercial Web sites (See also FAR Subpart 31.2, "Contracts with Commercial Organizations").

- Consultants. Any tasks or work that may require the use of consultants must be identified. For example, some tasks may require unique, specialized expertise, not normally available to the contractors performing the work required by the contract. The COR should estimate the number of hours needed for each consultant.

- Subcontracts. Some efforts may need to be subcontracted. For example, the prime contractor may not have (and would not be expected have) some specialized labor, equipment, or facilities needed to complete the contract. The COR can estimate the other direct costs for each potential subcontract using the same estimation techniques as those used for the prime contract.

- Bonds. Most common in construction contracts, the direct costs of these securities must be identified and incorporated into the IGCE. Performance and payment bonds will generally cost the contractor anywhere from 1 percent to 3 percent of the total bid or proposal price. A review of past bonding requirements may provide a reasonable range for the IGCE. In the absence of specific data on similar contracts, the COR may use 2 percent of the total cost estimate to cover bonding costs, when applicable to the acquisition.

Indirect Costs (Overhead)

Overhead includes any costs not directly identified with a single, final cost objective, individual project, or contract. In other words, indirect costs are general business costs such as rent, utilities, general office supplies, telecommunications, and depreciation. Indirect costs are recouped by the contractor by applying a percentage to direct labor costs, manufacturing costs, or another appropriate base consistent with the firm's established accounting practices.

Methods and rates to recover indirect costs can vary significantly. One firm may pool all indirect costs and apply one percentage rate to total direct costs to recoup its expenses.

Another may group costs associated with labor costs into one overhead account and separately group its corporate-level expenses (G&A expenses).

General and Administrative Expenses

G&A expense accounts capture the costs of company-wide support functions (accounting, personnel, purchasing, legal) that are not directly chargeable to any single project or contract. G&A expenses also may include executive compensation for corporate officers and management, financial, or other expenses incurred for the overall operation of a business. These costs are distributed equally across all of the company's contracts, both Government and private sector.

Like overhead, G&A expenses are grouped together and recouped by applying a percentage to other cost categories consistent with the cost accounting practices of the firm. These costs vary significantly with the size of the firm and within industry groupings (construction, service, information technology). Thus, the use of a set percentage number or range for the IGCE is not appropriate. Instead, consult with the Contracting Officer to obtain any historical information from similar purchases and industry practices relevant to the current acquisition. DCAA may also be able to provide a representative G&A rate based on prior audit information concerning similar contract situations.

Profit and Fee

Profit and fee are generally regarded as remuneration for the risk involved in undertaking the contract tasks. Profit or fee is the amount of money that the contractor expects to earn above and beyond the costs incurred to complete the contract. Under fixed-price contracts, profit is the amount of money (if any) remaining after all contract costs have been covered. Under cost-plus fixed-fee contracts, profit is a set amount that the contractor is guaranteed as long as it puts forth its best effort to perform the contract.

For the IGCE, profit or fee may be calculated and expressed as a percentage of the total estimated cost. (For example, if the estimated cost totals $500K and a profit margin of 10 percent is deemed appropriate, the profit will be $50K.). In very general terms, 7 percent should be the upper limit for routine efforts under a cost-reimbursement contract and 12 percent for routine efforts under a fixed price contract. Add 1 percent for moderately complex work, and add 2 percent for highly complex work (state-of-the art work) or work that will involve significant cost or performance risk to the contractor. These are by no means absolutes; other percentages may be more realistic and should be based on risk, market factors, and any unique factors that may affect the contingency operation or location. In all cases, estimating the profit or fee must be documented.

Escalation Considerations for the IGCE

The impact of inflation should be considered when developing an IGCE for a contract with option years. After developing the estimated costs for the base year, the costs for option years can be estimated by applying appropriate escalation factors. Different escalation factors may be applied to different cost elements, depending on the labor/material mix as appropriate. The following methods may be used.

- The Consumer Price Index (CPI) provides data and percentage of change in inflation/escalation factors. CPI information is available at http://www.bls.gov/cpi/. When projecting inflation, major cost factors for the specific requirement should be reviewed. Inflation rates for specific supplies depend on the circumstances specific to the acquisition. In addition, geographic locations for work performance must be considered. Based on a long term view of changes in the CPI, an average factor between 2 percent and 4 percent is generally considered reasonable.

- Market trends should be considered when projecting escalation rates for option years and should be justified in a short narrative. A market survey will provide information on current market prices and potential volatility of prices in the marketplace. In addition, a review of previous Treasury interest rates may be useful.

- DCAA and DCMA tend to use IHS Global Insights as the source for escalation factors[40]. A subscription is required; however the information is readily available to DCMA personnel through the DCMA Portal.

Price Estimates

A commercial item (supplies or services) IGCE is considered a price estimate and is much less complicated than the IGCE discussed above. It is a matter of determining the market value of the supplies or services, using that figure as the IGCE, documenting the research, and furnishing this information along with the funded requisition to the Contracting Officer.

Although IGCE documentation is a part of the Government procurement cycle, statutes or regulations do not contain detailed guidance on preparing IGCEs. The following are general guidelines that apply to most situations.

- Know the requirement. The first, and perhaps most crucial, step is to ensure that the cost estimate is based on the Government's actual needs. Review the SOO/SOW/PWS or specification and make sure that it accurately identifies the contract

[40] http://www.ihs.com/products/global-insight/index.aspx

requirements, clearly defines, and logically divides or aggregates the work (tasks), and includes all required supplies and services to be delivered. Then, estimate the labor categories and level of effort required, plus equipment, materials, and any other direct costs. Apply cost inflation factors if the contract covers multiple years.

- Use historical cost information. Like budgeting, cost estimation uses existing (past) information as a basis for projecting future costs. The same or similar work may have been done under contract before. It can be very useful to obtain the cost information submitted and negotiated during the award of any previous contracts. Consult the Contracting Officer to obtain this information and technical assistance in analyzing it.

- Know the marketplace. Costs and prices are often specific to geographic areas. There may be going rates for competitive businesses for certain costs. Rates of profit may also vary by locality (especially for construction and commercial services). Costs for the same type of work may also vary significantly from place to place and over time. It is crucial, therefore, for the estimator to know the market.

- Consult contracting personnel. The contract specialist and Contracting Officer have considerable expertise in evaluating contract costs. The contracting office may also have historical cost data. Consult them, particularly when estimating overhead, fringe benefits, G&A, and profit or fee.

- Estimate one piece at a time. If preparing a detailed IGCE, do not try to estimate the cost of the contract as a whole. Take it one task (or other division of the required work) at a time and, for each, estimate the types of costs involved.

Other Guidance

When buying a commercial item with stable specifications, the estimator should research past price history and adjust for any changes in specifications, quantities, or inflation factors. For items that do not have a detailed pricing history, a detailed analysis of individual cost elements will be necessary. The IGCE should include a brief narrative describing how the costs were developed and what reference materials were used. Below are methods that can be used to determine the market value.

- GSA schedules. The schedules are pre-priced and awarded to multiple firms for specific supplies and services. GSA schedules may be found at http://www.gsaadvantage.gov/.

- Published price lists. These lists are published by individual companies for use by

the general public.

- Catalogs. Many manufacturers publish catalogs describing their offerings and stating their prices. The catalogs may be made available to customers in hard copy, on a Web site, or some other format.

- Market surveys. A market survey is a comparison of the prices offered within the local area for an item. A survey is normally done in conjunction with the Contracting Officer.

- Previous buys. Previous purchases of the same item can be used as the basis for an estimate, assuming comparability in quantities, conditions, terms, and performance times. Adjustments should be considered for inflation and quantity discounts, when appropriate.

Pricing should not be obtained directly by contacting vendors, because disclosure of advance procurement information is considered sensitive, and because the vendor might consider the contact a commitment by the Government. Only purchase card holders acting within their spending limits and Contracting Officers or their representatives may commit the Government. Any other person may be held personally liable and may be subject to disciplinary action.

Performance Work Statements

Performance work statements (PWS) describe the required results in clear, specific, and objective terms with measurable outcomes. Typically, a PWS covers the following topics:

- Introduction
- Background information
- Scope
- Applicable documents
- Performance requirements
- Special requirements or constraints (such as security)

Best practices and lessons learned for developing a PWS include the following:

- The requirement should not be so specific that all offerors propose the same solution, eliminating creativity and innovation.
- A performance-based acquisition requires that the integrated solutions team abandon

some traditional approaches to buying services.

Specifying labor categories, educational requirements, or number of hours of support required should be avoided because they are how to approaches. Instead, let contractors propose the best people with the best skill sets to meet the need and fit the solution. The Government can then evaluate the proposal based both on the quality of the solution and the experience of the proposed personnel.

Prescribing manpower requirements limits the ability of offerors to propose their best solutions and it could preclude the use of qualified contractor personnel who may be well suited for performing the requirement but may be lacking, for example, a college degree or the exact years of specified experience. For some services, in fact, such practices are prohibited. Section 813 of the National Defense Authorization, Fiscal Year 2001, now implemented in the FAR, states that solicitations for information technology services may not describe any minimum experience or educational requirements for proposed contractor personnel unless the Contracting Officer determines that the agency either (1) cannot meet its needs without that requirement, or (2) requires the use of other than a performance-based contract.

Planning for the Evaluation of Proposals

The statement of objectives/statement of work/performance work statement (SOO/SOW/PWS), along with Sections L ("Instructions, Conditions, and Notices to Bidders, Offerors, or Quoters") and M ("Evaluation Factors for Award") of the solicitation, establish the principal ground rules for acquisitions. The SOO/SOW/PWS is the portion of the contract that describes the work to be done through the use of specifications, minimum requirements, quantities, performance dates, time and place of performance, and quality. It identifies the supplies or services the United States (U.S.) Government is requesting. The PWS is a statement of work for performance-based acquisitions that describes the required results in clear, specific, and objective terms with measurable outcomes.

Evaluation factors generally fall into four groups:

- Technical/Management
- Cost or price
- Past performance
- Other (Socio-Economic Programs)

However, specific evaluation factors are identified in Section M of the solicitation.

Types of Source Selections[41]

In different types of acquisitions, the relative importance of cost or price may vary. For example, in acquisitions for which the requirement is clearly definable and the risk of unsuccessful contract performance is minimal, cost or price may play a dominant role in source selection.

However, if the requirement is less definitive, involves more development work, or entails greater performance risk, technical or past performance considerations may play a more dominant role in source selection than cost or price.

Under either approach, the COR, because of his/her technical knowledge and background, may become part of the team of technical personnel assembled to evaluate contractor proposals. During this process, the Contracting Officer and the technical evaluation team lead will provide the COR with detailed instructions concerning role and responsibilities.

The Contracting Officer is responsible for preparing the solicitation with assistance from other experts. However, the Contracting Officer gets much of the information directly from supporting documentation and the COR.

The U.S. Government uses requests for proposals (RFP) in negotiated acquisitions to communicate Government requirements to prospective contractors and to solicit proposals. The RFP must describe the Government's requirement, the anticipated terms and conditions of the contract, and the factors used to evaluate proposals.

For all planned acquisitions above the SAT, the FAR requires the Contracting Officer to consider both price and non-price factors (past performance and quality in particular) when evaluating proposals. The relative importance of those factors is up to the Contracting Officer or other source selection authority.

Competition

Federal statutes and the FAR establish the policy for describing agency needs, and they stipulate that requirements be written in a way that promotes full and open competition under the Competition in Contracting Act (CICA). FAR Subpart 6.3, "Other Than Full and Open Competition", explains when it is appropriate to contract without providing for full and open competition. Contracting without providing for competition cannot be

[41] For more details on the DoD Source Selection Guide see FAR Subpart 15.3 and OUSD (AT&L/DPAP) Memorandum, "Department of Defense Source Selection Procedures," 4 March2011, http://www.acq.osd.mil/dpap/policy/policyvault/USA007183-10-DPAP.pdf.

based on lack of advance planning or concerns related to the amount of funds available for the acquisition. Statutory authorities permit contracting without providing for full and open competition when one of the criteria listed in FAR 6.302, "Circumstances Permitting Other Than Full and Open Competition", can be justified.

- FAR 6.302-1 — only one or limited number of responsible sources that can provide the supplies or services needed to satisfy requirements;
- FAR 6.302-2 — unusual and compelling urgency;
- FAR 6.302-3 — industrial mobilization, engineering, or research capability, expert services;
- FAR 6.302-4 — international agreement;
- FAR 6.302-5 — authorized or required by statute;
- FAR 6.302-6 — national security; or
- FAR 6.302-7 — public interest.

Restrictive provisions and conditions severely restrict competition, and they are limited to the extent necessary to satisfy the Government's needs. When restrictive provisions are used, they must be justified in writing.

Amending the Solicitation

It may be necessary to amend the solicitation after release and prior to contract award. This circumstance could occur for a variety of reasons (for example, changes to the specifications, terms or conditions, or quantities required). However, amendments to solicitations increase administrative effort and cost, and they may delay contract award and performance.

DOs and DON'Ts for Pre-award and Solicitation are outlined in Table B.1.

PRE-AWARD AND SOLICITATION	
DO	**DON'T**
Use market research. Look for commercial solutions.	Write vague specifications, assuming that "the contractor will do whatever is necessary to satisfy us."
Promote full and open competition.	Write design specifications, prescribing in detail what materials should be use and how the work should be performed.

