GSA Office of Governmentwide Policy

01/15/2026 RGO-2026-01

MEMORANDUM FOR GSA CONTRACTING ACTIVITIES

FROM: JEFFREY A. KOSES
Signed by: Jeffrey Koses
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SENIOR PROCUREMENT EXECUTIVE
OFFICE OF ACQUISITION POLICY (MV)

SUBJECT: GSA Acquisition Regulation (GSAR) Class Deviations in Response to Executive Order 14275.

1. Purpose.

- This memorandum approves a set of class deviations to the General Services Acquisition Regulation (GSAR) within the General Services Acquisition Manual (GSAM) System for purposes of implementing Section 5 of Executive Order (E.O.) 14275, *Restoring Common Sense to Federal Procurement*.

- Refer to **Attachment A** for the effective date for each GSAR deviation.

2. Background.

- In accordance with the E.O. and OMB Memorandum M-25-26, agencies must minimize regulations that are not based in statute or executive order, essential to sound procurement, or aligned with the FAR Council's Revolutionary FAR Overhaul (RFO) model deviation language.

- The GSAR is the regulatory part (i.e., shaded text) of the General Services Administration Acquisition Management (GSAM) System and contains acquisition policies and procedures that have a significant effect beyond the internal operating procedures of GSA and have impact on contractors or offerors. As with the FAR Overhaul, changes to the GSAR initially will be accomplished as deviations. Formal rule-making will follow including a full notice and comment period.

- Changes to the non-regulatory GSAM (i.e., unshaded text) regarding internal acquisition policy that applies to the GSA acquisition workforce will be completed separately via ADM 2800.12B, Change 200.

3. Summary of Changes. Changes to the GSAR are intended to make the GSAR more concise, understandable, and focused on core procurement requirements.

- Until rulemaking, GSA will post a PDF to Acquisition.gov, under the "FAR Overhaul" link. As new parts become effective, GSA will add more language and continuously update the PDF. The PDF will also be accompanied by a feedback form the public can use to submit input prior to rulemaking.

- Each class deviation only affects previously shaded language in the GSAR, and may add new language in order to align with the RFO model deviation language now in effect or language required via E.O. or OMB memorandum.

- For ease of reference, and citations, these changes will use the abbreviation “RGO” (Revolutionary GSAR Overhaul) to show the relationship to the “RFO” (Revolutionary FAR Overhaul). This more easily distinguishes deviations within the FAR system for the workforce, our industry partners, and the public.

4. Instructions.

- The GSA acquisition workforce must follow the applicable RGO part deviation text instead of the corresponding GSAR part as codified at 48 CFR chapter 5. GSA RGO deviation text is available at Acquisition.gov, under the “FAR Overhaul” link, and is incorporated into this class deviation.

- The GSA acquisition workforce will be notified when new RGO part deviations are available.
    - A tentative schedule showing when individual GSAR parts are expected to be moved to RGO-01 is available on the GSA Office of Acquisition Policy Dashboard.

- For new solicitations or contracts, per GSAR conventions 501.107(d) GSAR changes apply on or after the effective date of the change. The contracting officer has discretion to implement the GSAR changes ahead of the effective date. When using any provisions or clauses that have been revised, utilize the RGO deviation language within GSAR part 552 of the PDF posted to Acquisition.gov.

- For open solicitations or awarded contracts, the contracting officer has discretion regarding the need to implement the GSAR changes. Note that without some of the provisions or clauses, the contracting officer may be required to separately address certain aspects in the contract.

- To ensure alignment with the E.O. and OMB memorandum, any non-OGP issued acquisition policy, procedure, or guidance (collectively “policy”) that is designated as “mandatory” must be canceled or rescinded within 60 days of the deviation. These policies may be kept for discretionary use only after being updated to conform with RFO updates.
    - This instruction and requirement applies to all levels at GSA (e.g., service-level, portfolio, program, regional, zonal, contracting activity, etc). If you’d like the Office of Acquisition Policy to consider adopting or utilizing your policy GSA-wide, contact GSAPILOTS@gsa.gov.

5. Applicability. This class deviation applies to all GSA contracting activities and procurements.

6. Points of Contact.

- *For the GSA Acquisition Workforce*. Try asking GSAi first (upload the new RGO deviation language and then ask your question). If you still need clarification, you may email the GSA Acquisition Policy Division at GSARPolicy@gsa.gov.

- *For the GSA Acquisition Workforce and the Public*. To streamline our efforts, GSA does not anticipate posting the line out / strikethrough changes for each GSAR part. We encourage you to use Artificial Intelligence (AI) tools to help compare the current codified GSAR language against the new RGO language.

- *For questions (or additional instructions) related to the cancellation of mandatory policy not issued by OGP*. You may direct questions to GSAPILOTS@gsa.gov.

RGO-2026-01
Attachment A

Overview. The table tracks class deviations made to existing GSAR parts; the effective date of the deviation, and the publication version of part. The table identifies information associated with the initial deviation and any subsequent change to the deviation. The table only identifies GSAR parts where regulation currently exists. Changes to the non-regulatory text are in [the GSA Acquisition Handbook.]

Effective Date. For each class deviation, GSA contracting activities may use the deviated language immediately, but must begin using the deviated language no later than the date listed in the table below. The class deviation for each part remains in effect until rescinded or incorporated into the GSAR.

Part Number	Effective Date	Signature	Date Signed
501	03/16/2026	Signed by: Jeffrey Koses 21BD80B9E8AC4A0...	01/15/2026
503	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
504	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
509	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
511			
512	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
513	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
514	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026

Part Number	Effective Date	Signature	Date Signed
515	06/13/2026	Signed by: Jeffrey Koses 21BD80B9E8AC4A0...	04/14/2026
516			
517	06/13/2026	Signed by: Jeffrey Koses 21BD80B9E8AC4A0...	04/14/2026
519	06/13/2026	Signed by: Jeffrey Koses 21BD80B9E8AC4A0...	04/14/2026
522	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
523	06/13/2026	Signed by: Jeffrey Koses 21BD80B9E8AC4A0...	04/14/2026
525	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
527	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
528	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
529	06/13/2026	Signed by: Jeffrey Koses 21BD80B9E8AC4A0...	04/14/2026
532	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026
533	10/19/2026	Signed by: Jeff Koses 21BD80B9E8AC4A0...	07/16/2026

Part Number	Effective Date	Signature	Date Signed
536	10/19/2026	Signed by: Jeff koses 21BD80B9E8AC4A0...	07/16/2026
537	10/19/2026	Signed by: Jeff koses 21BD80B9E8AC4A0...	07/16/2026
538			
539	03/16/2026	Signed by Jeffrey koses 21BD8[illegible]B9E8AC4A0	01/15/2026
540	10/19/2026	Signed by: Jeff koses 21BD80B9E8AC4A0...	07/16/2026
541			
542	10/19/2026	Signed by: Jeff koses 21BD80B9E8AC4A0...	07/16/2026
543	10/19/2026	Signed by: Jeff koses 21BD80B9E8AC4A0...	07/16/2026
546	10/19/2026	Signed by: Jeff koses 21BD80B9E8AC4A0...	07/16/2026
552	10/19/2026	Signed by: Jeff koses 21BD80B9E8AC4A0...	07/16/2026
570			

Quick Links

501	502	503	504	509
511 (W4)	512	513	514	515
516 (W4)	517	519	522	523
525	527	528	529	532
533	536	537	538 (W4)	539
540	541 (W4)	542	543	546
552	570 (W4)			

Part 501 - General Services Administration Acquisition Regulation System

501.000 Scope of part.

This part describes the framework for the General Services Administration Acquisition System (the System).

Subpart 501.1 Framework

501.101 Framework.

(a) The System is a collection of regulatory and non-regulatory agency acquisition regulation and mandatory requirements, and consists of the following:

(1) *Regulatory*. The General Services Administration Acquisition Regulation (GSAR), which consists of the following:

(i) Agency regulations that implement or supplement the Federal Acquisition Regulation (FAR) as authorized under FAR 1.101(a)(2).

(ii) Agency regulations that implement 40 U.S.C. 585, which authorizes GSA to enter into leasehold interests in real property. See part 570.

(iii) Agency regulations that implement 40 U.S.C. 502 and other authorities that authorize GSA to allow access to its sources, such as the GSA Federal Supply Schedule (FSS) program (see subpart 538.70), by eligible entities.

(iv) Agency regulations that implement other statutory procurement authority outside of the FAR such as Commercial Solution Openings, no-cost contracts, and other non-FAR based procurements.

(2) *Non-regulatory*. The GSA Acquisition Handbook (Handbook), which consists of mandatory requirements that apply internally to GSA personnel involved in the acquisition process. The Handbook is for internal use and is published on the GSA Acquisition Portal (access available to GSA employees only). A copy of the Handbook is available at https://www.gsa.gov/rforesources.

(b) The System does not include internal or external agency acquisition guidance supplementing the System.

501.103 Authority.

The System is prepared and issued by the GSA Senior Procurement Executive (SPE) under the authority of the GSA Delegations of Authority Manual 5450.39 ADM.

501.104 Publication and code arrangement.

(a) The GSAR is codified in Title 48 of the Code of Federal Regulations (CFR) Chapter 5 available at https://www.ecfr.gov. A copy of the GSAR is also available at https://acquisition.gov.

(b) Numbering used in the GSAR corresponds to what is used in the FAR except that the first number starts with a 5. For example, section 501.104 corresponds to FAR 1.104. GSAR rules not implementing a specific section of the FAR include the number 70. For example, parts 570 and 571. The GSAR will have gaps in its numbering scheme when there is no corresponding GSAR requirement implementing or supplementing the FAR.

(c) Using the GSAR coverage at 501.101 as a typical illustration, reference to the part would be “GSAR part 501” outside the GSAR and “part 501” within the GSAR. Reference to the section would be “GSAR 501.101” outside the GSAR and “501.101” within the GSAR.

(d) If required by 41 U.S.C. 1707, proposed revisions to the GSAR must be published in the Federal Register for public comment.

501.105 OMB approval under the Paperwork Reduction Act.

The list of information collections and recordkeeping requirements contained in the GSAR have been approved by the Office of Management and Budget (OMB), and can be found at https://www.acquisition.gov/GSAacq-PRA.

501.106 Certifications.

Unless allowed under 41 U.S.C. 1304, the GSAR must not require a certification from an offeror or contractor.

501.107 GSAR conventions.

(a) *Words and terms*. (1) Definitions used in part 2 of the FAR apply to the GSAR unless specifically defined in another part, subpart, section, provision, or clause of the FAR or GSAR.

(2) Undefined words retain their common dictionary meaning.

(b) *Delegation of authority*. Each authority is delegable unless specifically stated otherwise.

(c) *Dollar thresholds*. Dollar thresholds used in the GSAR follow the requirements of FAR 1.107(c).

(d) *Applying GSAR changes to solicitations and contracts*. Unless otherwise specified—

(1) GSAR changes apply to solicitations issued on or after the effective date of the change;

(2) Contracting officers may, at their discretion, include the GSAR changes in solicitations issued before the effective date, provided award of the resulting contract(s) occurs on or after the effective date; and

(3) Contracting officers may, at their discretion, include the GSAR changes in any existing contract with appropriate consideration.

(e) *Citations*. When the GSAR cites a statute, Executive order, Office of Management and Budget circular, Office of Federal Procurement Policy policy letter, GSA Directive, or relevant portion of the Code of Federal Regulations, the citation includes all applicable amendments, unless otherwise stated.

(f) *Required action*. When a sentence directs action, the contracting officer is responsible for the action, unless another party is expressly cited.

Part 502 - Definitions of Words and Terms

Commercial supplier agreements means terms and conditions customarily offered to the public by vendors of supplies or services that meet the definition of “commercial product” and “commercial service” set forth in FAR 2.101 and intended to create a binding legal obligation on the end user. Commercial supplier agreements are particularly common in information technology acquisitions, including acquisitions of commercial computer software and commercial technical data, but they may apply to any product or service. The term applies–

(1) Regardless of the format or style of the document. For example, a commercial supplier agreement may be styled as standard terms of sale or lease, Terms of Service (TOS), End User License Agreement (EULA), or another similar legal instrument or agreement, and may be presented as part of a proposal or quotation responding to a solicitation for a contract or order;

(2) Regardless of the media or delivery mechanism used. For example, a commercial supplier agreement may be presented as one or more paper documents or may appear on a computer or other electronic device screen during a purchase, software installation, other product delivery, registration for a service, or another transaction.

Part 503 - Improper Business Practices and Personal Conflicts of Interest

Reserved.

Part 504 - Administrative Matters

Subpart 504.13 - Personal Identity Verification of Contractor Personnel

504.1301 Contract clause.

Insert the clause at 552.204-9, Personal Identity Verification Requirements, in solicitations and contracts, including those for commercial products and services, when it is determined that contractor employees will require access to federally controlled facilities or information systems to perform contract requirements.

Part 509 - Contractor Qualifications

Subpart 509.1 - Responsible Prospective Contractors

509.105-2 Determinations and documentation.

(a) The contracting officer must provide written notification to a prospective contractor determined not responsible. Include the basis for the determination. Notification provides the prospective contractor with the opportunity to correct any problem for future solicitations.

(b) Due to the potential for de facto debarment, the contracting officer will avoid making repeated determinations of nonresponsibility based on the same past performance information.

(c) To provide for timely consideration of the need to institute action to debar a contractor, the contracting officer must submit a copy of each nonresponsibility determination, other than those based on capacity or financial capability, to the Suspension and Debarment Official in the Office of Acquisition Policy (OAP).

Subpart 509.4 - Debarment, Suspension, and Ineligibility

509.401 Applicability.

This subpart applies to all the following:

(a) Acquisitions of personal property, nonpersonal services, construction, and space in buildings.

(b) Acquisition of transportation services (Federal Management Regulation (FMR) Parts 102-117 and transportation audit and payment 102-118 (41 CFR parts 102-117 and 102-118)).

(c) Contracts for disposal and donation of personal property (FMR Parts 102-36 through 102-38 (41 CFR parts 102-36 through 102-38)).

(d) Covered transactions as defined by 41 CFR 105-68.

509.403 Definitions.

As used in this part —

Fact-finding official means the Suspension and Debarment Official or a designee.

Notice means written correspondence sent by one of the methods in FAR 9.406-3(c)(1) to the relevant parties identified in FAR 9.406-3(c)(2). If no return receipt, delivery notice or response is received within 10 calendar days of mailing, to include electronic mailing via email, the notice is presumed to have been received.

509.406 Debarment.

509.406-1 General.

The Suspension and Debarment Official is the designee under FAR 9.406-1(d). For referrals & disclosures, email: suspension-and-debarment@gsa.gov.

509.406-3 Procedures.

(a) *Investigation and referral*.

(1) Refer to the Suspension and Debarment Official matters involving serious contract improprieties or performance deficiencies. Performance deficiencies that continue over a period of time or apply to more than one contract may warrant debarment consideration.

(2) Refer possible criminal or fraudulent activities to the Office of the Inspector General (OIG). See 5 CFR 6701.107, Reporting Waste, Fraud, Abuse, and Corruption. If, after investigation, the OIG believes a cause for debarment exists, it will refer the matter to the Suspension and Debarment Official for consideration of debarment action.

(b) *Reports*. Include in referrals to the Suspension and Debarment Official a report that contains at least the following:

(1) The recommendation and supporting rationale.

(2) A list of parties to be considered for possible debarment, including the contractor, principals, and affiliates. Include last known home, business and email addresses, zip codes, and unique entity identifiers.

(3) A statement of facts.

(4) Copies of documentary evidence and a list of witnesses. Include addresses, email addresses, and telephone numbers. Determine their availability to appear at a fact-finding proceeding and identify the subject matter of their testimony.

(5) GSA's acquisition history with the contractor. Include recent experience, copies of the pertinent contracts, and an explanation of impact debarment would have on GSA programs. OIG referrals do not require this explanation; the Suspension and Debarment Official will obtain the information directly from the contracting activity(s).

(6) A list of any known active or potential criminal investigations, criminal or civil proceedings, or administrative claims before the Board of Contract Appeals.

(c) *Review*. The Suspension and Debarment Official will review the report, and after coordinating with assigned legal counsel—

(1) Initiate debarment action;

(2) Decline debarment action;

(3) Request additional information; or

(4) Refer the matter to the OIG for further investigation and development of a case file.

(d) *Decision making process*.

(1) The Suspension and Debarment Official will provide:

(i) Notice of declinations, proposed debarments, and decisions to the referring activity.

(ii) Notice of proposed debarment to each party being considered for debarment.

(iii) Decision notices to each party after considering information in the administrative record and information and argument submitted by the affected party or parties.

(2) A party proposed for debarment:

(i) Has 30 calendar days after receipt of the notice to respond to the Suspension and Debarment Official, unless an extension has been granted per FAR 9.406-3(b)(1) or the debarment may become final at the discretion of the Suspension and Debarment Official.

(ii) May request and receive a copy of the administrative record that was the basis for the proposed debarment. If information is withheld, the party will be notified and provided the reason.

(iii) May request the opportunity to present information and argument in person or virtually to the Suspension and Debarment Official. The Suspension and Debarment Official will schedule an oral presentation within 20 calendar days of receipt of the request, unless a longer period of time is requested by the party. An oral presentation is informal and a transcript usually is not made. The party may supplement the oral presentation with written information and arguments.

(iv) Must identify to the Suspension and Debarment Official the information at FAR 9.406-3(c)(3)(viii). For an action other than one based on a conviction or civil judgment, a party may request review and a written finding by a fact-finding official.

(3) Following a review of the record and, if needed, a presentation by the contractor in opposition to the proposed action, the Suspension and Debarment Official will, in actions not based on a conviction or civil judgment, determine whether the contractor's submission in opposition raises a genuine dispute over facts material to the proposed debarment. If not, additional proceedings are not required. If so, and the Suspension and Debarment Official is considering debarment action, the Suspension and Debarment Official will initiate the fact-finding process. The fact-finding official will:

(i) Establish a date for a fact-finding proceeding, normally to be held within 45 days of the determination of who will function as the fact-finding official.

(ii) Grant extensions for good cause.

(iii) Provide notice of the scheduled hearing.

(iv) Provide the parties with a schedule for exchange of documents and witness lists.

(v) Develop an official transcript of the fact-finding proceeding.

(vi) Provide the Government's representative and the contractor with an opportunity to present evidence relevant to the facts at issue. The contractor may appear virtually or by proxy.

(vii) Conduct hearings under rules consistent with FAR 9.406-3 pertaining to fact finding. Neither the Federal Rules of Evidence nor the Federal Rules of Civil Procedure govern fact finding. Hearsay evidence may be presented and will be given appropriate weight by the fact-finding official.

(viii) Provide for witness testimony. Witnesses may testify virtually. Witnesses are subject to cross examination.

(ix) Prepare written findings of fact based on a preponderance of the evidence and submit them to both the Suspension and Debarment Official and the contractor within 20 calendar days following the conclusion of the fact-finding proceeding.

509.407 Suspension.

509.407-1 General.

The Suspension and Debarment Official is the designee under FAR 9.407-1(d). For referrals & disclosures, email: suspension-and-debarment@gsa.gov.

509.407-3 Procedures.

(a) *General*. The procedures in 509.406-3 apply to suspension actions except as noted in paragraph (b) of this section.

(b) *Fact-finding*.

(1) Fact-finding will not be conducted in an action:

(i) Based on an indictment.

(ii) When the Suspension and Debarment Official finds no genuine dispute of material facts.

(iii) When the Suspension and Debarment Official determines to terminate the suspension action and not issue a notice of proposed debarment.

(2) If the action is not based on an indictment, the Suspension and Debarment Official must coordinate with the Department of Justice, U.S. Attorney's office, State attorney general's office, or a state or local prosecutor's office through OIG. Based on the advice received, the Suspension and Debarment Official will determine if fact-finding would impair substantial interests of the Federal or state Government.

Subpart 509.5 - Organizational and Consultant Conflicts of Interest.

509.503 Waiver.

The Head of Contracting Activity (HCA) for the respective contracting activity requesting the waiver is the designee under FAR 9.503.