Think about contract administration requirements while writing the SOO/SOW/PWS or the specifications.	Ask for progress reports, test samples, or other items from the contractor unless the items are needed for the program or for efficient administration and monitoring.
Use performance-based or functional (rather than design) specifications to describe an objective or standard to be achieved, allowing the contractor to exercise ingenuity in achieving that objective or standard, select the means, and assume corresponding responsibility.	
Limit use of restrictive provisions to satisfy agency needs. Limit use of specifications and instead focus on function, performance, and physical characteristics.	
In the SOO/SOW/PWS and specifications, separate discussion of administrative and progress reporting requirements from discussion of required procedures and deliverables.	

Table B.1: DOs and DON'Ts for Pre-award and Solicitation

Evaluation and Award

Receiving and Managing Proposals

Offerors must submit their proposals, any proposal revisions, and modifications to the Government office designated in the solicitation by the time specified in the solicitation. Offerors may use any transmission method authorized by the solicitation (such as electronically, by regular mail, or by fax). Upon receipt, proposals must be safeguarded from unauthorized disclosure throughout the source selection process.

After the closing date, the Contracting Officer will forward the technical proposals to the technical evaluation team lead for analysis. The Contracting Officer will retain the business/cost proposals until the technical evaluation is completed.

Evaluating Proposals

Note: The source selection team must not reveal any information related to the identity of or number of offerors and information concerning any proposal or the status of any proposal in relation to others. Release of such information could jeopardize any resultant award and subject the individuals involved to disciplinary action, as well as to civil and, in some cases, criminal penalties. [42]

The Source Selection Board will review and evaluate all proposals submitted in response to an applicable solicitation, based on the evaluation factors provided in Section M of the solicitation. The technical evaluation team is responsible for evaluating the technical proposals; rating them in order of merit; making recommendations to the Contracting Officer regarding clarifications needed and deficiencies identified; reviewing supplemental and revised offers; and, if required, assisting the Contracting Officer during negotiations. The same evaluators should be available throughout the entire evaluation and selection process to ensure continuity and consistency in the treatment of proposals.

Technical Evaluation Reports

When the Contracting Officer forwards the technical proposals to the technical evaluation team for analysis, the technical proposals are accompanied by specific guidance for conducting the evaluation and preparing the technical evaluation report. The team lead prepares and signs the report and submits it to the Contracting Officer, who maintains it as a permanent record in the contract file. The report should present the proposal ratings and identify each proposal in accordance with the evaluation plan and set forth in Section M of the solicitation.

The technical evaluation report must include a narrative evaluation specifying the strengths and weaknesses of each proposal and any uncertainties, reservations, qualifications, or areas to be addressed that might affect the selection of the source for award. The report should include specific points and questions for subsequent discussions with the proposed contractors. If the technical evaluation team determines a proposal is technically unacceptable, the report is passed to the Contracting Officer for his or her final determination.

Assisting in the Review of Business and Cost Proposals

The Contracting Officer is responsible for evaluating the factors related to cost and price analysis and determining the contractor's responsibility (for example, adequacy of resources, ability to comply with delivery or performance schedule, and satisfactory

[42] Refer to FAR Subpart 15.3 and the DoD Source Selection Procedures for those individuals who are on the source selection team.

record of performance). The Contracting Officer may need the COR's assistance to effectively accomplish this evaluation.

Communicating with Proposed Contractors

In the interval between the release of the solicitation and contract award, all contact with offerors relating to the particular acquisition must be coordinated through the Contracting Officer.

The COR may be asked to assist the Contracting Officer when clarifications (limited exchanges) between the Government and the proposed contractors are needed, when awarding contracts without discussions, or when communications are needed for establishing the competitive range.

Determining the Competitive Range

Considering the ratings of each proposal against all evaluation criteria, the Contracting Officer may establish a competitive range consisting of the most highly rated proposals. Provided the solicitation notifies proposed contractors that the competitive range can be limited for purposes of efficiency, the Contracting Officer may limit the number of proposals in the competitive range to permit an efficient competition among the most highly rated proposals. The COR may be asked to assist the Contracting Officer with debriefing proposed contractors that are excluded or otherwise eliminated from the competitive range.

Communications after Establishing the Competitive Range

In either a competitive or sole-source environment, negotiations are exchanges undertaken between the Government and proposed contractor with the intent of allowing the proposed contractor to revise its proposal. Negotiations in a competitive acquisition take place after establishing the competitive range. Negotiation may include bargaining, alteration of assumptions and positions, and give-and-take discussion. Discussions may focus on price, schedule, technical requirements, type of contract, or other terms of a proposed contract. Discussions are conducted through the release of Evaluation Notices which identify what type of exchange is being conducted.

The Contracting Officer tailors discussions to each proposed contractor's proposal. The Contracting Officer must conduct discussions with each contractor within the competitive range. The primary objective of discussions is to maximize the Government's ability to obtain best value, based on the requirement and the evaluation factors identified in the solicitation.

During discussions, the Contracting Officer should discuss with each proposed contractor any deficiencies, significant weaknesses, and adverse past performance information to which the proposed contractor has not yet had an opportunity to respond. This may include other aspects of the proposed contractor's proposal that could be altered or explained to materially enhance the proposal's potential for award. However, this does not mean that the Contracting Officer is required to discuss every area where the proposal could improve.

The scope and extent of discussions are at the discretion of the Contracting Officer's judgment. The COR may be asked to participate in discussions with proposed contractors in the competitive range.

Selecting the Right Contractor

Note: Under no circumstances may anyone in the Government discuss one offeror's proposal with any of the other offerors.
Note: Debriefings must not include point-by-point comparisons of the proposed contractors' proposals, nor may debriefings divulge any other prohibited information about other proposed contractors.

Upon receipt of revised proposals or other responses to questions raised during discussions, the technical evaluation team will reevaluate the proposals in the competitive range. The results of these evaluations will be documented in writing and submitted to the Contracting Officer.

The Contracting Officer will review the latest set of evaluations. Based on a comparative assessment of proposals against all source selection criteria in the solicitation, the Contracting Officer will then rate the proposals. Although the Contracting Officer may use reports and analyses prepared by others, the source selection authority's decision represents an independent judgment. Documentation for the source selection authority's decision includes the rationale for any business judgments and tradeoffs made or relied on by the Contracting Officer, including benefits associated with additional costs.

Debriefing Proposed Contractors

Contracting Officers may debrief successful and unsuccessful offerors orally, in writing, or by any other method. The Contracting Officer normally chairs the debriefing session. Individuals from the evaluation teams provide support at the debriefing.

At a minimum, the following information must be included in the debriefing.

- Significant weaknesses or deficiencies in the proposed contractor's proposal, if applicable;
- Overall evaluated cost or price (including unit prices) and technical rating (if applicable) of the selected contractor and the unsuccessful proposed contractor;
- Past performance information of the unsuccessful proposed contractor;
- Overall ranking of all offerors, when any ranking was developed by the agency during the source selection;
- Summary of the rationale for the contract award;
- For acquisitions of commercial items, the make and model of the item to be delivered by the winning offeror; and
- Reasonable responses to relevant questions about whether source selection procedures contained in the solicitation, applicable regulations, and other applicable authorities were followed.

Handling Protests

Any interested party may file a protest against the Government concerning a contracting action. Interested parties can file such protests directly with the contracting agency or with the Government Accountability Office (GAO). Interested parties must file protests by the later of the following:

- 10 days after contract award,
- 5 days after a debriefing, or
- 10 calendar days after the basis of the protest is known (or should have been known).

An agency is required to make its best efforts to resolve agency protests within 35 days after the protest filing date, while the GAO has 100 days to resolve the protest. In the case of a protest filed with the GAO, either party can request a 65-day express option.

After contract award, if an interested party files a protest with the GAO, the Contracting Officer must suspend work on the contract unless the Head of the Contracting Activity determines doing so would not be in the best interest of the Government.

If an interested party files a protest to an agency within 10 days after contract award, the Contracting Officer must suspend work on the contract unless continued performance is justified, in writing, to be in the best interest of the Government. An official one level above the Contracting Officer must approve such justification or determination.[43]

Note: The Government does not accept late protest submissions.

Handling Freedom of Information Act Requests

The Freedom of Information Act (FOIA) specifies how federal agencies will make their records available for public review (upon request), sets time standards for compliance actions, and details those records that are exempt from public disclosure. A Government contract is a public document. The reports that a contractor must submit in compliance with the terms and conditions of a service contract are likewise public documents with certain exceptions, such as the following.

- Classified information;
- Source selection information;
- Trade secrets and confidential commercial or financial information (sometimes referred to as proprietary information);
- Interagency or intra-agency memoranda or correspondence; or

[43] For more information on protest, see FAR Subpart 33.1.

- Personal and medical information pertaining to an individual.

If a contractor asks you for information under the provisions of FOIA, immediately refer the contractor to the Contracting Officer or agency FOIA monitor. The FOIA monitor will establish a suspense period not to exceed 20 calendar days, for each request. Remember it is not the COR's job to determine whether information is releasable.

DOs and DON'Ts for Evaluation and Award are provided in Table B.2.

EVALUATION AND AWARD	
DO	**DON'T**
Carefully review the contract, especially the technical requirements.	Divulge budget information to prospective contractors.
Develop, or obtain from the contractor, a detailed schedule of performance.	Assume without reading it that the SOO/SOW/PWS is complete, clear, and fully understandable.
Work with the Contracting Officer and the contractor to clear up any misunderstandings and to establish organized contract administration and monitoring procedures.	Allow planning to become an end in itself. Remember: the goal is to get results, not just pretty charts showing the "plan."
	Forget to update plans and schedules as the situation changes.
	Overlook or ignore contract requirements for GFP, timely reviews and approvals, or technical assistance and direction.

Table B.2: DOs and DON'Ts for Evaluation and Award

APPENDIX C:
COR QUALIFICATIONS AND TRAINING

Contents

- DoD Standard for Certification of Contracting Officer's Representatives (COR) for Service Acquisitions
- COR Responsibilities
- COR Nomination
- COR Appointment or Designation
- COR Performance Appraisals
- COR Termination
- COR Training
- Alternate CORs
- Delegated Authority

DoD Standard for Certification of CORs for Service Acquisitions

The Under Secretary of Defense for Acquisition, Technology, and Logistics memorandum of March 29, 2010, established the "DoD Standard for COR for Service Acquisitions" (DoD COR Standard). The Standard defines minimum COR competencies, experience, and training based on the nature and complexity of the requirement and contract performance risk. The Standard identifies three types of requirements.

- Type A: Fixed-price, no incentive, low performance risk requirements;
- Type B: Other than fixed-price, no incentive, low performance risk requirements; or
- Type C: Unique requirements that necessitate a professional license, higher education, or specialized training.

Tables C.1, C.2 and C.3 address the training and experience necessary for each of these three types of requirements. The Standard introduces structure and rigor to COR responsibilities and performance, and will be the basis for a DoD instruction establishing a comprehensive COR certification program that addresses roles and responsibilities for the COR, COR management, and Contracting Officer.

DoD STANDARD FOR CERTIFICATION OF CONTRACTING OFFICER'S REPRESENTATIVES FOR SERVICES ACQUISITIONS

NATURE OF TYPE A WORK/REQUIREMENT	REQUIRED COMPETENCY TOPICS	REQUIRED COMPETENCIES	EXPERIENCE/TRAINING REQUIREMENTS
Fixed-price requirements without incentives, low performance risk. Attributes of such requirements might include: lack of technical or administrative complexity, no identifiable risk factors; limited requirement for technical expertise; low likelihood of modification; effort is a follow-on to an existing contract. COR duties/responsibilities are generally limited to minimal technical and/or administrative monitoring of the contract.	**General:** ➢ Attention to Detail ➢ Decision Making ➢ Flexibility ➢ Oral and Written Communication ➢ Problem Solving/Reasoning ➢ Self-management/Initiative ➢ Teamwork **Technical:** ➢ Business Ethics ➢ Effective Communication of Contract Requirements ➢ Effective Contract Performance Management ➢ Effective COR Performance	Upon completion of mandatory training, COR should be able to perform at least the following competencies in a manner consistent with the nature of Type A work/requirements: 1. Assist in acquisition planning. 2. Assist in contract award process. 3. Establish/maintain COR file with all required documentation. 4. Identify/prevent unethical conduct and instances of fraud/waste/abuse. 5. Perform technical/administrative monitoring and reporting duties in accordance with letter of delegation and surveillance plan. 6. Recommend/monitor proposed changes. 7. Monitor contract expenditures/payments 8. Monitor contract schedule compliance. 9. Perform liaison duties between the Contracting Officer, the Requiring Activity, and the contractor for management of the contract. 10. Inspect, accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions. 11. Monitor the control/disposition of Government furnished assets. 12. Perform surveillance in a contingency environment, when applicable.	**Experience**: ➢ Agency experience: minimum of 6 months (may be waived) ➢ Relevant technical experience: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment ➢ General competencies: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment. **Training:** ➢ DAU CLC 106, Contracting Officer's Representative (Basic) ➢ DAU COR XXX (to be determined), COR in the Contingency Environment, when applicable (competency 12) ➢ Minimum of 1 hour acquisition ethics training (e.g., CLM 003 or agency provided training) annually. ➢ Additional training mandated by the contracting activity (e.g., WAF'W). **Refresher Training:** ➢ Minimum of 8 hours COR specific training: ➢ Every 3 years, OR ➢ Prior to assuming COR responsibilities if the individual has not served as a COR within the previous 24 months. ➢ Minimum of 1 hour acquisition ethics training (e.g., CLM 003 or agency provided training) annually. ➢ Any additional training mandated by the Activity.