Part 512 - Acquisition of Commercial Products and Commercial Services

512.205 Solicitation provisions and contract clauses.

(a) *Contract provisions.* Only include the provisions in the following table in solicitations, when applicable based on the provision prescription:

Table 512-2 — Provisions to include as prescribed.

Number	Title
552.223-72	Hazardous Material Information
552.236-74	Evaluation of Options
552.236-75	Evaluation Exclusive of Options
552.240-70	Notice of Evaluation of Supply Chain Risk

(b) *Required clauses*. Only include the clauses in the following table in solicitations and contracts, when applicable based on the clause prescription:

Table 512-3 — Clauses to include as prescribed.

Number	Title
552.204-9	Personal Identity Verification Requirements
552.219-70	Allocation of Orders - Partially Set-aside Items.
552.223-70	Hazardous Substances
552.223-71	Nonconforming Hazardous Materials
552.223-73	Preservation, Packaging, Packing, Marking, and Labeling of Hazardous Materials (HAZMAT) For Shipments.

552.228-5	Government as Additional Insured
552.229-71	Federal Excise Tax-DC Government
552.232-23	Assignment of Claims Supplement
552.232-39	Unenforceability of Unauthorized Obligations.
552.232-70	Incrementally Funded Fixed-Price Contracts for Severable Services
552.232-78	Commercial Supplier Agreements - Unenforceable Clauses.
552.236-6	Superintendence by the Contractor
552.236-15	Schedules for Construction Contracts
552.236-70	Authorities and Limitations
552.236-72	Submittals
552.236-74	Evaluation of Options
552.236-75	Evaluation Exclusive of Options
552.236-77	Government's Right to Exercise Options
552.236-79	Construction-Manager-as-Constructor
552.236-80	Accounting Records and Progress Payments
552.237-71	Qualifications of Employees
552.237-73	Restriction on Disclosure of Information
552.240-71	Supply Chain Risk
552.243-71	Equitable Adjustments
552.246-70	Source Inspection by Quality Approved Manufacturer
552.246-71	Source Inspection by Government
552.246-72	Final Inspection and Tests

(c) *FAR deviation.*

(1) Include GSA deviated clause GSAR 552.212-4, Terms and Conditions—Commercial Products and Commercial Services, in solicitations and contracts for commercial products and commercial services in lieu of FAR 52.212-4.

(2) The GSA deviated clause to FAR 52.212-4 replaces or adds certain paragraphs in FAR 52.212-4 (i.e., paragraphs (g), (r), (s) and (v)). These modified paragraphs incorporate statutory requirements, details the application of these statutory requirements to standard commercial supplier agreements, specifies terms and conditions that are unacceptable to the Government, and identifies which terms cannot be tailored. Terms and conditions not so identified *can* be tailored, consistent with FAR 12.205(b)(1)(ii) and the GSA Acquisition Handbook.

(d) *Discretionary use of GSAR provisions and clauses*. Other GSAR provisions and clauses may be included, consistent with the limitations contained in FAR 12.205(b)(ii).

Subpart 512.4 - Micro-purchases

512.401 General (FAR DEVIATION).

For commercial micro-purchases, including those made with the Governmentwide purchase card, insert GSAR clause 552.232-39, Unenforceability of Unauthorized Obligations, which automatically applies to any micro-purchase, in lieu of FAR clause 52.232-39 (see GSAR 532.706-3 for more details).

Part 513 - Simplified Procedures for Noncommercial Acquisitions

Reserved

Part 514 - Sealed Bidding

Reserved

Part 515 - Contracting by Negotiation

515.5 - Unsolicited Proposals

In accordance with FAR 15.502, GSA's Office of Small and Disadvantaged Business Business Utilization (OSDBU) provides information for potential offerors of unsolicited proposals at https://www.gsa.gov/unsolicitedproposal.

Part 517 - Special Contracting Methods

Reserved

Part 519 - Small Business

Subpart 519.1 - Presolicitation

519.104 Small business set-asides.

519.104-3 Small business set-aside clauses.

Insert GSAR clause 552.219-70, Allocation of Orders — Partially Set-Aside Items, in solicitations and contracts, including those for commercial products, when a requirements contract for supplies is contemplated that will involve partially setting aside orders for small business. This clause is optional for commercial construction contracts.

Part 522 - Application of Labor Laws to Government Acquisitions

Subpart 522.10 - Service Contract Labor Standards.

522.1002 Presolicitation.

522.1002-1 Applicability.

The Service Contract Labor Standards (SCLS) statute applies to local office relocation moves if transportation costs are incidental to the contract's principal purpose of the contract. Such contracts do not meet the exemption cited in FAR 22.1002-1(c)(3) or 22.1002-1(f)(1)(vii). GSA's Public Buildings Service (PBS) coordinates relocation services across the Federal government. Contracting officers must therefore ensure that wage determinations, contract clauses, and solicitation provisions are applied accurately and in accordance with applicable labor requirements. The use of moving trucks alone does not make a relocation requirement an exempt transportation contract. Rather, contracting officers must assess the principal purpose of the acquisition. When the contract is primarily for office relocation services and vehicle use is incidental to those services, the Service Contract Labor Standards statute applies unless another valid exemption is available.

Part 523 - Sustainable Acquisition, Material Safety, and Pollution Prevention

Subpart 523.3 - Material Safety

523.304 Contract clauses.

(a) Insert the GSAR clause at 552.223-70, Hazardous Substances, in solicitations and contracts, including those for commercial products and services, for packaged items subject to the Federal Hazardous Substances Act and the Hazardous Materials Transportation Act.

(b) Insert the GSAR clause at 552.223-71, Nonconforming Hazardous Materials, in solicitations and contracts, including those for commercial products and services, for supplies that contain hazardous materials.

(c) Insert the GSAR clause at 552.223-73, Preservation, Packaging, Packing, Marking, and Labeling of Hazardous Materials (HAZMAT) for Shipments, in solicitations and contracts, including those for commercial products and services, for packaged items containing hazardous materials.

523.370 Solicitation provision.

Insert the GSAR provision at 552.223-72, Hazardous Material Information, in solicitations that provide for the delivery of hazardous materials on an f.o.b. origin basis including those for commercial products and services.

Part 525 - Foreign Acquisition

Reserved

Part 527 - Patents, Data, and Copyrights

Reserved

Part 528 - Bonds and Insurance

Subpart 528.3 - Insurance

528.310 Contract clause for work on a Government installation.

Insert the GSAR clause at 552.228-5, Government as Additional Insured, in solicitations and contracts for building services and construction-related services that are expected to exceed the simplified acquisition threshold, including those for commercial products or commercial services, and require work on a Government installation.

528.311 Solicitation provision and contract clause on liability insurance under cost-reimbursement contracts.

528.311-1 Contract clause.

Use the clause at FAR 52.228-7, Insurance–Liability to Third Persons, in solicitations and contracts, other than those for construction and those for architect-engineer services, when a cost reimbursement contract is contemplated, unless the head of the contracting activity waives the requirement for use of the clause.

Part 529 - Taxes

Subpart 529.4 - Contract Clauses

529.470 Domestic contract clauses.

Insert the GSAR clause at 552.229-71, Federal Excise Tax—DC Government, in all solicitations and contracts for indefinite-delivery contracts (including the MAS FSS) that allow the District of Columbia Government to place orders under the contract.

Part 532 - Contract Financing

Subpart 532.7 - Contract Funding

532.701 Incrementally funded fixed-price contracts for severable services.

Generally, a fixed-price contract must be fully funded. However, fixed-price contracts for severable services (meaning services that are continuing and ongoing in nature—such as help-desk support, maintenance, or janitorial services—for which a benefit is received each time the service is rendered) may be incrementally funded, provided, that the contract has an initial amount fully funded and obligated to provide for both the initial work allotment of the contract (i.e., the initial term of months of service) and any costs for termination of the contract.

Any additional funding added to the contract must fully fund additional increments of service.

532.706 Contract clauses.

532.706-2 Contract clause for incrementally funded fixed-price contracts for severable services.

Insert the GSAR clause at 552.232-70, Incrementally funded fixed-price contracts for severable services, in all solicitations and contracts, including those for commercial services, that contemplate fixed-price contracts for severable services and will use incremental funding.

532.706-3 Contract clauses for unenforceability of unauthorized obligations (FAR DEVIATION).

GSA has a deviation from FAR 52.232-39 that allows use of the clause in paragraph (a) of this section in lieu of the FAR clause at 52.232-39.

(a) Insert the GSAR clause at 552.232-39, Unenforceability of Unauthorized Obligations in all solicitations and contracts, including those for commercial products and commercial services, in lieu of the FAR clause at 52.232-39.

(b) Insert the GSAR clause at 552.232-78, Supplier Agreements — Unenforceable Clauses, in all solicitations and contracts, including those for commercial products and commercial services, (including orders for commercial products and commercial services).

Subpart 532.8 - Assignment of Claims

532.806 Contract clause.

Insert the GSAR clause at 552.232-23, Assignment of Claims Supplement, in all solicitations and indefinite quantity or requirements contracts, including those for commercial products and commercial services, in which the FAR clause at 52.232-23 is used.

Part 533 - Protests, Disputes, and Appeals

Subpart 533.1 Protests

533.102 Definitions.

"Agency Protest Official" means the official in the Office of Acquisition Policy (OAP) designated to independently review and decide procurement protests filed with GSA when the protester requests an independent review of their protest at a level above the contracting officer.

"Deciding official" means the person chosen by the protester to decide the agency protest; it may be either the contracting officer or the Agency Protest Official for GSA.

533.103 Reserved.

533.104 Protests to the agency.

533.104-70 Filing a protest.

(a) Any protester filing an agency protest has the choice of requesting either that the contracting officer or the Agency Protest Official decide the protest. If the protest is silent on this matter, the contracting officer will decide the protest. If the protest requests a review at a level above the contracting officer, or by any official other than the contracting officer, the Agency Protest Official will decide the protest. The decision by the Agency Protest Official is an alternative to a decision by the contracting officer on a protest. The Agency Protest Official will not consider an appeal of the contracting officer's decision on an agency protest.