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Table C.1

DoD STANDARD FOR CERTIFICATION OF CONTRACTING OFFICER'S REPRESENTATIVES FOR SERVICES ACQUISITIONS

NATURE OF TYPE B WORK/REQUIREMENT	REQUIRED COMPETENCY TOPICS	REQUIRED COMPETENCIES	EXPERIENCE/TRAINING REQUIREMENTS
Fixed-price requirements without incentives, other than low performance risk. Attributes of such requirements might include: the nature of the work is more complex; effort will be performed in multiple regions/remote geographic locations, contract contains incentive arrangements or cost sharing provisions, contract is cost-type of T&M/LH type, or FP LOE. COR duties/responsibilities are of increased complexity.	**General:** ➢ Attention to Detail ➢ Decision Making ➢ Flexibility ➢ Influencing/Persuasive interpersonal skills ➢ Oral and Written Communication ➢ Planning and Evaluating ➢ Problem Solving ➢ Reasoning ➢ Self-management/Initiative ➢ Teamwork **Technical:** ➢ Business Ethics ➢ Defining Government requirements ➢ Understanding and knowledge of contract type ➢ Effective analytic skills ➢ Effective Communication of Contract Requirements ➢ Effective Contract Performance Management ➢ Effective COR Performance ➢ Project Management ➢ Strategic Planning ➢ Understanding the Marketplace	Upon completion of mandatory training, COR should be able to perform at least the following competencies in a manner consistent with the nature of Type B work/requirements: 1. Assist in acquisition planning. 2. Assist in contract award process. 3. Establish/maintain COR file with all required documentation. 4. Identify/prevent unethical conduct and instances of fraud/waste/abuse. 5. Review technical submittals/ensure compliance with Statement of Work/Statement of Objectives (e.g., perform technical monitoring and reporting in accordance with a Quality Surveillance Plan) 6. Perform administrative monitoring and reporting duties (e.g., handle security issues, attend meetings, etc.) 7. Recommend/monitor proposed changes. 8. Monitor contract expenditures/payments. 9. Monitor contract schedule compliance. 10. Perform liaison duties between the Contracting Officer and the contractor for management of the contract. 11. Inspect, accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions. 12. Review and validate that contractor payment requests are commensurate with performance. 13. Monitor control/disposition of Government furnished assets. 14. Perform surveillance in a contingency environment, when applicable	**Experience:** ➢ Agency experience: minimum of 12 months (may be waived by the requiring activity. Waiver to be addressed in nomination package) ➢ Relevant technical experience: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment ➢ General competencies: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment. **Training:** ➢ DAU COR 222 or ALMC-CL or equivalent course ➢ DAU COR XXX (to be determined), COR in a Contingency Environment, when applicable (competency 14) ➢ Minimum of 1 hour acquisition ethics training (e.g., DAU CLM 003 or agency provided training) annually. ➢ Additional training mandated by the Contracting activity (e.g., WAWF). **Refresher Training:** ➢ Minimum of 16 hours COR specific training: • Every 3 years, OR • Prior to assuming COR responsibilities if the individual has not served as a COR within the previous 24 months ➢ Minimum of 1 hour acquisition ethics training (e.g., DAU CLM 003 or agency provided training) annually ➢ Any additional training mandated by the Activity

Table C.2

DoD STANDARD FOR CERTIFICATION OF CONTRACTING OFFICER'S REPRESENTATIVES FOR SERVICES ACQUISITIONS

NATURE OF TYPE C WORK/REQUIREMENT	REQUIRED COMPETENCY TOPICS	REQUIRED COMPETENCIES	EXPERIENCE/TRAINING REQUIREMENTS
Unique contract requirements that necessitate a professional license, higher education or specialized training beyond the Type B requirements. Such requirements might include, for example, environmental remediation; major weapons systems; medical/dental/ veterinarian services, etc. COR duties/responsibilities are of increased complexity.	**General:** ➢ Attention to Detail ➢ Decision Making ➢ Flexibility ➢ Influencing/Persuasive interpersonal skills ➢ Oral and Written Communication ➢ Planning and Evaluating ➢ Problem Solving ➢ Reasoning ➢ Self-management/Initiative ➢ Teamwork **Technical:** ➢ Business Ethics ➢ Defining Government requirements ➢ Understanding and knowledge of contract type ➢ Effective analytic skills ➢ Effective Communication of Contract Requirements ➢ Effective Contract Performance Management ➢ Effective COR Performance ➢ Project Management ➢ Strategic Planning ➢ Understanding the Marketplace	Upon completion of mandatory training, COR should be able to perform at least the following competencies in a manner consistent with the nature of Type C work/requirements: 1. 1.Assist in acquisition planning. 2. Assist in contract award process. 3. Establish/maintain COR file with all required documentation. 4. Identify/prevent unethical conduct and instances of fraud/waste/abuse. 5. Review technical submittals/ensure compliance with Statement of Work/Statement of Objectives (e.g., perform technical monitoring and reporting in accordance with a Quality Surveillance Plan) 6. Perform administrative monitoring and reporting duties (e.g., handle security issues, attend meetings, etc.) 7. Recommend/monitor proposed changes. 8. Monitor contract expenditures. 9. Monitor contract schedule compliance. 10. Perform liaison duties between the Contracting Officer and the contractor for management of the contract. 11. Inspect, accept or reject deliverables during contract performance and at close-out in conformance with contract terms and conditions. 12. Review and validate that contractor payment requests are commensurate with performance. 13. Monitor control/disposition of Government furnished assets. 14. Perform surveillance in a contingency environment, when applicable. 15. Other specific functions consistent with the objectives of the Activity's mandatory specialized/technical training.	**Experience:** ➢ Agency experience: minimum of 12 months (may be waived by the requiring activity. Waiver to be addressed in nomination package) ➢ Relevant technical experience: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment ➢ General competencies: As determined by the nominating supervisor for the Contracting Officer's consideration and appointment. **Training:** ➢ DAU COR 222 or ALMC-CL or equivalent course ➢ DAU COR XXX (to be determined), COR in the Contingency Environment, when applicable (competency 14) ➢ Minimum of 1 hour acquisition ethics training (e.g., DAU CLM 003 or agency provided training) annually. ➢ Additional training mandated by the contracting activity (e.g., WAWF). **Refresher Training:** ➢ Minimum of 16 hours COR specific training: • Every 3 years, OR • Prior to assuming COR responsibilities if the individual has not served as a COR within the previous 24 months. ➢ Minimum of 1 hour acquisition ethics training (e.g., DAU CLM 003 or agency provided training) annually ➢ Any additional training mandated by the Activity. ➢ Any necessary for maintenance of license/certification/etc.

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Table C.3

FAR 1.602-2(d) was changed to require the appointment of a COR on any contract that is not firm fixed price, and allows for appointment of a COR for firm fixed price contracts when the contracting offices determines it appropriate. CORs on any contract that is not firm fixed price shall meet Type B requirements for education, training and experience.

COR Responsibilities

A COR assists in the technical monitoring and administration of a contract. DFARS PGI 201.602-2(i)(A) requires designation of a properly trained COR, in writing, before contract award. The surveillance activities performed by CORs should be tailored to the

complexity/dollar value of the specific contract for which they are designated. CORs may not be delegated responsibility to perform functions at a contractor's location that have been delegated under FAR 42.202(a) to a contract administration office. CORs have no authority to make any commitments or changes that affect price, quality, quantity, delivery, or other terms and conditions of the contract. The COR may not re-delegate/sub-delegate any authority. Also, CORs may be personally liable for unauthorized acts.

COR Nomination

To ensure the COR has a thorough understanding of the contract, the COR should be involved in the acquisition process, acting on behalf of the requiring activity in assisting with the development of the technical requirements, QASP, and other pre-award activities. The COR should be identified by the requiring activity as early in the acquisition process as practicable, often when the procurement package is submitted to the contracting office.

To be nominated as a COR, the individual must be an employee, military or civilian, of the U.S. Government, a foreign government, or a North Atlantic Treaty Organization/coalition partner; have the requisite security clearance; and have training and experience commensurate with the responsibilities the Contracting Officer will delegate.

To nominate a COR, the requiring activity submits a request for COR designation to the Contracting Officer through the Contracting Officer's Representative Tracking Tool (CORT Tool). At a minimum, the request will include the following information:

- Services or supplies being procured and requiring activity;
- Individual nominated;
- Nominee's contact information;
- Area of responsibility;
- Duration of requested appointment;
- Completed COR training (attach required certificates);
- Technical qualifications and experience; and
- Supervisor's certification that:
    - The COR nominee was notified of the requirement to complete an Office of Government Ethics (OGE) Form 450, Confidential Financial Disclosure Report, within 30 days of appointment;
    - The COR duties will be reflected in the nominee's annual performance standards; and

- The nominee will be afforded sufficient time, resources and opportunity to accomplish the duties.

COR Appointment or Designation

The Contracting Officer issues the COR appointment or designation via a letter of appointment/designation through the CORT Tool or equivalent approved web based tool. This letter establishes the COR's dual lines of responsibility: (1) to the requiring activity, via the rating chain, and (2) to the Contracting Officer, via the appointment/designation letter. The COR is authorized, within the established limitations of the letter of appointment/designation, to ensure timely progress of contract performance and to provide effective technical guidance and advice to the Contracting Officer. Although a COR may act for the Contracting Officer in technical phases of the contract, the COR may not commit the Government in matters that would change contract price, quantity, delivery schedule, or other requirements of the contract.

The appointment/ designation letter identifies the following:

- Individual area of responsibility;
- Contract number and expiration date;
- Duration of appointment or designation;
- Responsibilities, authorities, and limitations;
- File maintenance requirements;
- Reporting requirements; and,
- Liability in the event of unauthorized acts.

After the Contracting Officer, the COR, and COR management have signed the COR letter of appointment/designation, the Contracting Officer will furnish two copies to the contractor. The contractor must acknowledge receipt of the letter by counter-signing one copy and returning it to the Contracting Officer. The Contracting Officer will make appropriate distribution of this contractor acknowledgement and upload the signed letter of appointment/designation to the CORT Tool.

COR Performance Appraisals

The requiring activity must allow adequate resources (time, products, equipment, opportunity) for the COR to perform his or her COR functions. COR management will evaluate the individual's performance of COR duties as part of their performance assessment throughout the period of the contract. COR management is encouraged to solicit input on performance of COR duties from the Contracting Officer.

COR Termination

The Contracting Officer may terminate the COR appointment or designation at any time, upon written request from the COR's management, at the discretion of the Contracting Officer, or upon approval of a COR's termination request. When a contract is completed, or a COR requests termination of the COR status due to transfer, retirement, or other causes, the Contracting Officer must immediately terminate the COR's designation in writing. Both the Contracting Officer and the COR must sign the termination letter. The termination document will be uploaded to the CORT Tool.

If a COR requests relief from his or her duties, he/she must do so sufficiently in advance of reassignment or separation from the Government to permit the requiring activity to have adequate time to nominate a successor and to permit the Contracting Officer to have adequate time to train and appoint/designate that successor.

A COR may be terminated either without prejudice or for cause. A termination without prejudice is made upon the termination date on the COR's appointment or designation letter. Termination for cause is made according to a termination letter issued by the Contracting Officer. A copy of a termination letter must be provided to the COR, COR management, and the contractor with the original in the contract file.

COR Training

The following COR training is available from the Defense Acquisition University (DAU) at https://acc.dau.mil/cor.

- Continuous Learning-Contracting (CLC) 106, "Contracting Officer's Representative with a Mission Focus" (8-hour online course)
- CLC 206, "CORs in the Contingency Environment" (3 hour on-line course)
- CLC 222, "Contracting Officer's Representative" (32 hour on-line course)
- COR 222, "Contracting Officer's Representative" (32 hour customer support in residence offering of CLC222)

CLC106, CLC222 and COR 222 were developed to address the competencies identified in the DoD COR Standard. CLC 206 is designed to supplement CLC106 and CLC/COR222 for CORs deploying to a contingency environment.

Component-sponsored and commercial training must be equivalent to the DAU baseline training for Type B and C work/requirements to meet the standard training requirements. Equivalency requirements are addressed at http://
icatalog.dau.mil/learning/equivalency.aspx.
http://icatalog.dau.mil/learning/equivalency.aspx

Trafficking in Persons: CORs are required to complete the Trafficking in Persons training available at http://www.dodig.mil/inspections/ipo/combatinghuman.htm.

The following are additional courses available to the COR depending on the COR functions delegated.

Note: Learn more about DAU continuous learning modules (CL*) and Harvard Business School (HBS) continuous learning modules at: http://icatalog.dau.mil/onlinecatalog/tabnavcl.aspx.