(b) If an agency protest is filed, the deciding official uses the procedures in FAR 33.104 and this section to resolve the protest. The deciding official will provide a fair and quick review of any protest filed with the agency.

(c) An agency protest is filed when the complete protest is received by the contracting officer. GSA's hours of operation are 8 a.m. to 4:30 p.m. Protests delivered after 4:30 p.m. in the time zone where the proposals are received will be considered received and filed the following business day.

(d) The protest must meet all the following conditions:

(1) Include the information required by FAR 33.104-4(a)(3).

(2) Indicate that it is a protest to the agency.

(3) Be filed in writing with the contracting officer.

(e) A protester may represent itself or be represented by legal counsel. GSA will not reimburse the protester for any legal fees related to the agency protest.

(f) GSA may dismiss or stay proceedings on an agency protest if a protest on the same or similar basis is filed with a protest forum outside of GSA.

533.104-71 General procedures.

The following procedures apply to information submitted in support of or in response to an agency protest:

(a) GSA procedures do not provide for any discovery.

(b) To the extent permitted by law and regulations, the parties may exchange relevant information.

(c) Any conferences or presentations may take place either by telephone, video conference, or in person, at the deciding official's discretion.

(d) For pre-award protests, award cannot be issued unless instructed to do so by the HCA in accordance with FAR 33.104-2(b). For post award protests (i.e. protest received within ten (10) days after award or within five (5) days after a debriefing date) the contracting officer must suspend performance unless the HCA makes a determination to proceed under FAR 33.104-3. Any stay of award or suspension of performance remains in effect until the protest is decided, dismissed, or withdrawn.

(e) The deciding official must obtain legal review of all draft protest decisions as required by GSA Order ADM 5000.4, Office of General Counsel Legal Review.

(f) The decision of the deciding official must be in writing, dated, and include the following information:

(1) Whether the protest was denied, sustained, or dismissed; and(2) The rationale for the decision.

(g) If the deciding official sustains the protest, relief may consist of any of the following recommendations:

(1) Terminating the contract.
(2) Recompeting the requirement.
(3) Amending the solicitation.
(4) Refraining from exercising contract options.
(5) Reevaluating the offers or bids
(6) Other actions determined appropriate by the deciding official.

533.104-72 Additional procedures.

(a) When the Agency Protest Official (APO) is the deciding official, the following procedures apply in addition to GSAR 533.104-71:

(1) The contracting officer must ensure that the APO and assigned legal counsel receive a copy of the materials served on the contracting officer within 3 business days after the filing date.

(2) GSA must ensure the protester receives a redacted copy of the source selection decision, if applicable, within a reasonable time after the protester elects review by the APO.

(3) The APO must hold a scheduling conference with the protester and assigned agency legal counsel as soon as practicable after the protest is filed.

(4) GSA must make a written response to the protest within ten days unless another date is set by the APO. GSA must also provide the protester with a copy of the response on the same day it files the protest response with the APO.

(5) After receipt of the GSA's written response, the protester may submit a supplemental statement to the APO, subject to the timeliness requirements at FAR 33.104-2 and 33.104-3.

(6) The APO, in his/her discretion, may ask the parties to provide oral presentations and/or to submit other written material related to the protest issues. If oral presentations are held after submission of the agency's written response, they should be limited to resolving issues of material fact identified in advance by the APO. Other parties (e.g., representatives of the program office) may attend the oral presentations, at the discretion of the APO.

(7) If either party believes it is necessary to redact or withhold any information in its written response or other documents, it should identify and provide the information to the APO for *in camera* review.

(b) If the APO sustains a protest, contracting officers must implement the recommended relief for sustained protests within 30 days. If the Contracting Officer cannot meet this timeframe, then they must provide the APO with an explanation and timeline.

Part 536 - Construction and Architect-Engineer Contracts

Subpart 536.1 - General

536.000 Scope of Part.

This part supplements FAR 36 policies and procedures applicable to contracting for construction and architect engineer services. Contracts for construction management services are covered by FAR 37 and GSAM Part 537. Part 536 must take precedence when the acquisition involves (1) construction or architect-engineer services, and (2) when the requirement is inconsistent with another part of the GSAR.

Subpart 536.1 Pre-Solicitation

536.101 Construction

536.101-7 Provisions and Clauses

(a) Insert the clause at 552.236-6, Superintendence by the Contractor, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, if construction, dismantling, demolition, or removal of improvements is contemplated.

(b) Insert the clause at 552.236-15, Schedules for Construction Contracts, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, if construction, dismantling, demolition, or removal of improvements is contemplated. Use the clause-

(1) With its Alternate I when the contract amount is expected to exceed the simplified acquisition threshold and a design-bid-build project delivery method will be followed; or

(2) With its Alternate II when the contract amount is expected to exceed the simplified acquisition threshold and a design-build project delivery method will be followed.

(3) With its Alternate III when the contract amount is expected to exceed the simplified acquisition threshold and a construction-manager-as-constructor project delivery method will be followed.

(c) Insert the clause at 552.236-70, Authorities and Limitations, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, if construction, dismantling, demolition, or removal of improvements is contemplated.

(d) Insert the clause at 552.236-72, Submittals, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, if construction, dismantling, demolition, or removal of improvements is contemplated. Use the clause with its Alternate I when a design-build project delivery method will be followed.

(e) Insert the provision at 552.236-74, Evaluation of Options, in solicitations, including those for commercial services, but excluding those for commercial products, if construction, dismantling, demolition, or removal of improvements is contemplated, and the solicitation contains an option clause and options will be included in the evaluation for award purposes.

(f) Insert the provision at 552.236-75, Evaluation Exclusive of Options, in solicitations, including those for commercial services, but excluding those for commercial products, if construction, dismantling, demolition, or removal of improvements is contemplated, and the solicitation includes an option clause and options will not be included in the evaluation for award purposes.

(g) Insert the clause at 552.236-77, Government's Right to Exercise Options, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, in solicitations if construction, dismantling, demolition, or removal of improvements is contemplated, and the solicitation includes an option.

Subpart 536.5 Reserved

536.506 Superintendence by the contractor.

Insert the clause at 552.236-6, Superintendence by the Contractor, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, if construction, dismantling, demolition, or removal of improvements is contemplated.

536.511 Reserved

536.515 Reserved

536.521 Reserved

536.570 Reserved

536.571 Reserved

536.572 Submittals.

Insert the clause at 552.236-72, Submittals, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, if construction, dismantling, demolition, or removal of improvements is contemplated. Use the clause with its Alternate I when a design-build project delivery method will be followed.

536.573 Reserved

Subpart 536.71 - Construction-Manager-as-Constructor Contracting

536.7101 Scope of Subpart.

This subpart describes policies and procedures for the use of the CMc project delivery method.

536.7102 Reserved

536.7103 Reserved

536.7104 Reserved

536.7105 Construction Contract Administration.

536.7105-1 Responsibilities.

(a) The design phase services provided by the construction contractor can include, but are not limited to, scheduling, systems analysis, subcontractor involvement, cost-estimating, constructability reviews, cost-reconciliation services, and market analysis.

(b) During the design phase, the architect-engineer contractor and the construction contractor will collaborate on the design and constructability issues. The goal of this collaboration is to establish a final ECW that does not exceed the original target ECW.

(c) No discussions between the architect-engineer contractor and the construction contractor will be considered as a change to the construction contract or design contract unless incorporated by the contracting officer through a modification.

536.7105-2 Guaranteed Maximum Price.

(a) General.

(1) GMP.

(i) The GMP is the ceiling price described by FAR 16.403-2.

(ii) The GMP is established at contract award.

(iii) The GMP is subject to adjustment under various standard contract clauses, including the changes clause, differing site conditions clause, and suspensions clause.

(2) ECW.

(i) The proposed ECW incorporated at construction contract award is the target ECW.

(ii) The final ECW should be established prior to completion of the design (i.e. 100 percent construction documents), generally no earlier than completion of 75 percent construction documents.

(iii) The contracting officer must negotiate the final ECW and incorporate it into the construction contract through a bilateral modification prior to exercising the GMP option.

(3) CCA.

(i) The CCA type of allowance may only be used as part of the CMc project delivery method.

(ii) The CCA provides for a contingency relative to a fixed percentage of the ECW, except for the requirements at paragraph (c)(3) of this subsection. The CCA at time of GMP option exercise is subject to negotiation between the contractor and the contracting officer and may be different than the amount at time of contract award.

(iii) The amount of the CCA will depend on the status of design and construction, as well as the complexity and uncertainties of the project. Early phase designs usually include less defined scope and, accordingly, may require a higher initial CCA at time of contract award. Later phase designs may remove uncertainties and reduce risk, allowing for a lower CCA at time of GMP option exercise.

(iv) The CCA will not exceed 3 percent of the ECW, unless approved in writing by the HCA for a higher amount not to exceed 5 percent of the ECW.

(4) Fee for the Construction Work.

(i) The fee may be proposed per phase of construction if each phase is a separate option.

(ii) At time of proposal submission, the offeror must submit a list of the items included within the offeror's home office overhead.

(iii) At time of proposal submission, the fee elements may be expressed as a percentage of the ECW, but will be converted to a fixed amount prior to executing the GMP option.

(iv) The fee for the construction work is not increased or decreased based on fluctuations in the actual costs of the work. The fee may, however be adjusted for changes that are the basis for a change order, including scope changes, differing site conditions, and Government-caused delays.

(v) Any fee for the construction work associated with a change order must not be driven by a fixed percentage. The contracting officer should determine whether the profit included, if any, in a contractor's proposal is reasonable, see FAR 15.404-4 for additional guidance. The limitations of GSAR clause 552.243-71, especially markups, still apply for any changes.

(b) Design Phase.

(1) The GMP may be bilaterally modified upward during the design phase only for approved additions to the scope of work.

(2) The GMP may be bilaterally modified downward during the design phase for deletions to the scope of work.

(c) Exercising the GMP Option.

(1) The GMP option must not be exercised until the final ECW is established.

(2) If the sum of the final ECW, CCA, and fee for construction work is less than the GMP as established at contract award or as adjusted in accordance with FAR Part 43, then the contracting officer must adjust the GMP downward accordingly through a bilateral modification to exercise the GMP option.