CLB 018	Earned Value and Financial Management Reports
CLB 02	Software Cost Estimating
CLC 004	Market Research
CLC 006	Contract Terminations
CLC 007	Contract Source Selection
CLC 011	Contracting for the Rest of Us
CLC 013	Performance-Based Services Acquisition
CLC 055	Competition Requirements for DoD Acquisition
CLC 133	Contract Payment Instructions
CLM 013	Work Breakdown Structure
CLM 024	Contracting Overview
CLM 031	Improved Statement of Work
CLM 039	Foundations of Government Property

HBS 204	Customer Focus
HBS 205	Decision Making
HBS 212	Time Management
HBS 220	Meeting Management
HBS 224	Writing Skills

In addition, CORs must annually complete DAU CLM 003, “Ethics” for AT&L Workforce (or Agency provided training).

Regardless of their experience or formal training, CORs will receive contract-specific training from their Contracting Officers.

Multiple/Alternate CORs

Any individual appointed or designated by the Contracting Officer under the authority of FAR 1.602, is, by definition, a COR and must comply with the DoD COR Standard.

There may be only one COR, or multiple CORs, for any specific contract. A COR alternate may be designated to cover periods when the primary COR would not be available. Multiple CORs may be designated when contract performance takes place in multiple locations, over multiple functions, 24 hour operations. The Contracting Officer is responsible for ensuring that the appointment/designation letters are specific when delegating functions to COR(s) and that COR(s) are familiar with their respective roles and responsibilities.

Delegated Authority

Contracting Officers delegate contract administration responsibility under the following authorities of: (1) FAR 42.302(a)(27), “property administration”; (2) FAR Part 46, “quality assurance”; and (3)DFARS 201.602-2, “COR responsibilities”.

The Contracting Officer is responsible for ensuring that all parties understand their relative roles and responsibilities. If there is any question, contact the Contracting Officer.

APPENDIX D:
ACRONYMS AND TERMS

ACRONYMS

ACO	Administrative Contracting Officer
ADR	Alternative Dispute Resolution
AKO	Army Knowledge Online
ASBCA	Armed Services Board of Contract Appeals
BAA	Berry Amendment Act
CAC	Common Access Card
CAO	Contract Administration Office
CAP	Contractor-Acquired Property
CCO	Contingency Contracting Officer
CCR	Central Contractor Registration
CDR	Contractor Discrepancy Report
CDRL	Contract Data Requirements List
CI	Commercial Item
CICA	Competition in Contracting Act
CLC	Continuous Learning - Contracting
CLIN	Contract Line Item Number
COI	Conflict of Interest
CONUS	Continental United States
COR	Contracting Officer's Representative
CORTTool	COR Tracking Tool
CPARS	Contractor Performance Assessment Reporting System
CPI	Consumer Price Index
DD	Department of Defense When Used With Form
DA	Department of the Army
DAU	Defense Acquisition University
DBA	Davis-Bacon Act
DCAA	Defense Contract Audit Agency
DCMA	Defense Contract Management Agency
DAEO	Designated Agency Ethics Official
DFARS	Defense Federal Acquisition Regulation Supplement
DID	Data Item Description
DKO	Defense Knowledge Online
DNAD	Domestic Non-Availability Determination
DO	Delivery Order
DoD	Department of Defense
DoDAAC	DoD Activity Address Code

DoDD	DoD Directive
DPAP	Defense Procurement and Acquisition Policy
EPA	Economic Price Adjustment
ETF	Electronic Funds Transfer
FAR	Federal Acquisition Regulation
FedBizOpps	Federal Business Opportunities
FFP	Firm Fixed Price
FICA	Federal Insurance Contributions Act
FSS	Federal Supply Schedule
FTA	Free Trade Agreements
FTR	Federal Travel Regulation
FOB	Free on Board
FOIA	Freedom of Information Act
G&A	General & Administrative
GAO	Government Accountability Office
GBL	Government Bill of Lading
GFP	Government-Furnished Property
GPC	Government Purchase Card
GSA	General Services Administration
GSBCA	General Services Administration Board of Contract Appeals
H&A	Health and Welfare
HCA	Head of the Contracting Activity
IGCE	Independent Government Cost Estimate
IRS	Internal Revenue Service
IT	Information Technology
IFB	Invitation for Bids
J&A	Justification & Approval
LOA	Letter of Authorization
LTDD	Loss, Theft, Damage or Destruction
MFR	Memorandum for the Record
OCI	Organizational Conflicts of Interest
OCONUS	Outside Continental United States
ODC	Other Direct Costs
OFPP	Office of Federal Procurement Policy
OGE 450	Office of Government Ethics Form 450
OF	Optional Form
OT	Overtime
PAS	Pre-award Survey
PBSA	Performance-Based Services Acquisition
PCO	Procuring Contracting Officer
PDI	Program Development and Implementation Directorate of DPAP
PGI	DFARS Procedures, Guidance and Information
POC	Point of Contact

POP	Period of Performance
PR	Procurement Request
PR&C	Purchase Request and Commitment
PRS	Performance Requirements Summary
PWS	Performance Work Statement
QAR	Quality Assurance Representative
QASP	Quality Assurance Surveillance Plan
RFP	Request For Proposal
RIK	Replacement in Kind
SAP	Simplified Acquisition Procedures
SAT	Simplified Acquisition Threshold
SCA	Service Contract Act
SF	Standard Form
SOO	Statement of Objectives
SOW	Statement of Work
SPE	Senior Procurement Executive
SPOT	Synchronized Pre-deployment Operational Tracker
T&M	Time & Materials
TCO	Terminating Contracting Officer
U.S.	United States
UCA	Undefinitized Contract Action
UCF	Uniform Contract Format
U.S.C.	United States Code
WAWF	Wide Area Work Flow
WTO GPA	World Trade Organization Government Procurement Agreement

Definitions

Acceptance: Act of an authorized representative of the Government by which the Government for itself, or as an agent of another, assumes ownership of identified supplies tendered or approves specific services rendered as partial or complete performance of a contract.

Acquisition: Process of acquiring by contract, with appropriated funds, supplies or services (including construction) by and for the use of the Federal Government through purchase or lease, whether the supplies or services already exist or must be created, developed, demonstrated, and evaluated.

Administrative Contracting Officer (ACO): Individual who administers a contract and enforces its provisions. The Procuring Contracting Officer (PCO) sometimes serves as the ACO, especially for contracts performed on a Government installation.

Acquisition Team: All participants in the acquisition process: requiring activity, finance, Contracting Officer, legal counsel, COR, resource manager, quality assurance representative, and others, as applicable. No one person has all the necessary skills for successful contract management. It requires a team with each member having specialized expertise and responsibilities.

Agent: Individual appointed or designated by another party (principal) to enter into a business or contractual relationship with third parties. These relationships are legally binding on the principal and the third parties. A Contracting Officer signing a Government contract does so as an agent of the U.S. Government.

Allocable Costs: Costs that are incurred specifically for the contract, that benefit both the contract and other work and can be distributed in reasonable proportion to the benefits received, or that are necessary to the overall operation of the business, although a direct relationship to any particular cost objective cannot be shown.

Allowable Costs: Costs that are allowable on a Government contract when in keeping with the rules set forth in FAR Part 31, "Contract Cost Principles and Procedures", and not otherwise disallowed.

Alternative Dispute Resolution (ADR): Any type of procedure or combination of procedures used voluntarily to resolve issues in controversy. Examples of ADR procedures are conciliation, facilitation, mediation, fact-finding, mini-trials, arbitration, and use of ombudsmen.

Amendment: Change made to a solicitation.

Bid: Offer. In the sealed bidding method of contracting, the offer takes the form of a sealed bid. A bid is fixed as of the time of bid opening, and there is no possibility of negotiating even a relatively minor change in it, even if the change would be to the Government's advantage. It must be accepted or rejected as submitted.

Bilateral Modification: Contract modification (supplemental agreement) signed by the contractor and the Contracting Officer.

Change Order: Written order, signed by the Contracting Officer, directing the contractor to make a change that the Changes clause authorizes.

Civil Augmentation Program: Standing, long-term contracts designed to augment service logistic capabilities with contract support in both preplanned and short-notice contingencies. Examples are U.S. Army Logistics Civilian Augmentation Program, U.S. Air Force Contract Augmentation Program, and U.S. Navy Construction Capabilities Contract.

Claim: Assertion by one of the parties to a contract seeking adjustment or interpretation of an existing contract, subject to the dispute clause in the contract.

Clause: Term or condition used in a contract or both the contract and solicitation.

Commercial Item (CI): Any item, other than real property, customarily used for nongovernmental purposes and that has been sold, leased, or licensed to the general public; or has been offered for sale, lease, or license to the general public; or any item evolved through advances in technology or performance and that is not available in the commercial marketplace but will be available in the commercial marketplace to satisfy the Government delivery requirements.

Competition: Acquisition strategy in which more than one contractor is sought to bid on procurement. In acquisitions at or below the micro-purchase threshold, only assurance of a fair and reasonable price is required. In simplified acquisitions, maximum practicable competition is obtained by soliciting at least three sources. In actions using other than simplified acquisition procedures, full and open competition is to be used unless there are valid exemptions or exceptions.

Constructive Change: A contract change without formal written authority.

Contract: Agreement, enforceable by law, between two or more competent parties to do or not do something not prohibited by law for a legal consideration. FAR 2.101, "Definitions", defines a contract as a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them.

Contract Administration Office (CAO): Activity identified in the DoD Directory of Contract Administration Services Components assigned to perform contract administration responsibilities. For DoD, the CAO is often a Defense Contract Management Agency (DCMA) regional office servicing the contract.

Contract Administration Plan: Plan describing the procedures and tasks to be used by the Government to administer a contract. Those tasks include file documentation and quality assurance functions. Implementation of the plan will establish a quality audit trail of contract performance with respect to the specifications, cost, delivery requirements, and applicable laws, regulations, and contract clauses.

Contract Data Requirements List (CDRL): List of contract data requirements authorized for a specific acquisition and made a part of the contract. CDRLs are specified by DD Form 1423-1, "Contract Data Requirements List".

Contract Discrepancy Report (CDR): Report issued for any supply or service found to be unacceptable during contract performance. The CDR is notification to the contractor of failure to meet the contract requirements.

Contract Line Item Number (CLIN): Number that identifies a separate supply or service to be provided under contract. Each CLIN should have a single unit price, separate identification, separate delivery schedule, and single accounting classification citation.

Contracting Officer: Individual who is duly appointed and designated with specific authority to enter into, administer, and terminate contracts and to make related determinations and findings on behalf of the U.S. Government.

Contracting Officer's Representative (COR): Individual, including a Contracting Officer's Technical Representative (COTR), designated and authorized in writing by the Contracting Officer to perform specific technical or administrative functions related to monitoring a contract. According to Defense Federal Acquisition Regulation Supplement (DFARS) 201.602-2, "Responsibilities", the COR must be (1) a Government employee, military or civilian, a foreign government, or a North Atlantic Treaty Organization/coalition partner(the latter two are applicable in a deployed theater), (2) qualified by training and experience commensurate with responsibilities to be delegated in accordance with department or agency guidelines, and (3) designated in writing. The COR has no authority to make any commitments or changes that affect price, quality, quantity, delivery, or other terms and conditions of the contract.

Contracting Officer's Representative (COR) Nominee: Individual identified by the requiring activity and accepted by the Contracting Officer as having the general competencies, agency experience, relevant technical experience, and training (or a training plan if not yet trained) to perform those COR functions delegated by the Contracting Officer. When appropriate, the COR should be nominated as early in the acquisition cycle as practicable. This allows the COR nominee to provide subject matter expertise and to ensure that he or she is familiar with the requirements, specific terms and conditions of the resultant contract, and the functions to be delegated.

Contractor-Acquired Property: Property acquired or otherwise provided by the contractor for its use in performing a contract and to which the government has or will acquire title.

CORT Tool: A web based application, designated by the Undersecretary of Defense, Acquisition Technology and Logistics, to track CORs within the Department of Defense.

Cost-Reimbursement Contract: Agreement that provides for payment of allowable incurred costs, to the extent prescribed in the contract.

Cure Notice: Document the Contracting Officer sends to a contractor to notify the contractor that the contract may be terminated by reason of default if the condition endangering performance of the contract is not corrected. There must be 10 days for the contractor to make the cure.

Customer Complaint: Form of feedback that can be used to monitor quality assurance; this is particularly useful in service contracts.

Data Item Description (DID): Document that defines the data required of a contractor. The DID specifically defines the data content, format, and intended use.

Data Rights: Rights to use recorded information, regardless of its form or the media on which it may be recorded. The term includes rights to technical data and computer software. The term does not include rights to information incidental to contract administration, such as financial, administrative, cost or price, or management information. The Government can acquire three types of data rights: (1) unlimited rights to all data, which is costly; (2) limited rights or restricted rights (a few essential rights for Government personnel only, which has a relatively low cost); and (3) government purpose rights, which includes rights for Government contractors as long as the use is for a Government purpose, at a moderate cost.

Default: Omission or failure to perform a legal or contractual duty to observe a promise, discharge an obligation, or perform an agreement.

Defense Contract Audit Agency (DCAA): Agency that audits all DoD contracts and provides accounting and financial advisory services regarding contracts and subcontracts to DoD components responsible for procurement and contract administration. These services are provided in connection with negotiation, administration, and settlement of contracts and subcontracts. DCAA also provides contract audit services to some other Government agencies.