(3) If the sum of the final ECW, CCA, and fee for the construction work is greater than the GMP as established at contract award or as adjusted in accordance with FAR Part 43, then the contracting officer should work with the contractor to identify measures to reduce the overall GMP. Such measures may include reducing the CCA, reducing the fee, or as a last resort, reducing the scope of the project.

(4) The GMP option will not be exercised if the final ECW, CCA, and fee for the construction work is greater than the GMP as established at contract award or as adjusted in accordance with FAR Part 43.

(d) Construction Phase.

(1) After award of the GMP option, changes in scope may be issued as an adjustment to the GMP or as a stand-alone firm-fixed-price line item.(2) Any changes in scope after award of the GMP option must be reflected by a written modification to the construction contract in accordance with FAR Part 43.

(e) Early Work Package.

(1) Early work packages may be used in the procurement that are priced separately or included in the GMP option.

(2) If any early work package exercised reduces the scope of the construction services under the GMP option, the ECW must be reduced, and the CCA, fee for the construction work, and GMP will be adjusted accordingly.

(f) GMP Adjustment.

(1) Any changes to the total GMP or individual parts of the GMP must be incorporated in the contract through a modification.

(2) Any modification that changes the GMP, including modifications for early work packages and fixed price conversions, must clearly state that it includes a change to the GMP and describe the changes to the individual parts of the GMP components in the modification.

(3) Any modification that changes the total GMP, or individual parts of the GMP, is subject to the requirement for a prenegotiation objectives memo and price negotiation memo, including fair and reasonable price determination, per FAR 15.406.

(4) The contracting officer should consult other members of the acquisition team, including the project manager, to analyze and justify any adjustments to the total GMP, or individual parts of the GMP.

536.7105-3 Reserved

536.7105-4 Reserved

536.7105-5 Shared Savings Incentive.

(a) General. The incentive is a shared portion of the difference between the final GMP and the final cost of performance. Cost reductions may be realized by the construction contractor as a result of innovations and efficiencies during the construction phase, such as increased labor productivity or strong material subcontract negotiations.

(b) Share Ratio.

(1) Except as provided in paragraph (2) of this subsection, the share ratio for the construction contractor may range from 30 percent to 50 percent. The share ratio for the construction contractor must not exceed 50 percent. The complexity of the project and the amount of risk to the construction contractor should be

considered when determining the ratio. A project with greater risk to the construction contractor should reflect a greater share ratio for the construction contractor.

(2) Subject to the approval of the HCA, the share ratio may be different than that required under paragraph (b)(1) of this subsection. Any such written approval must be documented in the contract file.

(c) Incentive Calculation. The incentive amount is calculated in accordance with the clause at 552.236-79 Construction-Manager-As-Constructor.

536.7105-6 Reserved

536.7105-7 Early Work Packages.

(a) Construction services for an early work package must be within the scope of the overall contract.

(b) Early work packages may be part of the initial procurement as a separately priced line item, or the Government and the construction contractor may agree to develop an early work package after award, typically identified toward the beginning of the project.

(c) Early Work Packages Developed After Award.

(1) The parties will bilaterally agree to the scope, schedule, and pricing for any such early work package, and the contract will be modified in accordance with FAR Part 43.

(2) If any such early work package reduces the scope of the construction services under the GMP option, the ECW must be reduced, and the CCA, fee for the construction work, and GMP will be adjusted accordingly.

(3) Any modification to the contract for an early work package is subject to the requirement for a prenegotiation objectives memo and price negotiation memo, including fair and reasonable price determination, per FAR 15.406.

(d) Early work packages that are firm-fixed-price are not subject to open book accounting, a shared savings incentive, or the need for determination of final settlement.

536.7105-8 Conversion to Firm-Fixed-Price.

(a) The Government and the construction contractor may bilaterally convert the whole contract to firm-fixed-price.

(b) Conversion to firm-fixed-price may occur after the contingency risks, to be covered by the CCA, have been sufficiently reduced in the best interest of the Government. See FAR 16.103(b) for additional guidance for assessing risk management, profit motive, and timing considerations.

(c) Conversion to firm-fixed-price is only permitted pursuant to a written determination from the contracting officer to the contract file supporting the conversion. The contracting officer should consult other members of the acquisition team, including the project manager, to analyze and justify the conversion.

(d) The contracting officer must not agree to a firm-fixed-price in excess of the GMP.

(e) The contracting officer must obtain an independent audit of the construction contractor's costs incurred in the performance of the contract to date, unless the FFP conversion occurs prior to exercising any GMP portion of the contract.

(f) When evaluating the construction contractor's proposal for firm-fixed-price definitization, the contracting officer should compare the anticipated final cost to the firm-fixed-price being proposed. It may be reasonable for the construction contractor to include a contingency for assuming the risk associated with agreeing to the firm-fixed-price. The contracting officer should evaluate this contingency to ensure that the proposed amount reasonably reflects the remaining risks being assumed by the construction contractor. This evaluation may be informed by the history of the project, the balance of the CCA, and other factors.

(g) The modification to convert to a firm-fixed-price is subject to the requirement to obtain cost and pricing data unless one of the exceptions in FAR 15.403-1 applies.

(h) The modification to convert to a firm-fixed-price is subject to the requirement for a prenegotiation objectives memo and price negotiation memo, including fair and reasonable price determination, per FAR 15.408.

(i) Upon converting to a firm-fixed-price, the contract is no longer subject to open book accounting, a shared savings incentive, or the need for determination of final settlement.

536.7106 Construction Contract Closeout.

Unless the contract has been converted to a standard firm-fixed-price contract (see 536.7105-8) —

(a) The contracting officer will ensure that the construction contractor's proposal for final settlement is accurate and reliable in accordance with the open book accounting practices of the contract.

(b) In accordance with 536.7105-3(c), the contracting officer must obtain an independent audit of the construction contractor's costs.

536.7107 Contract Clauses (FAR DEVIATION).

(a) FAR deviation. GSA has a deviation from FAR 52.216-17 that allows use of the clause 552.236-79 in lieu of the FAR clause at 52.216-17. Insert the clause at 552.236-79, Construction-Manager-As-Constructor, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, if construction, dismantling, or removal of improvements is contemplated when a CMc project delivery method will be followed in lieu of the FAR clause at 52.216-17.

(b) Insert the clause at 552.236-80, Accounting Records and Progress Payments, in solicitations and contracts, including those for commercial services, but excluding those for commercial products, if construction, dismantling, or removal of improvements is contemplated when a CMc project delivery method will be followed and cost accounting standards do not apply.

Subpart 536.72 - Labor Standards for Contracts Involving Construction.

536.7201 Postaward.

536.7202 Administration.

Prime contractors or subcontractors personally performing work are not required to submit weekly certified payrolls and compliance statements if they are actively involved in the management of the enterprise, as defined under 29 CFR Part 541.102, and have bona fide 20% interest in the business per the Department of Labor.

Part 537 - Service Contracting

Subpart 537.1 - Service Contracts-General

537.101 Definitions.

"Contracts for building services" means contracts for services relating to the operation and maintenance of a building (e.g., janitorial, window washing, snow removal, trash removal, lawn and grounds care), inspection, maintenance, repair or replacement of building systems or equipment (e.g., elevators, air-conditioning, heating systems, and protection or guard service).

537.110 Contract clauses for building services.

Except for solicitations and contracts for building services placed under FAR subpart 8.2, insert the clause at 552.237-71, Qualifications of Employees, in all solicitations and contracts for building services that are anticipated to exceed the simplified acquisition threshold including those for commercial services.

Subpart 537.2 - Advisory and Assistance Services

537.270 Contract clause.

Insert the GSAR clause at 552.237-73, Restriction on Disclosure of Information, in solicitations and contracts for services that may require access to sensitive information including those for commercial products or commercial services.

Part 539 - Acquisition of Information and Communication Technology

539.70 Policies.

(a) Use of information technology (IT) at GSA, including software, must be coordinated and approved by the GSA Office of the Chief Information Officer (OCIO) pursuant to GSA Order CIO 2160.1, GSA Information Technology (IT) Standards Policy.

(b) Use of Artificial Intelligence (AI) at GSA, including software, must be coordinated and approved by the OCIO pursuant to GSA Order CIO 2185.1, Use of Artificial Intelligence (AI) at GSA.

(c) For interagency acquisitions, coordination is required with the requesting agency CIO and is the responsibility of the requesting agency.

Part 540 - Information Security and Supply Chain Security

Subpart 540.1 - Processing Supply Chain Risk Information.

540.170 Solicitation provision and contract clause.

(a) Insert a provision substantially the same as the provision at 552.540-70, Notice of Evaluation of Supply Chain Risk, in solicitations, including those for commercial products and commercial services, when the acquisition will require the evaluation of supply chain risk as part of the evaluation criteria.

(b) Insert a clause substantially the same as the clause at 552.540-71, Supply Chain Risk, in solicitations and contracts, including those for commercial products and commercial services, when the acquisition will require supply chain risk monitoring during contract performance.

Part 542 - Contract Administration and Audit Services

Reserved

Part 543 - Contract Modifications

543.205 Contract clause.

Insert the clause at 552.243-71, Equitable Adjustments, in solicitations and contracts, including those for commercial services. Do not include it in contracts for commercial products if the solicitation includes any of the following FAR clauses: 52.243-4, 52.243-5, or 52.236-2.

Part 546 - Quality Assurance

Subpart 546.3 - Contract Clauses

546.302 Fixed-price supply contracts.

546.302-70 Source inspection by Quality Approved Manufacturer for fixed-price supply contracts.

Insert the clause at 552.246-70, Source Inspection by Quality Approved Manufacturer in FAS solicitations and contracts, including those for commercial products, but excluding those for commercial services, where inspection will be performed at the source by a quality approved manufacturer.

546.302-71 Source inspection.

Insert the clause at 552.246-71, Source Inspection by Government, in FAS solicitations and contracts, including those for commercial products, but excluding those for commercial services, where Government personnel at the source will perform inspection.

546.312 Construction contracts.

Insert the clause at 552.246-72, Final Inspection and Tests, in solicitations and contracts for construction, including those for commercial services, but excluding those for commercial products, that include the FAR clause at 52.246-12.

Subpart 546.7 - Warranties

546.704 Authority for use of warranties.

FAR clause 52.246-21, Warranty of Construction, is approved by the agency for use in solicitations and contracts, including those for commercial services, but excluding those for commercial products, when a fixed-price construction contract is contemplated.

Part 552 - Solicitation Provisions and Contract Clauses

Subpart 552.1 - Instructions for Using Provisions and Clauses.

552.107-70 Solicitation provision and contract clause.

FAR deviation. GSA has a deviation from FAR 52.252-5 that allows use of the following provision and clause in lieu of the FAR provision at 52.252-5 and the FAR clause at 52.252-6.

(a) Insert the provision at 552.252-5, Authorized Deviations in Provisions, in solicitations, including those for commercial products or commercial services, that include any FAR or GSAR provision with an authorized deviation in lieu of the FAR provision at 52.252-5.

(b) Insert the clause at 552.252-6, Authorized Deviations in Clauses, in solicitations and contracts, including those for commercial products or commercial services, that include any FAR or GSAR clause with an authorized deviation in lieu of the FAR clause at 52.252-6.

Subpart 552.2 - Text of Provisions and Clauses.

552.200 Scope of subpart.

This subpart sets forth the text of all GSAR provisions and clauses. It also cross-references the location in the GSAR that prescribes the use of each provision and clause.

552.503 [Reserved]

552.504

552.204-9 Personal Identity Verification Requirements.

As prescribed in 504.1301, insert the following clause:

Personal Identity Verification Requirements (GSAR Deviation)(July 2026)

(a) The contractor must comply with GSA personal identity verification requirements, identified in ADM 2181.1 GSA HSPD-12 Personal Identity Verification and Credentialing, and Background Investigations for Contractor Employees, if contractor employees require access to GSA controlled facilities or information systems to perform contract requirements. The contractor can find the CIO policy at https://www.gsa.gov in the search feature and additional information on how to obtain a personal identity verification card at https://www.gsa.gov/resources/for-federal-employees/process-to-get-a-gsa-access-card.

(b) The contractor must insert this clause in all subcontracts when the subcontractor is required to have access to a GSA-controlled facility or access to a GSA-controlled information system.

(End of clause)

552.512

552.212-4 Contract Terms and Conditions — Commercial Products and Commercial Services (FAR DEVIATION).

As prescribed in 512.205(c), replace subparagraph (g), paragraph (r), and paragraph (s) of FAR clause 52.212-4. Also, add paragraph (v) to FAR clause 52.212-4:

Contract Terms and Conditions — Commercial Products and Commercial Services (Deviation FAR 52.212-4) (July 2026)

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

(1) 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.

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

(r) 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 Disputes, Payments, Invoice, Compliance with Laws Unique to Government Contracts, Unauthorized Obligations, and Commercial Supplier Agreements - Unenforceable Clauses paragraphs of this clause.

(3) Addenda to this solicitation or contract, including any commercial supplier agreements as amended by the Commercial Supplier Agreements -Unenforceable Clauses provision.

(4) Solicitation provisions if this is a solicitation.

(5) Other paragraphs of this clause.

(6) The Standard Form 1449 or 1442 for commercial construction over $35K.

(7) Other documents, exhibits, and attachments.

(8) The specification.

(s) Unauthorized Obligations.

(1) Except as stated in paragraph (s)(2) of this clause, when any supply or service acquired under this contract is subject to any commercial supplier agreement that includes any language, provision, or clause requiring the Government to pay any future fees, penalties, interest, legal costs or 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 (s)(1) of this clause does not apply to indemnification or any other payment by the Government that is expressly authorized by statute and specifically authorized under applicable agency regulations and procedures.

(v) *Commercial supplier agreements unenforceable clauses.* 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 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 or other similar legal instrument (including all contracts, task orders, and delivery orders under 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 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*. The supplier shall not unilaterally revoke, terminate or suspend any rights granted to the Government except as allowed by this contract. If the supplier 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 (e) (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 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) *Updating terms*.

(A) After award, the contractor may unilaterally revise commercial supplier agreement terms: if they are not material. A material change is defined as:

(*1*) Terms that change Government rights or obligations;

(*2*) Terms that increase Government prices;

(*3*) Terms that decrease overall level of service; or

(*4*) Terms that limit any other Government right addressed elsewhere in this contract.

(B) For revisions that will materially change the terms of the contract, the revised commercial supplier agreement must be incorporated into the contract using a bilateral modification.

(C) Any agreement license terms or conditions unilaterally revised subsequent to award that are inconsistent with any material term or provision of this contract shall not be enforceable against the Government, and the Government shall not be deemed to have consented to them.

(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 consent by an authorized Government representative.

(viii) *Indemnification*. Any clause of this agreement requiring the commercial supplier 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 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 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 in accordance with subparagraph (e) (Disputes) through the Disputes clause at 552.212-4(e); 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 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.

(xii) *Confidential information*. If this agreement includes a confidentiality clause, such clause is hereby amended to state that neither the agreement nor the contract price list, as 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.

(xiii) Data Privacy. When any supply or service acquired under this contract is subject to any commercial supplier agreement that includes any language, provision, or clause pertaining to data privacy laws of other jurisdictions, the following will apply:

(A) No terms or conditions stated in or incorporated into the commercial supplier agreement impose any obligation on the U.S. Government under the laws of any foreign jurisdiction or any U.S. state pertaining to data protection or data privacy; and

(B) The execution of the commercial supplier agreement by a Federal employee does not imply any waiver by the U.S. Government of sovereign immunity or of any other privilege or immunity under international law or under the laws of any foreign jurisdiction or any U.S. state, and the U.S. Government hereby expressly reserves its right and authority to assert all such privileges and immunities.

(2) If any language, provision, or clause of this agreement conflicts or is inconsistent with the preceding paragraph (v)(1), the language, provisions, or clause of paragraph (v)(1) shall prevail to the extent of such inconsistency.

(End of clause)

552.212-71 [Reserved]

552.212-72 [Reserved]

552.513 [Reserved]

552.514]Reserved]

552.515

552.215-70 [Reserved]

552.215-71 [Reserved]

552.215-72 [Reserved]

552.215-73 [Reserved]

552.517

552.217-70 [Reserved]

552.217-71 [Reserved]

552.519

552.219-18 [Reserved]

552.219-70 Allocation of Orders — Partially Set-aside Items.

As prescribed in 519.104-3, insert the following clause:

Allocation of Orders — Partially Set-Aside Items (SEP 1999)

Where the set-aside portion of an item or group of items is awarded to a contractor other than the one receiving the award on the corresponding non-set-aside portion, the Government will divide the requirements to be ordered between the two contractors with the objective of achieving, as nearly as possible, a 50/50 division of the total value of orders placed after the award of the set-aside portion. In no case will this division vary by more than a 60/40 division (with either the non-set-aside or set-aside contractor receiving the larger portion) from the time of the award of the set-aside portion.

(End of clause)

552.219-74 [Reserved]

552.523

552.223-70 Hazardous Substances.

As prescribed in 523.304(a), insert the following clause:

Hazardous Substances (MAY 1989)

(a) If the packaged items to be delivered under this contract are of a hazardous substance and ordinarily are intended or considered to be for use as a household item, this contract is subject to the Federal Hazardous Materials Act, as amended (15 U.S.C.1261-1276), implementing regulations thereof (16 C.F.R Chapter II), and Federal Standard No.123, Marking for Shipment (Civil Agencies), issue in effect on the date of this solicitation.

(b) The packaged items to be delivered under this contract are subject to the preparation of shipping documents, the preparation of items for transportation, shipping container construction, package making, package labeling, when required, shipper's certification of compliance, and transport vehicle placarding in accordance with Parts 171 through 178 of 49 C.F.R and the Hazardous Materials Transportation Act.

(c) The minimum packaging acceptable for packaging Department of Transportation regulated hazardous materials are those in 49 CFR 173.

(End of clause)

552.223-71 Nonconforming Hazardous Materials.

As prescribed in 523.304(b), insert the following clause:

Nonconforming Hazardous Materials (SEP 1999)

(a) Nonconforming supplies that contain hazardous material or that may expose persons who handle or transport the supplies to hazardous material and which require replacement under the inspection and/or warranty clauses of this contract must be reshipped to the Contractor at the Contractor's expense. The Contractor agrees to accept return of these nonconforming supplies and to pay all costs occasioned by their return.

(b) "Hazardous materials," as used in this clause, includes any material defined as hazardous under the latest version of Federal Standard No. 313 (including revisions adopted during the term of the contract).

(c) If the Contractor fails to provide acceptable disposition instructions for the nonconforming supplies within 10 days from the date of the Government's request (or such longer period as may be agreed to between the Contracting Officer and the

Contractor), or fails to accept return of the reshipped nonconforming supplies, such failure:

(1) May be interpreted as a willful failure to perform,

(2) May result in termination of the contract for default and

(3) Must be considered by the Contracting Officer in determining the responsibility of the Contractor for any future award (see FAR 9.104-3(b) and 9.406-2).

(d) Pending final resolution of any dispute, the Contractor will promptly comply with the decision of the Contracting Officer.

(End of clause)

52.223-72 Hazardous Material Information.

As prescribed in 523.370, insert the following provision:

Hazardous Material Information (SEP 1999)

Offeror must indicate for each national stock number (NSN) the following information:

NSN	DOT Shipping Name	DOT Hazard Class	DOT Label Required
			Yes [ ] No [ ]
			Yes [ ] No [ ]
			Yes [ ] No [ ]

(End of provision)

552.223-73 Preservation, Packaging, Packing, Marking, and Labeling of Hazardous Materials (HAZMAT) For Shipments.

As prescribed in 523.304(c), insert the following clause:

Preservation, Packaging, Packing, Marking, and Labeling of Hazardous Materials (HAZMAT) For Shipments (JUN 2015)

(a) Definition. “United States,” as used in this clause, means the 48 adjoining U.S. States, Alaska, and Hawaii, and U.S. territories and possessions, such as Puerto Rico.

(b) Preservation, packaging, packing, marking, and labeling of hazardous materials for export shipment outside the United States in all transport modes must comply with the following, as applicable:

(1) International Maritime Dangerous Goods (IMDG) Code as established by the International Maritime Organization (IMO).