Defense Contract Management Agency (DCMA): Independent agency within DoD that serves as DoD's contract manager. DCMA is responsible for ensuring that federal acquisition programs (systems, supplies, and services) are delivered on time, delivered within projected cost or price, and meet performance requirements.

Defense Federal Acquisition Regulation Supplement (DFARS): Supplement to the FAR that provides DoD-specific acquisition regulations.

Delivery Order (DO): Order for supplies placed against an established contract or with Government sources.

Delivery Order Contract: Contract for supplies that does not procure or specify a firm quantity of supplies (other than a minimum or maximum quantity) and that provides for the issuance of orders for the delivery of supplies during the period of the contract.

Department of Defense (DoD): Federal department responsible for coordinating and supervising all agencies and functions of the Government relating directly to the military and national security.

Designated Agency Ethics Official (DAEO): Individual appointed or designated by the Attorney General to administer, coordinate, and manage a department's ethics program. The Assistant Attorney General for Administration has been designated to serve as the DAEO.

Dispute: Disagreement between the contractor and Contracting Officer regarding the rights of the parties under a contract.

Economic Price Adjustment (EPA): Provision in a fixed-price contract that allows for upward or downward revision of the stated contract price under specified contingencies.

Equitable Adjustment: Adjustment of price, including an adjustment for profit, due to a change in contracted work, such as a change in the delivery schedule or any other terms of the contract.

Excusable Delay: Delay arising from causes beyond the control and without the fault or negligence of the contractor. Examples are (1) acts of a public enemy, (2) acts of the Government in its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather.

Executive Agency: Instrumentality of the U.S. Government bound by the FAR. Executive agencies include the executive departments, the military departments, any independent establishment, and any wholly owned Government corporation within the meaning of 31 U.S.C. 102, "Executive Agency".

Fair and Reasonable Price: Basic tenet of Government contracting that an award be made at a fair and reasonable price to both parties to the contract. If the contract is set up with the correct contract type allowing for appropriate cost risk, a good contractor should be able to make a reasonable profit.

Federal Acquisition Regulation (FAR): Regulation that applies to all acquisitions of the executive branch of the U.S. Government. DoD-specific policies and procedures are established in the DFARS.

Federal Business Opportunities (FedBizOpps): Media used by U.S. Government agencies to notify the public of proposed contract actions and contract awards.

Federal Government (Government): The federal government of the constitutional republic of fifty states and one district that is the United States of America.

Federal Supply Schedule (FSS): Program, directed and managed by the General Services Administration, that provides U.S. Government agencies with a simplified process for obtaining common supplies and services at prices associated with volume buying.

Firm-Fixed-Price (FFP) Contract: Agreement to pay a specified price when the supplies or services called for by the contract have been delivered and accepted within a specified time.

Free on Board (FOB) Destination: Title of the goods passes at destination. Contractor has total responsibility until shipment is delivered. Ownership (title and control) remains with contractor until goods are delivered. The contractor is responsible for all of the transportation arrangements.

Free on Board (FOB) Origin: Title passes at origin, and the Government has total responsibility over the goods while in shipment. The Government takes ownership (title and control) of the goods at the origin (when the carrier signs for goods) and is responsible for transportation of the goods beyond this point.

Full and Open Competition: Procurement environment in which all responsible sources are permitted to compete.

General Services Administration (GSA): Agency in the executive branch of the U.S. Government that procures common supplies and services (including construction) used by Government agencies.

Government Accountability Office (GAO): Independent government entity known as "the investigative arm of Congress" and "the congressional watchdog." GAO supports Congress in meeting its constitutional responsibilities and helps improve the performance and accountability of the Federal Government.

Government Bill of Lading (GBL): Accountable transportation document authorized and prepared by a Government official.

Government-Furnished Property (GFP): Property in the possession of or directly acquired by the Government and subsequently made available to the contractor.

Government Purchase Card (GPC): Card, similar to a commercial charge card, issued to authorize agency personnel to use to acquire and pay for supplies and services.

Head of the Contracting Activity (HCA): Individual who has overall responsibility for managing the contracting activity.

Indefinite-Delivery Contract: Contract used to acquire supplies or services when the exact times and/or exact quantities of future deliveries are not known at the time of contract award. There are three types of indefinite-delivery contracts: definite-quantity contracts, requirements contracts, and indefinite-quantity contracts.

Independent Government Cost Estimate (IGCE): Estimate of the cost for supplies or services to be procured by contract. Government personnel independent of contractors prepare IGCEs.

Information Resources: All resources and activities employed in the acquisition, development, collection, processing, integration, transmission, dissemination, distribution, use, retention, storage, retrieval, maintenance, access, disposal, security, and management of information. Information resources include doctrine, policy, data, equipment, and software applications, as well as related personnel, services, facilities, and organizations.

Information Technology (IT): Any equipment, or interconnected system or subsystem of equipment, used for the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or receipt of data or information. IT includes computers, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources.

Inspection: Process broadly defined as "the examination of an item by comparing it with predetermined standards to determine conformance to requirements." The narrow definition of inspection is "a visual examination which does not use special laboratory equipment or procedures." In the phrase inspection and acceptance, the broad definition applies. In the phrase test and inspection, the narrow one applies.

Invitation for Bids (IFB): Solicitation used by the Government (in the sealed bidding method of contracting) to invite offerors to make a bid on a specific requirement and to describe the conditions under which offers will be received.

Justification and Approval (J&A): Document that justifies and obtains approval for contract solicitations that use other than full and open competition.

Labor-Hour Contract: Contract that provides for the procurement of services on the basis of direct labor hours at specified, fixed hourly rates (which include direct and indirect labor, overhead, and profit).

Legal Counsel: Judge Advocate General, or Staff Judge Advocate, or civilian counsel providing legal services.

Letter Contract: Written preliminary contractual instrument that authorizes the contractor to begin immediately manufacturing supplies or performing services.

Market Research: Process used for collecting and analyzing information about the market available to satisfy the minimum agency needs to arrive at the most suitable approach to acquiring, distributing, and supporting supplies and services.

Modification: Written change in the terms of the contract. It can be unilateral (signed by the Government only) or bilateral (signed by both the Government and the contractor).

Negotiation: Contracting approach that uses either competitive or other than competitive proposals and discussions. Any contract awarded without using sealed bidding procedures is a negotiated contract. Negotiation may also be used to modify the contract after award.

Nonexcusable Delay: Delay that could have been prevented by the contractor. Such a delay would not be a reason to extend the delivery schedule without consideration.

Nonpersonal Services Contract: Contract under which the personnel rendering the services are not subject, either by the contract's terms or by the manner of its administration, to the supervision and control usually prevailing in relationships between the Government and its employees.

Offer: One of the five elements of a contract. As a response to a Government solicitation, an offer, if accepted by the Government's Contracting Officer, would legally bind the offeror to perform the resultant contract. An offer could be in the form of a bid or a proposal.

Offeror: Entity that offers, via a proposal, to provide supplies or perform services needed by the Government. An offeror becomes a contractor when the Government accepts the offer. In sealed bidding the offeror is called a bidder.

Operational Contract Support (OCS)[44]: The process of planning for and obtaining supplies, services, and construction from commercial sources in support of joint operations along with the associated contractor management functions.

Option: Contract term giving the Government the unilateral right, for a specified time, to purchase additional supplies or services called for by the contract or to extend the term of the contract. Examples are an increase in the quantity of supplies beyond that originally stipulated, an extension of time for services beyond that originally stipulated, and a change to the principal period of performance (such as the hours of the workday in a maintenance contract). A critical factor in an option is the window during which an option can be exercised. Missing the window voids the unilateral nature of the option.

Order: Instrument used to order work under a task order or delivery order contract. Orders are written and, when obligating funds, must be on a form prescribed by the FAR or DFARS. Orders are made a part of the contract file.

Organizational Conflict of Interest: Situation that exists when the nature of the work to be performed under a proposed Government contract may, without some restriction on future activities, result in an unfair competitive advantage to the contractor or impair the contractor's objectivity in performing the contract work.

Partial Payment: Payment for supplies or services delivered to, and accepted by, the Government, that represent only part of the contract requirements.

Past Performance: History of how well a contractor performs on a contract or contracts. The Government tracks contractor performance to assess the risk of using the same contractor on a similar project sometime in the future. (The Government supplements past performance data with data from other sources.)

Performance Specification: Description of the end item in terms of output, function, or operation. The contractor is responsible for determining the specific design necessary to achieve the performance levels stated. Performance specifications are preferred over design specifications.

Performance Work Statement (PWS): Description of the required results in clear, specific, and objective terms with measurable outcomes.

Performance-Based Services Acquisition (PBSA): Acquisitions that focus on the purpose of the services to be performed rather than the manner in which the work is to be performed. A PBSA is designed to ensure that contractors are given the freedom to determine how to meet the Government's performance objectives so that appropriate

[44] See Joint Publication 1-02 "DoD Dictionary of Military and Associated Terms".

performance quality levels are achieved, and that payment is made only for services that meet these levels.

Personal Services Contract: Contract that creates an employer-employee relationship between the Government and the contractor's personnel. The Government is normally required to obtain its employees by direct hire under competitive appointment, designation, or other procedures required by the civil service laws. Obtaining personal services by contract, rather than by direct hire, circumvents those laws unless Congress has specifically authorized acquisition of the services by contract. In addition, converting a legal nonpersonal service contract into a personal service contract removes it from being enforceable in a court of law.

Pre-award Survey (PAS): Study of a prospective contractor's financial, organizational, and operational status. A PAS is conducted prior to contract award to determine the contractor's responsibility and eligibility for Government procurement.

Procurement Request: Initial request for a contracting action, submitted by the requiring activity. The procurement request consists of all the documentation required to establish a contract, a purchase order, or a construction contract.

Procuring Contracting Officer (PCO) (sometimes referred as "Contracting Officer"): The individual who has the authority to award the contract. This individual may also administer the contract and may handle termination settlements, functions that, in many instances, are handled by an ACO and a TCO, respectively.

Progress Payment: Method of contract financing in which the Government pays a contractor as work progresses even though supplies or services have not been delivered. Progress payments may be based on costs incurred, percentage of work completed, or completion of particular phases.

Prompt Payment Act: Law defining the standard amount of time allowed for payment to Government contractors.

Proposal: Document submitted by an offeror in response to a request for proposals, issued by the Government, for providing supplies or performing services.

Proprietary Data: Data that belong to an offeror or contractor, and apply to manufacturing processes, operations, or techniques that may distinguish that entity from its competition. The entity must label its proprietary data, and the Government must prevent the release of proprietary data to unauthorized parties.

Protest: An interested party's written objection to an agency's solicitation of offers for a proposed contract to acquire supplies or services. A protest also may be an interested party's written objection to the proposed or actual award of a contract.

Provision: Term or condition that is used in the solicitation and applies before contract award.

Purchase Order: Order for supplies or services (used in the simplified acquisition method of contracting). Normally used above the micro-purchase level, purchase orders may be unilateral (requiring only a Government signature) or bilateral (requiring the signature of both the Contracting Officer and the contractor).

Quality: Combined attributes (performance features and characteristics) that indicate the ability of a supply or service to satisfy a given need.

Quality Assurance: Process consisting of planned, systemic actions necessary to provide confidence that adequate technical requirements are established; supplies and services conform to established technical requirements; and, satisfactory performance is achieved.

Quality Assurance Representative (QAR): When a contract has been delegated to the Defense Contract Management Agency to administer, the COR will work closely with the QAR. The QAR ensures the contractor is in compliance with contractual requirements, evaluates and documents contractor performance, follows up with the contractor on documented deficiencies, and provides input for the Performance Evaluation Board through the Administrative Contracting Officer.

Quality Assurance Surveillance Plan (QASP): Guide that describes the contract monitoring methods in detail. The QASP is usually written by the same team that develops the work statement and is used in monitoring a contract. A QASP is mandatory for contracts, task orders, or delivery orders over the simplified acquisition threshold, including service contracts and construction contracts[45].

Quality Control Plan: Method put into place by a contractor to monitor or control the performance of services to meet contract requirements. This plan is also known as a quality assurance plan (QAP).

Random Sampling: Method of inspection used when it is not feasible to examine all items presented prior to acceptance. Under this method, a predetermined quantity is inspected at random. In this way, the contractor does not know which items will be

[45] Reference DFARS 246.401.

inspected. In theory, random sampling is highly reliable as an indicator of overall quality.

Ratification: Approval, by an official with the required authority, of an unauthorized commitment. A ratifying official is never compelled to ratify an unauthorized commitment.

Reasonable Cost: Cost which, in its nature and amount, does not exceed that which would be incurred by a prudent person in the conduct of a competitive business. In determining reasonableness of a specific cost, the Contracting Officer shall consider:
Whether it is the type of cost generally recognized as ordinary and necessary for the conduct of a contractor's business or the contract performance;
Generally accepted sound business practices, arm's length bargaining, and federal and state laws and regulations;
The contractor's responsibilities to the Government, other customers, the owners of the business, employees, and public at large; and
Any significant deviation from the contractor's established practices.

Replacement in Kind (RIK): Type of payment on an acquisition and cross-servicing agreement in which logistics support, supplies, or services are transferred to an activity and that activity pays by providing the same kind of logistics support, supplies, or services at a later date.

Request for Proposals (RFP): The solicitation used for negotiated acquisitions to communicate Government requirements to prospective contractors and to obtain proposals.

Requirements Contract: Indefinite-delivery type of contract that commits the Government to the exclusive use of the contractor to provide supplies or services as outlined in the contract for the period stated. This type of contract does not commit the Government to a specific quantity of supplies or services. Delivery orders are used to request supplies and task orders are used to request services when needed. Delivery orders and task orders also give the location and time of delivery or performance. Under this type of contract, the Government is at risk of a breach of contract suit if, for any reason, it gives a competitor the work promised before the contractor has a chance to refuse it.

Responsibility: Determination that the contractor has the capability to perform a contract successfully. Because the responsibility decision must be made prior to award, it is somewhat speculative. It can be based on a formal pre-award survey of technical capability, production capability, quality assurance capability, financial capability, accounting system, and other factors such as property control, transportation, packaging, security, safety, environmental or energy conservation, and flight operation or flight

safety. It is also possible to make a responsibility determination without a formal pre-award survey when data are available to support a positive decision.

Sealed Bidding: Method of contracting that employs competitive bids, involves public opening of bids, and makes an award to the responsive, responsible bidder, considering only price and price-related factors.

Senior Procurement Executive (SPE): Individual who is responsible for management direction of the acquisition system of an executive agency, including implementation of agency-unique acquisition policies, regulations, and standards.

Set-aside: Reserving of an acquisition or portion of an acquisition exclusively for participation by an identified group.

Show-Cause Letter: Document sent by the Contracting Officer to a contractor that is failing to perform in accordance with the terms of the contract. The letter notifies the contractor that the contract may be terminated by reason of default unless the contractor can prove within 10 days that the condition was not the fault of the contractor.

Simplified Acquisition Threshold (SAT): Generally, the SAT threshold is $150K. However, when the supplies or services are needed to support a declared contingency operation or to facilitate defense against or recovery from nuclear, biological, or radiological attack, the SAT threshold is:

$250K for any contract to be awarded and performed, or purchase to be made, inside the United States; and
$1M for any contract to be awarded and performed, or purchase to be made, outside the United States.

Small Business: Entity, including its affiliates, that is independently owned and operated, is not normally dominant in the field of operation in which it is performing on Government contracts, and meets certain other size criteria set by the SBA.

Small Business Program: Program designed to ensure that small businesses — including small disadvantaged businesses, 8(a) firms, women-owned businesses, minority colleges, and labor surplus area firms, among others identified by law — receive a fair share of DoD procurement dollars. In furtherance of economic objectives, various public laws and executive orders have designated that these groups be provided special opportunities in solicitation and award of federal contracts.

Sole Source: Source that is characterized as the one and only source, regardless of the marketplace, possessing a unique and singularly available performance capability for the purpose of the contract award.

Sole-Source Acquisition: Contract for the purchase of supplies or services that is entered into, or proposed to be entered into, by an agency after soliciting and negotiating with only one source. Sole-source contracts require special approvals.

Solicitation: Request for proposal or invitation for bids issued to prospective offerors or bidders.

Source Selection: Process in which the requirements, facts, recommendations, and Government policy relevant to an award decision in a competitive procurement are examined and a decision is made.

Specification: A document used in development and procurement that describes the technical requirements for items, materials, and services. A specification also describes the procedures that the Government will use to determine if the requirements have been met. Specifications may be unique to a specific program or common to several applications.

Statement of Objectives (SOO): Statement, provided in the RFP, that specifies the basic top-level objectives of the acquisition, but does not include *how to* instructions. With a SOO, potential offerors have the flexibility to develop cost-effective solutions and the opportunity to propose innovative alternatives meeting the requirement. By reviewing an offeror's solutions, the Government can assess the extent to which the offeror understands all aspects of the effort to be performed.

Statement of Work (SOW): Statement, provided in the RFP, that specifies the basic, top-level objectives of the acquisition, as well as the detailed requirements of the Government. The SOW also provides the contractor with *how to* instructions to accomplish the required effort, and it forms the basis for successful performance by the contractor and effective administration of the contract by the Government.

Supplemental Agreement: Contract modification accomplished by the mutual action of the Contracting Officer and contractor. This is a bilateral agreement and must be executed by both the contractor and the Contracting Officer.

Supplies: All property except land or interest in land (as defined by the FAR).

Synchronized Pre-deployment and Operational Tracker (SPOT): Joint, web-accessible database used for tracking contractor personnel movements within the forward deployed area and for validating individual contractor personnel associated with specific contracts, their authorization for access to specific DoD facilities, and their individual eligibility for specific DoD support services.

Synopsis: Government's notice in the FedBizOpps (FBO) announcing the specific requirement for supplies or services and the procedure for receiving a copy of the solicitation document. The Government is required to use this vehicle for ensuring full and open competition unless a valid exception exists.

System Support Contract: Contracts awarded by service acquisition program management offices to obtain technical support, maintenance support, and, in some cases, Class IX support for selected military weapons and support systems.

System Support Contractor: Entity, normally with high levels of technical expertise, hired to support specific military systems.

Task Order: Instrument used to order work under a task order contract (see below). Task orders are always written by the Contracting Officer, and when obligating funds, must be on a form prescribed by FAR or DFARS. Task orders are made a part of the contract file and the COR's working file.

Task Order Contract: Contract for services that does not procure or specify a firm quantity of services (other than a minimum or maximum quantity) and that provides for the issuance of orders for the performance of tasks during the period of the contract.

Terminating Contracting Officer (TCO): The individual who has the authority to settle terminated contracts.

Termination: Cancellation of all or part of the work that has not been completed and accepted under a contract. Under specific circumstances, termination may be for default of the contractor or for convenience of the Government.

Time-and-Materials (T&M) Contract: Contract that provides for acquiring supplies or services on the basis of (1) direct labor hours at specified fixed hourly rates that include wages, overhead, general and administrative expenses, and profit and (2) materials at cost, including, if appropriate, material handling costs as part of material costs. A T&M contract establishes a ceiling price that the contractor may not exceed. Substantial surveillance on the Government's part is required to ensure that efficient methods are used. A QASP is mandatory for any contract, task order, or delivery order that involves a T&M service contract or for a T&M construction contract over the micro-purchase threshold.

Unauthorized Commitment: Agreement that is not binding, because the Government representative who made the agreement lacked the authority to obligate the Government contractually. An unauthorized commitment must be ratified at very high levels. If the approval authority decides not to ratify the unauthorized commitment, the person who

caused it may be held personally and financially liable. Even if the action is ratified, the person who caused it may be subjected to administrative or other penalties.

Undefinitized Contract Action (UCA): Any contract action for which the terms, specifications, or price are not agreed upon before performance is begun under the action. Examples are letter contracts, orders under basic ordering agreements, and provisioned item orders.

Uniform Contract Format (UCF): Standard Federal contract format.

Unilateral Modification: Modification that is effective upon signature by the Contracting Officer; the contractor's signature or assent is not required. Unilateral modifications are used to:

Make administrative changes;
Issue change orders;
Make changes authorized by clauses other than a Changes clause (such as Property, Options, or Suspension of Work clauses); and
Issue termination notices.

Warranty: Promise given by the contractor regarding the nature, usefulness, or condition of the supplies or services furnished under a contract. Warranties normally provide a contractual right for the correction of defects, notwithstanding any other contract provision. Warranties also establish a time period for exercising this right. The Government should take advantage of commercial warranty provisions normally offered by contractors rather than designing unique warranty provisions. However, the use of warranties is not mandatory; they should be used only when in the best interest of the Government.

Wide Area Work Flow (WAWF): Web-based system that enables contractors to transmit invoices and shipping notices electronically and enables DoD to record inspection, receipt, acceptance, and invoice approval electronically. WAWF distributes data to downstream systems, including entitlement (payment) systems, accounting systems, property records, and others.

Work Plan: Guideline for monitoring contract performance.

APPENDIX E:
COR Resources and References

Air Force Contract Augmentation Program (AFCAP): http://www.globalsecurity.org/military/agency/usaf/afcap.htm AFCAP was initially conceived and implemented to provide civil engineers and services personnel a contract force multiplier.
Anti-deficiency Act: http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=browse_usc&docid=Cite:+31USC1351 and http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=browse_usc&docid=Cite:+31USC1517 Codified at 31 U.S.C. 1351 and 31 U.S.C. 1517(a), the Anti-deficiency Act prohibits authorizing or incurring obligations or expenditures in excess of amounts apportioned by the Office of Management and Budget or in excess of amounts permitted by agency regulations.
Combating Trafficking in Persons: http://ctip.defense.gov/ This DoD site provides links to Trafficking in Persons (TIP) training, including mandatory general awareness course J3TA-US030, Combating Trafficking in Persons.
Defense Contingency Contracting Handbook: http://www.acq.osd.mil/dpap/ccap/cc/jcchb/index.html This handbook provides contingency contracting tools, information, and training.
Defense Contingency Contracting Officer Representative (COR) Handbook: http://www.acq.osd.mil/dpap/ccap/cc/corhb/ This handbook provides information, tools, and training for DoD Contingency CORs.
Contingency Contracting Reports (Department of Defense): http://www.acq.osd.mil/dpap/pacc/cc/reports.html This site lists contingency contracting reports and provides links.
Contract Management Process Guide: http://www.hqmc.usmc.mil/CMPG/ This Web-enabled guide was designed to benefit contracting personnel within the Marine Corps Field Contracting System and their customers.
Contracting Officers Representative Course: www.almc.army.mil The Army Logistics Management College offers this 4-day residence course equivalent of DAU COR222/DAU CLC-222 (See courses and schedules under *Academic Info*.)

Contractor and Vendor Payment Information Guidebook: http://www.dfas.mil/contractorpay/ContractPayInformation011110.pdf This Defense Finance and Accounting Service guidebook assists with preparing payment documentation to avoid billing errors that cause payment delays.
Contractor on the Battlefield Resource Library: http://www.aschq.army.mil/Home/BattlefieldResourceLibrary.aspx The purpose of this Army Sustainment Command site is to accumulate and offer materials helpful to the resolution of legal issues arising from operational contract support.
Contractor Performance Assessment Reporting System: http://www.cpars.csd.disa.mil/ This Web-based system is used to input data on contractor performance.
Contractors Accompanying the Force: https://scoe.learn.army.mil/webapps/portal/frameset.jsp The Sustainment Center of Excellence offers a contracting basics familiarization course. (See Course Catalogs; select SCOE Courses; and select Contractors Accompanying the Force.)
DAU Contracting Officer's Representative (COR) Community of Practice: (CoP) https://acc.dau.mil/cor DAU's COR community of practice (CoP) provides a central clearinghouse of knowledge and learning assets and enables sharing of best practices and lessons learned. The basic COR training module CLC 106 Contracting Officer's Representative with a Mission Focus (https://acc.dau.mil/cor) is an 8-hour online course. DAU also offers additional COR-related training modules. COR nominees should also complete Contracting for the Rest of Us, a 2-hour online course.
DAU Community of Practice : Contractors Accompanying the Force: https://acc.dau.mil/CommunityBrowser.aspx?id=18014&view=w This CoP includes links to policy and best practices.
Defense Contract Audit Agency (DCAA): www.dcaa.mil DCAA performs all contract audits for the DoD, and provides accounting and financial advisory services regarding contracts and subcontracts to all DoD components responsible for procurement and contract administration.
Defense Contract Management Agency (DCMA): www.dcma.mil DCMA provides contract administration services to DoD.
Defense Federal Acquisition Regulation Supplement (DFARS) and Procedures, Guidance, and Information (PGI): http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html DFARS 201.602-2 and DFARS PGI 201.602-2, Contracting Officer Responsibility

DFARS 201.602-70, Contract Clause prescribes use of clause 252.201-7000, Contracting Officer's Representative DFARS 204.70, Uniform Procurement Instrument Identification Numbers DFARS 252.201-7000 Contracting Officer's Representative DFARS Appendix F, Material Inspection and Receiving Report
Defense Hotline: http://www.dodig.mil/hotline/ Anyone, whether uniformed or civilian, who witnesses what he or she believes to be a violation of ethical standards or the law (such as fraud, waste, or abuse of authority; potential leaks of classified information; or potential acts of terrorism) should report such conduct through the chain of command or directly to the inspector general of his or her respective service or directly to the Inspector General of the Department of Defense Hotline at 800-424-9098 (e-mail: hotline@dodig.mil).
Defense Language Institute Foreign Language Center: http://www.dliflc.edu/index.html This Web site provides instruction in foreign languages.
Defense Security Service (DSS): https://www.dss.mil DSS is a DoD agency that provides security support services**.**
DoD Guide to Collection and Use of Past Performance Information: http://www.acq.osd.mil/dpap/Docs/PPI_Guide_2003_final.pdf This guide is designed to articulate the key techniques and practices for the use and collection of past performance information.
DoD Specifications and Standards Homepage: http://www.dsp.dla.mil This site contains information about DoD standardization, key points of contact, frequently asked questions (FAQs), MilSpec Reform, newsletters, training, non-Government standards, and links to related sites.
Developing a Performance Work Statement in a Deployed Environment Handbook: http://usacac.army.mil/cac2/call/docs/09-48/09-48.pdf Army Handbook 09-48 published September 2009
Embassies and More: http://www.allstays.com/ Resources/embassies.htm This Web site covers "embassies, official offices, and more away from home."
Federal Acquisition Jump Station: http://prod.nais.nasa.gov/pub/fedproc/home.html This Web site covers procurement and acquisition services by contracting activity.
Federal Acquisition Regulation: https://www.acquisition.gov/far/