(2) U.S. Department of Transportation (DOT) Hazardous Material Regulation (HMR) 49 CFR parts 171 through 180. (Note: Classifications permitted by the HMR, but not permitted by the IMDG code, such as Consumer Commodities classed as ORM-D, must be packaged in accordance with the IMDG Code and dual-marked with both Consumer Commodity and IMDG marking and labeling.)

(3) Occupational Safety and Health Administration (OSHA) Regulation 29 CFR 1910.1200.

(4) International Air Transport Association (IATA), Dangerous Goods Regulation and/or International Civil Aviation Organization (ICAO), Technical Instructions.

(5) AFMAN 24-204, Air Force Inter-Service Manual, Preparing Hazardous Materials For Military Air Shipments.

(6) Any preservation, packaging, packing, marking, and labeling requirements contained elsewhere in this solicitation and contract.

(c) Preservation, packaging, packing, marking, and labeling of hazardous materials for domestic shipments within the United States in all transport modes must comply with the following; as applicable:

(1) U.S. Department of Transportation (DOT) Hazardous Material Regulation (HMR) 49 CFR parts 171 through 180.

(2) Occupational Safety and Health Administration (OSHA) Regulation 29 CFR 1910.1200.

(3) Any preservation, packaging, packing, marking, and labeling requirements contained elsewhere in this solicitation and contract.

(d) Hazardous Material Packages designated for outside the United States destinations through Forwarding Points, Distribution Centers, or Container Consolidation Points (CCPs) must comply with the IMDG, IATA, ICAO or AFMAN 24-204 codes, as applicable.

(e) The test certification data showing compliance with performance-oriented packaging or UN-approved packaging requirements must be made available to GSA contract administration/management representatives or regulatory inspectors upon request.

(End of clause)

552.525 [Reserved]

552.527 [Reserved]

552.528

552.228-5 Government as Additional Insured.

As prescribed in 528.310, insert the following clause:

Government as Additional Insured (GSAR Deviation)(July 2026)

(a) This clause supplements the requirements set forth in FAR clause 52.228-5, Insurance–Work on a Government Installation.

(b) Each insurance policy required under this contract, other than workers' compensation insurance, must contain an endorsement naming the United States as an additional insured with respect to operations performed under this contract. The insurance carrier is required to waive all subrogation rights against any of the named insured.

(End of clause)

552.529

552.229.70 [Reserved]

552.229-71 Federal Excise Tax — DC Government.

As prescribed in 529.470, insert the following clause:

Federal Excise Tax — DC Government (SEP 1999)

If the District of Columbia cites an Internal Revenue Service Tax Exempt Certificate Number on orders placed under this contract, the Contractor will bill shipments to the District of Columbia at prices exclusive of Federal excise tax and show the amount of such tax on the invoice.

(End of clause)

552.532

552.232-1 [Reserved]

552.232-5 [Reserved]

552.232-23 Assignment of Claims Supplement.

As prescribed in 532.806, insert the following clause:

Assignment of Claims Supplement (GSAR Deviation)(July 2026)

Any assignment or reassignment under FAR clause 52.232-23 will not take effect or bind the Government unless and until the assignee submits the following to both the contracting officer of record of the contract (or order) and the finance office designated in the contract (or order) to make payment:

(a) Written notice of the assignment; and

(b) A true copy of the instrument of assignment.

Unless otherwise stated in the contract (or order), payments to an assignee of any amounts due or to become due under any contract (or order) assigned may, to the extent specified in the Act (as defined in 52.232-23), be subject to reduction or set-off.

(End of clause)

552.232-5 [Reserved]

552.232-39 Unenforceability of Unauthorized Obligations.

As prescribed in 532.706-3(a), insert the following clause:

Unenforceability of Unauthorized Obligations (DEVIATION FAR 52.232-39) (JULY 2026)

(a) Except as stated in paragraph (b) of this clause, when any supply or service acquired under this contract is subject to an agreement proposed or supplied by any person or entity other than the Government (including but not limited to any form of supplier license agreement or any form of commercial supplier agreement) that includes any language, provision, or clause requiring or purporting to require the

Government to pay any future fees, penalties, interest, legal costs, or 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), then all of the following apply to such agreement:

(1) Any such language, provision, or clause is unenforceable against the Government.

(2) Neither the Government nor any Government authorized end user will be deemed to have agreed to such language, provision, or clause by virtue of it appearing in the agreement. If the 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 stricken from the agreement and is deemed to be void ab initio.

(b) Paragraph (a) of this clause does not apply to indemnification or any other payment by the Government that is expressly authorized by statute and specifically authorized under applicable agency regulations and procedures.

(End of clause)

552.232-70 Incrementally Funded Fixed-Price Contracts For Severable Services.

As prescribed in 532.706-2, insert the following clause:

Incrementally Funded Fixed-Price Contracts For Severable Services (GSAR Deviation)(JULY 2026)

(a) In accordance with the Government's limitation of obligation, contract line item(s) *[Contracting Officer to insert after negotiations]* is/are incrementally funded. For this/these item(s), the sum of $ *[Contracting Officer to insert after negotiations]* of the total price is presently available for payment and allotted to this contract. An allotment schedule is set forth in paragraph (j) of this clause.

(b) For item(s) identified in paragraph (a) of this clause, the Contractor agrees to perform up to the point at which the total amount payable by the Government, including reimbursement in the event of termination of those item(s) for the Government's convenience, approximates the total amount currently allotted to the contract. The Contractor is not authorized to continue work on those item(s) beyond that point. The Government will not be obligated in any event to reimburse the Contractor in excess of the amount allotted to the contract for those item(s) regardless of anything to the contrary in the clause entitled "Termination for

Convenience of the Government", or any similarly named clause. As used in this clause, the total amount payable by the Government in the event of termination of applicable contract line item(s) for convenience includes costs, profit, and estimated termination settlement costs for those item(s).

(c) Notwithstanding the dates specified in the allotment schedule in paragraph (j) of this clause, the Contractor will notify the Contracting Officer in writing at least *[Contracting Officer to insert after negotiations]* days prior to the date when, in the Contractor's best judgment, the work will reach the point at which the total amount payable by the Government, including any cost for termination for convenience, will approximate 85 percent of the total amount then allotted to the contract for performance of the applicable item(s). The notification will state (1) the estimated date when that point will be reached and (2) an estimate of additional funding, if any, needed to continue performance of applicable line items up to the next scheduled date for allotment of funds identified in paragraph (j) of this clause, or to a mutually agreed upon substitute date. The notification will also advise the Contracting Officer of the estimated amount of additional funds that will be required for the timely performance of the item(s) funded pursuant to this clause, for a subsequent period as may be specified in the allotment schedule in paragraph (j) of this clause or otherwise agreed to by the parties. If after such notification additional funds are not allotted by the date identified in the Contractor's notification, or by an agreed substitute date, the Contracting Officer will terminate any item(s) for which additional funds have not been allotted, pursuant to the clause of this contract entitled "Termination for Convenience of the Government", or any similarly named clause.

(d) When additional funds are allotted for continued performance of the contract line item(s) identified in paragraph (a) of this clause, the parties will agree as to the period of contract performance which will be covered by the funds. The provisions of paragraphs (b) through (d) of this clause will apply in like manner to the additional allotted funds and agreed substitute date, and the contract will be modified accordingly.

(e) If, solely by reason of failure of the Government to allot additional funds, by the dates indicated below, in amounts sufficient for timely performance of the contract line item(s) identified in paragraph (a) of this clause, the Contractor incurs additional costs or is delayed in the performance of the work under this contract and if additional funds are allotted, an equitable adjustment will be made in the price or prices (including appropriate target, billing, and ceiling prices where applicable) of the item(s), or in the time of delivery, or both. Failure to agree to any such equitable adjustment hereunder will be a dispute concerning a question of fact within the meaning of the clause entitled "Disputes", or any other similarly named clause.

(f) The Government may at any time prior to termination allot additional funds for the performance of the contract line item(s) identified in paragraph (a) of this clause.

(g) The termination provisions of this clause do not limit the rights of the Government under the clause entitled “Default”, or any similarly named clause. The provisions of this clause are limited to the work and allotment of funds for the contract line item(s) set forth in paragraph (a) of this clause. This clause no longer applies once the contract is fully funded except with regard to the rights or obligations of the parties concerning equitable adjustments negotiated under paragraphs (d) and (e) of this clause.

(h) Nothing in this clause affects the right of the Government to terminate this contract pursuant to the clause of this contract entitled “Termination for Convenience of the Government”, or any similarly named clause.

(i) Nothing in this clause will be construed as authorization of voluntary services whose acceptance is otherwise prohibited under 31 U.S.C. 1342.

(j) The parties contemplate that the Government will allot funds to this contract in accordance with the following schedule *[Contracting Officer to insert after negotiations]*:

On execution of contract	$ ________
(month) (day), (year)	$ ________
(month) (day), (year)	$ ________
(month) (day), (year)	$ ________

(End of clause)

552.232-71 [Reserved]

552.232-72 [Reserved]

552.232-73 [Reserved]

552.232-74 [Reserved]

552.232-75 [Reserved]

552.232-76 [Reserved]

552.232-77 [Reserved]

552.232-78 Commercial Supplier Agreements–Unenforceable Clauses.

As prescribed in 532.706-3(b), insert the following clause:

Commercial Supplier Agreements–Unenforceable Clauses (GSAR Deviation)(July 2026)

When any supply or service acquired under this contract is subject to an agreement proposed or supplied by any person or entity other than the Government (including but not limited to any form of supplier license agreement or commercial supplier agreement), then the following language is deemed incorporated into such agreement. As used herein, “this agreement” means the applicable agreement proposed or supplied by any person or entity other than the Government:

(a) Notwithstanding any other provision of this agreement, when the end user is an agency or instrumentality of the U.S. Government, the following applies:

(1) *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 or other similar legal instrument (including all contracts, task orders, and delivery orders under FAR Parts 13, 14 or 15).

(2) *End user.* This agreement binds the ordering activity as end user but does not operate to bind a Government employee or person acting on behalf of the Government in his or her personal capacity.