FAR Part 7–Acquisition Planning **FAR Part 10–Market Research** **FAR Part 11–Describing Agency Needs** **FAR Part 12–Acquisition of Commercial Items** **FAR 15.304–Evaluation Factors and Significant Sub-Factors** **FAR Part 16–Types of Contracts** **FAR Subpart 22.10–Service Contract Act** **FAR Subpart 32.7–Contract Funding** **FAR Part 37–Service Contracts** **FAR Part 46–Quality Assurance** **FAR 3.104–Procurement Integrity** **FAR Subpart 5.1–Dissemination of Information** **FAR Part 15–Contracting by Negotiations** **FAR 37.602(b)(2)–Quality Assurance for Service Contract** **FAR Subpart 42.5–Postaward Orientation** **FAR 12.208–Contract Quality Assurance** **FAR 12.402–Acceptance** **FAR 43.104–Notification of Contract Changes (Constructive)** **FAR Part 42–Contract Administration and Audit Services** **FAR Subpart 42.11–Production Surveillance and Reporting** **FAR 52.232-25–Prompt Payment** **FAR Part 45–Government Property** **FAR Subpart 17.2–Options** **FAR Part 49–Termination of Contracts**
FedWorld Information: http://www.fedworld.gov FedWorld was established by the National Technical Information Service (NTIS), an agency of the U.S. Department of Commerce, to serve as the online locator service for a comprehensive inventory of information disseminated by the Federal Government.
Foreign Corrupt Practices Act (FCPA): http://www.justice.gov/criminal/fraud/fcpa/ This Web site provides statute, recent legislative history, opinions, and other information related to the FCPA.
GSA [General Services Administration] Advantage: https://www.gsaadvantage.gov/advgsa/advantage/main/start_Page.do GSA Advantage is the GSA Web site for supplies and services.
Geographic Combatant Command (GCC) Areas of Responsibility (AOR): Map http://www.acq.osd.mil/dpap/pacc/cc/areas_of_responsibility.html This Web site contains links to GCC AORs.
Guidebook for Performance-Based Services Acquisition (PBSA) in the Department of Defense:

https://www.acquisition.gov/SevenSteps/library/DODguidebook-pbsa.pdf DoD developed this guidebook as a cooperative effort among the components to help the acquisition team, and any other stakeholder, better understand the basic principles of PBSA and better implement performance-based methods in services acquisitions.
A Guide for Writing and Administering Performance Statements of Work for Service Contracts: https://acc.dau.mil/GetAttachment.aspx?id=30609&pname=file&aid=5448&lang=en-US OFPP Pamphlet 4.
A Guide to Best Practices for Contract Administration: https://acc.dau.mil/GetAttachment.aspx?id=31456&pname=file&aid=5687&lang=en-US OFPP's guide "contains best practices in contract administration that should be useful tools to program and contracting officials in administering federal contracts."
Joint Ethics Regulation (JER): http://www.dod.mil/dodgc/defense_ethics The JER, DoD 5500.7-R, explains standards of conduct relating to possible conflicts between private interests and official duties, regardless of assignment.
Library of Congress: http://www.loc.gov The Library of Congress's Web site is a research tool offering resources such as the Country Studies Series (http://lcweb2.loc.gov/frd/cs/), which presents a description and analysis of the historical setting and the social, economic, political, and national security systems and institutions of countries throughout the world.
Logistics Civil Augmentation Program (LOGCAP): http://www.globalsecurity.org/military/agency/army/logcap.htm LOGCAP is a U.S. Army initiative for peacetime planning for the use of civilian contractors in wartime and other contingencies.
Marine Corps Acquisition Workforce Development: http://www.marcorsyscom.usmc.mil/sites/acqworkforce/ This Web site provides workforce developmental policy, planning, and consultation services and individualized education and training services, including recurrent military training services that facilitate the individual and collective development of the Marine Corps' acquisition workforce and the Marine Corps System Command's support personnel.
Monitoring Contract Performance in Contracts for Services: http://www.acq.osd.mil/dpap/policy/policyvault/2008-0468-DPAP.pdf This memorandum from Deputy Secretary of Defense, issued 22 August 2008, includes COR requirements.

The Office of Federal Procurement Policy (OFPP) Guide on PBSA: http://www.whitehouse.gov/omb/procurement/pbsa/ This guide is a good reference for anyone involved in Government services contracts.
Office of Government Ethics (OGE): http://www.usoge.gov/ Offerings include ethics training, forms, library, and international assistance.
Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics: www.acq.osd.mil/ This Web site offers a library of DoD acquisition and technology documents and links to many other valuable sites.
Seven Steps to Performance Based Services Acquisition: http://acquisition.gov/comp/seven_steps/home.html OFPP guidebook.
Special Instructions for Contracting in Iraq and Afghanistan: http://www2.centcom.mil/sites/contracts/Pages/Default.aspx These instructions include mandatory requirements/guidance for Contracting Officers.
Standards of Conduct Office (DoD): http://www.dod.mil/dodgc/defense_ethics A resource to understand the ethical standards that apply to every DoD employee, both civilian and military.
Standard Industrial Codes (SICs): http://www.sba.gov/regulations/siccodes/ SICs are product numbers for supplies and services.
Synchronized Predeployment and Operational Tracker (SPOT): http://www.bta.mil/products/spot.html SPOT has been designated as the Joint enterprise contractor management and accountability system to provide a central source of contingency contractor information.
Trafficking in Persons: http://www.dodig.mil/Inspections/IPO/TIP_17JUL2008.pdf This site contains awareness training on TIP from the DoD Awareness Initiative.
U.S. Agency for International Development (USAID): http://www.usaid.gov USAID is an independent Government agency that receives overall foreign policy guidance from the Secretary of State**.**
Wage Determinations Online: http://www.wdol.gov/ This Department of Labor web site presents prevailing wage rates to be paid on Government contracts**.**

Wide Area Workflow (WAWF): https://wawf.eb.mil/ WAWF includes instructions, registration assistance, and system updates and messages.
World Factbook: https://www.cia.gov/library/publications/the-world-factbook/ This Central Intelligence Agency site provides information on the history, people, government, economy, geography, communications, transportation, military, and transnational issues for 266 world entities.

OTHER REFERENCES

Other Available References

1. Ashton B. Carter, Under Secretary of Defense for Acquisition, Technology, and Logistics, "Personal Conflicts of Interest (PCIs) of Contract Employees," Washington, DC, 24 November 2009.
2. Ashton B. Carter, Under Secretary of Defense for Acquisition, Technology, and Logistics, "DoD Standard for Certification of Contracting Officer's Representatives (COR) for Service Acquisitions," Washington, DC, 29 March 2010.
3. Ashton B. Carter, Under Secretary of Defense for Acquisition, Technology, and Logistics, "Better Buying Power: Guidance for Obtaining Greater Efficiency and Productivity in Defense Spending," Washington, DC, 14 September 2010.
4. Defense Acquisition University, "Acquisition Community Connection," [Online] Available: https://acc.dau.mil/ CommunityBrowser.aspx.
5. Defense Acquisition University, "Contracting Officer's Representative," Course No 222, January 2009.
6. Defense Acquisition University, "COR With a Mission Focus," Course CLC 106, presentation (undated).
7. Defense Acquisition University, *Student Guide for Performance-Based Service Acquisition and the Seven Step Process*, ACQ 265, November 2009.
8. Defense Federal Acquisition Regulation Supplement 204.7003, *Basic PII Number*, 27 September 2010.
9. Department of the Army, Training and Doctrine Command (TRADOC), *Independent Government Estimate Preparation Guide*, TRADOC Pamphlet 715-6, 19 July 2000.

Appendix F: COR Checklists

The following checklists were developed to assist you during performance of your designated COR responsibilities. These checklists are representative of functions normally designated. There may be functions designated that are not contained within this selection of checklists. It is recommended that you become familiar with the format of these checklists and, if necessary, develop checklists to cover the functions delegated.

Note: Refer to the letter of appointment/designation from the Contracting Officer to determine all functions you have been designated to perform.

Content

F.1 DOs and DON'Ts - Contract Administration and Remedies Checklist

F.2 Contents of a COR Working File

F.3 COR Surveillance

F.4 DOs and DON'Ts - Contract Monitoring and Pre-award and Solicitation

F.5 DOs and DON'Ts - Evaluation and Award

F.6 Considerations for the Performance Work Statement

F.7 Contractor Performance Assessment

F.8 Contractor Delay Assessment

F.9 COR Compliance-Surveillance of Construction Contracts

F.1: DOs and DON'Ts:
Contract Administration and Remedies Checklist

CONTRACT ADMINISTRATION	
DO	**DON'T**
Remember that the COR is an agent of the U.S. Government, with only the authority delegated by the Contracting Officer.	Accept less than what is required by the contract.
Get the names of contractor personnel authorized to represent the contractor.	Assume an interpretation of ambiguous contract language, which would be favorable to the Government. Remember: if the contractor's interpretation is reasonable, it will prevail.
Find out the specific authority of contractor personnel. Does the person you are dealing with have the authority to obligate the contractor?	Hold up payment unless performance is deficient or defective.
See that all Government approvals or consents are timely.	Accept supplies or services without complete inspection.
	Make any change, modification, deletions, or additions to the contract requirements. Work through the Contracting Officer.
	Automatically consider all contractor claims unreasonable. Be fair and impartial.

REMEDIES	
DO	**DON'T**
Exercise Government rights, such as warranties. Make sure to deal with any problems before the warranty period runs out.	Act without consulting the contracting officer. Work through the contract administration team.
Work with the contracting personnel to prevent problems before they arise.	Allow interim or final delivery dates to be waived.
Take actions to protect Government rights before delivery is due.	

F.2: Contents of a COR Working File

	A copy of the COR letter of appointment or designation from the Contracting Officer; copies of any changes to that letter; and a copy of any termination letter.
	A copy of the contract and/or delivery/task order and all contract modifications.
	A copy of the contract data requirements lists (CDRLs) submitted to the COR as required by the contract, as well as the COR's analysis of the CDRLs and any resulting actions taken.
	A copy of the QASP and a record of each individual surveillance conducted, the results, and any actions taken.
	The notice of award or notice to proceed.
	A copy of the required training certificates.
	The names and position titles of contractor personnel who serve on the contract.
	All correspondence between COR and the contractor, Contracting Officer, or others concerning performance of the contract; together with English translations of all correspondence written in a foreign language.
	Copies of all data, reports, and other documentation furnished by the contractor, along with the COR's analysis of those items, actions taken, and the date of each action.
	A copy of the trip report of every visit to the contractor's facility. A copy of this report must be provided to the Contracting Officer within 7 days after each visit. The trip report must identify people contacted, dates, items discussed, and actions taken.
	Memoranda for record of minutes of any meetings, site visits, telephone conversations, and other discussions with the contractor or others pertaining to the contract or contract performance. These minutes should include persons present, dates, matters discussed, and actions taken.
	Records relating to the contractor's quality control system and plan and the results of the quality control effort.
	A copy of the surveillance schedule, progress schedules, and schedule of cumulative payments approved.
	A list of Government-furnished property.
	A copy of all approvals the COR has given to the contractor. These approvals must be a COR-designated authority.
	Documentation pertaining to the COR's receipt and acceptance (or rejection) of services performed and/or supplies delivered, including receipts, reports, and other data.
	Copies of all DD Form 250s, invoices, vouchers, and receipt documents processed, including COR recommendations relating to them.
	Samples, photographs, witness statements, and other factual data to support documentation.
	Records of all weather conditions. This is particularly important for administering

	construction contracts and any other contracts that call for out-door performance, where severe weather or bad weather conditions could delay contract performance or completion.
	Records of any Government actions that affected or influenced contractor performance.
	Applicable laboratory test reports.
	Copies of deficiency reports.
	A copy of each COR monthly report.
	Any other documentation and data necessary to provide a complete history of all actions taken by the COR under, or in connection with, the contract.

F.3: COR Surveillance

	Is the COR maintaining a separate file for each contract?
	Is the file clearly indexed to enable ready access to pertinent records?
	Has the COR been trained within the past 3 years and is the certificate present?
	Is a copy of the COR's letter of appointment or designation in the file?
	Does the COR file include the following items: Copy of the contract All modifications All invoices All DD 250s Deficiency reports Copy of QASP Copy of required regulations Memos for the record and other correspondence/e-mail Surveillance checklist Surveillance schedule Environmental plan Maintenance plan Work plan GFP inventory Safety plan Test reports GFP validation
	Has the COR reported contractor full time equivalents (CFTE) or validated the contractor's input?[46]
	If the COR is responsible for contractor performance reporting, has the COR

[46] Refer to OSD Memorandum, "Guidance for the Submission and Review of the FY 2011 Inventory of Contracts for Services" 29 December 2011.

	completed CPARS report inputs?
	Has the COR performed contractor surveillance/site visits?
	Are the results of surveillance/inspection documented?
	Does the COR complete a periodic contract performance report and forward it to the Contracting Officer?

F.4: DOs and DON'Ts:
Contract Monitoring and Pre-award and Solicitation

CONTRACT MONITORING	
DO	**DON'T**
Set a level of monitoring consistent with the type of contract, the complexity of the supply or service, and the importance of the contract to the overall program.	Assume that "no news is good news."
Read progress reports and immediately act on problems they reveal. See that the contractor complies with every requirement of the contract.	Wait until delivery is due or overdue to check progress.
Immediately contact the Contracting Officer when deficiencies or delinquencies are noted. Use the contractor's invoices to help monitor technical progress.	Take action against a delinquent contractor on your own. Work through the Contracting Officer.
	Order, request, or even suggest that the contractor do work that is not called for by the contract.
	Act as if you are the contractor's personnel manager. The COR reviews and approves or disapproves; the contractor supervises contractor personnel.
	Assume the contractor billings are correct.

PRE-AWARD AND SOLICITATION	
DO	**DON'T**
Use market research.	Write vague specifications, assuming that "the contractor will do whatever is necessary to satisfy us."
Look for commercial solutions.	Write design specifications, prescribing in detail what materials should be use and how the work should be performed.
Promote full and open competition.	Ask for progress reports, test samples, or other items from the contractor unless the items are needed for the program or for efficient administration and monitoring.
Think about contract administration requirements while writing the SOO/SOW/PWS or the specifications.	
Use performance-based or functional (rather than design) specifications to describe an objective or standard to be achieved, allowing the contractor to exercise ingenuity in achieving that objective or standard, select the means, and assume corresponding responsibility.	
Limit use of restrictive provisions to satisfy agency needs.	
Limit use of specifications and instead focus on function, performance, and physical characteristics.	
In the SOO/SOW/PWS and specifications, separate discussion of administrative and progress reporting requirements from discussion of required procedures and deliverables.	

F.5: DOs and DON'Ts:
Evaluation and Award

EVALUATION AND AWARD	
DO	**DON'T**
Carefully review the contract, especially the technical requirements.	Divulge budget information.
Develop, or obtain from the contractor, a detailed schedule of performance.	Assume without reading it that the SOO/SOW/PWS is complete, clear, and fully understandable.
Work with the Contracting Officer and the contractor to clear up any misunderstandings and to establish organized contract administration and monitoring procedures.	Allow planning to become an end in itself. Remember the goal is to get results, not just pretty charts showing the plan.
	Forget to update plans and schedules as the situation changes.
	Overlook or ignore contract requirements for GFP, timely reviews and approvals, or technical assistance and direction.

F.6: Considerations for the Performance Work Statement

Considerations for the Performance Work Statement	
	Does the PWS describe the outcomes (or results) rather than how to do the work?
	Does the PWS avoid specifying the number of contract workers required to perform the work (except when absolutely necessary)?
	Does the PWS avoid specifying the educational or skill level of the contract workers (except when absolutely necessary)?
	Can the contractor implement new technology to improve performance or to lower cost?
	Can the contractor use lower cost materials and still meet the performance standards?
	Are the situations documented when tightly controlled materials or supplies are essential?
	Are commercial performance standards utilized?
	Do the performance standards address quantity, quality, and timeliness?
	Are the performance standards objective, easy to measure, and timely?
	Is the assessment of quality a quantitative or qualitative assessment?
	Will two different evaluators come to the same conclusion about the contractor's performance based on the performance standards?

	Are acceptable quality levels clearly defined?
	Is the time period for the acceptable quality level clearly defined?
	Are the people who will perform the evaluations identified?
	Are the acceptable quality levels realistic and achievable?
	Will the user be satisfied if the acceptable quality levels are exactly met? (Or will they be satisfied only at a higher quality level?)
	Do the acceptable quality levels allow for improvement?
	Is the value of evaluating the contractor's performance on a certain task worth the cost of surveillance?
	Has random sampling or periodic sampling been utilized in the QASP?
	Has user feedback been incorporated into the QASP?
	Does the PWS make use of the contractor's own quality control plan and management information systems to reduce costs?
	Are there incentives to motivate the contractor to improve performance or to reduce costs?
	Are there negative incentives to handle poor performance?
	Will the contractor focus on continuous improvement?

F.7: Contractor Performance Assessment

Contractor Performance Assessment	
	Cost control.
	Timeliness (schedule/delivery). Is the contractor on schedule to meet contractual requirements? Did the contractor meet the contractual delivery requirements? Does the contract include a reward for early delivery, or a penalty for late delivery?
	Quality. Do the supplies or services meet the requirements? Do they conform to the contract specifications, standards, SOO/SOW/PWS, and quality assurance plan?
	Business relations. Is the contractor responsive, professional, and courteous?
	Management of key personnel. Are technical experts highly qualified and effective in performing the required services? Do they meet the skill level stated in the contract? Are an appropriate number of personnel assigned to the project? Do delivered supplies reflect the skill and standardization required by the customer?
	Customer satisfaction. Will the customer be satisfied in terms of cost, quality, and timeliness of the delivered supplies or services? What percentage of the deliverable meets the customer's expectations? How long has the contractor taken to answer any customer complaints? How many customer complaints have there been?
	Compliance. Has the contractor complied with Occupational Safety and Health Administration, Environmental Protection Agency, Department of Labor, and other pertinent regulations?

F.8: Contractor Delay Assessment

Before making a final determination, the COR must be certain that the contractor (1) had little or no control over the circumstances that caused the delay, and (2) could not have taken any preemptive action to reduce the negative consequences of the delay. If the organization can prove these two assertions, then a "Yes" answer to any of the following questions means the delay was probably excusable.	
	1. Was the delay caused by a labor strike? If "no," go to 2. If "yes," did the contractor: File a charge with the appropriate labor relations board to seek injunctive relief in court? Use other available Government procedures or private boards or organizations in an attempt to settle or arbitrate disputes that caused the strike?
	2. Was the delay caused by Government interference or disruption? If "no," go to 3. If "yes," did the Government: Delay in making payments due to the contractor? Deliver GFP late? Fail to reply to a contractor request for clarification? Fail to disclose all facts applicable to performance? Cite or misrepresent conditions that were different from those portrayed? Experience scarcity of supplies due to Defense Production Act priorities over commercial or nonrated orders? Delay issuing a required notice to proceed? Delay issuing changes? Delay performance by other Government contractors? Experience delays because of an interested party protesting the contract award? Delay making the site available? Delay providing funding? Delay inspection or acceptance? Delay because of defective or ambiguous specifications? Delay granting approvals?
	3. Was the delay caused by a subcontractor? If "no," go to 4. The determination is "no" if either of the following occurred: Did a dispute between the subcontractor and prime cause the delay? Were subcontracted products or services available from other sources in time for the prime to complete performance?
	4. Was the delay caused by any other occurrence specifically characterized in Default or Excusable Delays (or other clauses), as generally excusable? If "no," go to 5.

	If “yes,” was the delay caused by: Acts of the Government in either its sovereign or contractual capacity? Acts of God or the public enemy? Fire? Flood? Unusually severe weather? Epidemics? Quarantine restrictions? Labor disputes resulting in strikes? Freight embargoes? Common carrier delays?
	5. Was the delay caused by other circumstances not previously mentioned? If “yes,” did the contractor: Not cause the delay? Not have any control over the circumstances that caused delay?

F.9: COR Compliance - Surveillance of Construction Contracts

COR Compliance - Surveillance of Construction Contracts	
	Review the contractor’s certified payrolls.
	Check work sites for required postings.
	Conduct labor standard interviews.
	Compare payrolls and on-site interviews.
	Resolve discrepancies/violations.

Appendix G: Metric Conversion Table

English to Metric				
inches (ins)	X	25.4	=	millimetres (mm)
feet (ft)	X	0.3	=	metres (m)
yards (yds)	X	0.9	=	metres (m)
miles (mi)	X	1.6	=	kilometres (km)
sq inch (in^2)	X	6.5	=	sq centimetre (cm^2)
sq feet (ft^2)	X	0.09	=	sq metres (m^2)
sq yard (yd^2)	X	0.8	=	sq metres (m^2)
cu. in (in^3)	X	16	=	cu.centimetres
cu. ft (ft^3)	X	0.03	=	cu.metres (m^3)
cu. yd (yd^3)	X	0.8	=	cu.metres (m^3)
(liq) quart (qt)	X	0.9	=	litre (l)
gallon (gal)	X	0.004	=	cu.metres (m^3)
(advp) ounce (oz)	X	28.3	=	grams (g)
(advp) pound (lb)	X	0.45	=	kilogram (kg)
horsepower (hp)	X	0.75	=	kilowatt (kW)
ft per second (ft/s)	X	0.304	=	met. Per second (m/s)
ounce-force (ozf)	X	0.278	=	newtons (N)
pound-force (lbf)	X	4.448	=	newtons (N)
foot pounds (ft.lb)	X	1.355	=	newtons-metres (N.m)
foot pounds (ft.lb)	X	1.355	=	joules (j)
in. pounds (in.lb)	X	0.112	=	newtons-metres (N.m)
lb per foot (lb/ft)	X	14.59	=	newtons-metres (N.m)
cycles per sec (cps)	X	1	=	hertz (Hz)
Brit therm unit (Btu)	X	1055	=	joules (j)

Metric to English				
mm	X	0.04	=	ins
m	X	3.3	=	ft
m	X	1.1	=	yds
km	X	0.6	=	mi
cm^2	X	0.16	=	in^2
m^2	X	11	=	ft^2
m^2	X	1.2	=	yd^2
cm^3	X	0.06	=	in^3
m^3	X	35	=	ft^3
m^3	X	1.3	=	yd^3
l	X	1.05	=	qt
m^3	X	264.2	=	gal
g	X	0.035	=	oz
kW	X	1.34	=	hp
kg	X	2.2	=	lb
m/s	X	3.28	=	ft/s
N	X	3.597	=	ozf
N	X	0.224	=	lbf
N.m	X	0.737	=	ft.lb
j	X	0.737	=	ft.lb
N.m	X	8.85	=	in.lb
N.m	X	0.068	=	lb/ft
Hz	X	1	=	cps
j	X	0.0009	=	Btu

LIST OF WORK SCOPE ELEMENTS

These are the work scope elements referred to in Section L.

FUNCTIONAL AREA ONE (1) – SYSTEMS OPERATIONS AND MAINTENANCE (from Amendment 1)

(1) Chief Knowledge Officer (CKO) Support
(2) Configuration Management and Licensing
(3) Database Design and Administration and Data Storage Management
(4) E-Business Planning and Support
(5) Electronic Commerce (EC) and Electronic Data Interchange Support
(6) Emerging Technologies
(7) Independent Verification and Validation
(8) Information Architecture Analysis and Web Object Indexing
(9) Information Management Life Cycle Planning/Support
(10) Integration Support
(11) Internet System Architecture and Webmaster Support
(12) Mainframe/Data Processing System Support
(13) Media/Training Center/Video Teleconferencing Support
(14) Network Support (including Interdepartmental Data Network (IDN), Local Area Networks (LAN), Wide Area Networks (WAN), Internet access, etc.)
(15) Office Automation Support/Help Desk Support
(16) Performance Measures and Metrics Planning
(17) Seat Management
(18) Section 508 Compliance Assistance
(19) Supply Chain Management (Logistics)
(20) Systems Management Support
(21) Technical Support
(22) Telemedicine
(23) Test and Evaluation Support
(24) Training, Training Development, and Training Center Support (including Computer Based Training)
(25) Virtual Data Center
(26) Anti-Virus Management Service
(27) Biometrics
(28) Computer Security Awareness, and Training
(29) Disaster Recovery, Continuity of Operations, and Contingency Planning
(30) Hardware and Software Maintenance and /or Licensing
(31) Independent Verification and Validation (Security)
(32) Managed E-Authentication Service
(33) Managed Firewall Service
(34) Privacy Data Protection
(35) Public Key Infrastructure (PKI)

(36) Secure Managed Email Service (SMEMS)
(37) Security Certification and Accreditation
(38) Systems Vulnerability Analysis/Assessment and Risk Assessment

C.11.2 FUNCTIONAL AREA TWO (2) – INFORMATION SYSTEMS ENGINEERING

(1) System and Software Design, Development, Engineering, and Integration
(2) Information Technology (IT) Strategic Planning, Program Assessment, and Studies
(3) Automated Workflow System Development and Integration
(4) Business Process Reengineering (BPR)
(5) Chief Information Officer (CIO) Support
(6) Global Information Systems
(7) Software Life Cycle Management (SLCM)
(8) Software Engineering (SWE)
(9) Customer Relationship Management
(10) Information Technology Architecture (ITA) Support
(11) Infrastructure Quality Assurance
(12) Instructional Design, and Modeling & Simulation
(13) SCE/CMM/CMMI Analyses and Implementation Support
(14) Anti-Virus Management Service
(15) Biometrics
(16) Computer Security Awareness, and Training
(17) Disaster Recovery, Continuity of Operations, and Contingency Planning
(18) Hardware and Software Maintenance and /or Licensing
(19) Independent Verification and Validation (Security)
(20) Managed E-Authentication Service
(21) Managed Firewall Service
(22) Privacy Data Protection
(23) Public Key Infrastructure (PKI)
(24) Secure Managed Email Service (SMEMS)
(25) Security Certification and Accreditation
(26) Systems Vulnerability Analysis/Assessment and Risk Assessment