(3) *Law and disputes.* This agreement is governed exclusively by United States Federal law.

(i) 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 and void ab initio.

(ii) Any language requiring dispute resolution in a specific forum or venue that is different from that prescribed by applicable Federal law is hereby deleted and void ab initio.

(iii) 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 and void ab initio.

(4) *Continued performance.* The supplier cannot unilaterally revoke, terminate, or suspend any rights granted to the Government except as allowed by this contract.

If the supplier believes the ordering activity to be in breach of the agreement, it must pursue its rights under the Contract Disputes Act or other applicable Federal statute while continuing performance as set forth in FAR 52.233-1, Disputes.

(5) *Arbitration; equitable or injunctive relief.* In the event of a claim or dispute arising under or relating to this agreement, a binding arbitration cannot be used unless specifically authorized by agency guidance, and 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).

(6) *Updating terms.*

(i) After award, the contractor may unilaterally revise terms only if such revisions are not material. A material change is defined as:

(A) Terms that significantly change Government rights or obligations; and

(B) Terms that increase Government prices;

(C) Terms that decrease overall level of service; or

(D) Terms that limit any other Government right addressed elsewhere in this contract.

(ii) No material revisions will be incorporated into the contract unless and until a fully executed bilateral modification incorporates such revisions.

(iii) Any agreement terms or conditions unilaterally revised subsequent to award that are inconsistent with any material term or provision of this contract are not enforceable against the Government, the Government is not deemed to have consented to them, and such revisions are void ab initio.

(7) *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 will not renew automatically upon expiration of its current term without prior express written consent by an authorized Government representative.

(8) *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.

(9) *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:

(i) Discrepancies found in an audit may result in a charge by the commercial supplier to the ordering activity. Any resulting invoice must comply with the proper invoicing requirements specified in the underlying Government contract or order.

(ii) This charge, if disputed by the ordering activity, will be resolved through the Disputes clause at FAR 52.233-1; no payment obligation arises on the part of the ordering activity unless and until the conclusion of the dispute process.

(iii) Any audit requested by the contractor will be performed at the contractor's expense, without reimbursement by the Government.

(10) *Taxes or surcharges.* Any taxes or surcharges which the commercial supplier or licensor seeks to pass along to the Government as end user are 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.

(11) *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 FAR 52.232-23, Assignment of Claims.

(12) *Confidential information.* If this agreement includes a confidentiality clause, such clause is hereby amended to state that neither the agreement nor the contract price list, as applicable, are 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.

(b) If any language, provision, or clause of this agreement conflicts or is inconsistent with the preceding paragraph (a), the language, provisions, or clause of paragraph (a) prevails to the extent of such inconsistency.

(End of clause)

552.536

552.236-6 Superintendence by the Contractor.

As prescribed in 536.506, insert the following clause:

Superintendence by the Contractor (Mar 2019)

The requirements of the clause entitled “Superintendence by the Contractor” at FAR 52.236-6, are supplemented as follows:

(a) The Contractor shall employ sufficient management and contract administration resources, including personnel responsible for project management, field superintendence, change order administration, estimating, coordination, inspection, and quality control, to ensure the proper execution and timely completion of the contract. The Contractor shall designate a principal of the firm or other senior management official to provide executive oversight and problem resolution resources to the project for the life of the contract.

(b) The Contractor shall employ, and require its subcontractors to employ, qualified personnel to perform the contract. The Government reserves the right to exclude, or remove from the site or building, any personnel for reasons of incompetence, carelessness, or insubordination, who violate rules and regulations concerning conduct on federal property, or whose continued employment on the site is otherwise deemed by the Government to be contrary to the public interest.

(c) The Contractor shall be responsible for coordinating all activities of subcontractors, including all of the following activities:

(1) Preparation of shop drawings produced by different subcontractors where their work interfaces or may potentially conflict or interfere.

(2) Scheduling of work by subcontractors.

(3) Installation of work by subcontractors.

(4) Use of the project site for staging and logistics.

(d) Repeated failure or excessive delay to meet the superintendence requirements by the Contractor may be deemed a default for the purposes of the termination for default clause.

(End of clause)

552.236-11 [Reserved]

552.236-15 Schedules for Construction Contracts.

As prescribed in 536.515, insert the following clause:

Schedules for Construction Contracts (MAR 2019)

The requirements, of the clause entitled “Schedules for Construction Contracts” at FAR 52.236-15, are supplemented as follows for the pricing to be determined at the base level:

(a) Purpose. The project schedule must be a rational, reasonable, and realistic plan for completing the work, and conform to the requirements specified in this clause and elsewhere in the contract. The Contractor understands and acknowledges that the preparation and proper management of the project schedule is a material component of the contract.

(b) Use of the schedule. The Contracting Officer will be entitled, but not required, to rely upon the project schedule to evaluate the Contractor's progress, evaluate entitlement to extensions of time, and determine the criticality or float of any activities described in such project schedule.

(c) Submission. Prior to notice to proceed, or such other time as may be specified in the contract, the Contractor must submit the project schedule.

(d) Milestones. The project schedule will incorporate milestone events specified in the contract, including, as applicable, notice to proceed, substantial completion, and milestones related to specified work phases and site restrictions. The project schedule will also include Contractor-defined milestones to identify target dates for critical events, based upon the Contractor's chosen sequence of work.

(e) Activities. The project schedule must depict all major activities necessary to complete the work.

(f) Schedule of values.

(1) The Contractor will prepare and submit for approval a cost breakdown of the Contract price, to be referred to as the “schedule of values”, assigning values to each major activity necessary to complete the work.

(2) Values must include all direct and indirect costs, although a separate value for bond costs may be established.

(3) The schedule of values must contain sufficient detail to enable the Contracting Officer to evaluate applications for payment.

(g) Conflicting terms.

(1) If at any time the Contracting Officer finds that the project schedule does not comply with any contract requirement, the Contracting Officer will provide written notice to the Contractor.

(2) Within 30 calendar days of written notice, or such other time as may be specified, from the Contracting Officer, the Contractor will take one of the following actions:

(i) Revise the project schedule.

(ii) Adjust activity progress.

(iii) Provide sufficient information demonstrating compliance.

(3) If the Contractor fails to sufficiently address the Contracting Officer's exceptions to the project schedule, the Contracting Officer may-

(i) Withhold retainage until the project is substantially complete or until such time as the Contractor has complied with project schedule requirements; or

(ii) Terminate the contract for default.

(h) Revisions to the schedule. If the Contractor revises the project schedule after initial approved submission, the Contractor must provide in writing a narrative describing the substance of the revision, the rationale for the revision, and the impact of the revision on the projected substantial completion date and the available float for all activities. The addition of detail to prospective activities will not be deemed a revision if the overall duration of the detailed activity does not change.

(i) Updates. Unless a different period for updates is specified elsewhere, the Contractor must update the project schedule weekly to reflect actual progress in completing the work, and submit the updated project schedule by the following Monday.

(End of clause)

Alternate I (Mar 2019). As prescribed in 536.515(a), substitute the following paragraphs (c), (e), (h), and (i) for paragraphs (c), (e), (h), and (i) of the basic clause:

(c) Submission. Within 30 calendar days of notice to proceed, or such other time as may be specified in the contract, the Contractor will submit the project schedule, together with a written narrative describing the major work activities, activities on the critical path, and major constraints underlying the sequence and logic of the project schedule.

(e) Activities.

(1) The Contractor will use a critical path method project schedule to plan, coordinate, and perform the work.

(2) The project schedule must depict all activities necessary to complete the work, including, as applicable, all submittal and submittal review activities, all procurement activities, and all field activities, including mobilization, construction, start-up, testing, balancing, commissioning, and punchlist.

(3) Activities will be sufficiently detailed and limited in duration to enable proper planning and coordination of the work, effective evaluation of the reasonableness and realism of the project schedule, accurate monitoring of progress, and reliable analysis of schedule impacts.

(4) Activity durations must be based upon reasonable and realistic allocation of the resources required to complete each activity, given physical and logistical constraints on the performance of the work. All logic will validly reflect physical or logistical constraints on relationships between activities. Except for the first and last activities in the project schedule, each activity must have at least one predecessor and one successor relationship to form a logically connected network plan from notice to proceed to the contract completion date.

(h) Revisions to the schedule.

(1) The Contractor should anticipate that the initial submittal of the project schedule will be subject to review and may require revision. The Contractor must devote sufficient resources for meetings, revisions, and resubmissions of the project schedule to address any exceptions taken to the initial submittal. The Contractor understands and acknowledges that the purpose of the initial review and resolution of exceptions is to maximize the usefulness of the project schedule for contract performance.

(2) If the Contractor revises the project schedule after initial approved submission, the Contractor must provide in writing a narrative describing the substance of the revision, the rationale for the revision, and the impact of the revision on the projected substantial completion date and the available float for all activities. The addition of detail to prospective activities must not be deemed a revision if the overall duration of the detailed activity does not change.

(i) Updates. Unless a different period for updates is specified elsewhere, the Contractor update the project schedule monthly to reflect actual progress in completing the work, and submit the updated project schedule within 5 working days of the end of each month.

Alternate II (Mar 2019). As prescribed in 536.515(b), substitute the following paragraphs (c), (e), and (i) for paragraphs (c), (e), and (i) of the basic clause:

(c) Submission.

(1) Within 30 calendar days of notice to proceed, or such other time as may be specified in the contract, the Contractor will submit the project schedule, together with a written narrative describing the major design and construction activities. The project schedule may indicate construction activities in summary form prior to completion of final design documents.

(2) Within 30 calendar days of completion of final design documents, the Contractor must submit a revised project schedule depicting all activities necessary to complete construction work activities, together with a written narrative describing the major work activities, activities on the critical path, and major constraints underlying the sequence and logic of the project schedule.

(c) Activities.

(1) The Contractor must use a critical path method project schedule to plan, coordinate, and perform the work.

(2) Activities must be sufficiently detailed and limited in duration to enable proper planning and coordination of the work, effective evaluation of the reasonableness and realism of the project schedule, accurate monitoring of progress, and reliable analysis of schedule impacts.

(3) Activity durations will be based upon reasonable and realistic allocation of the resources required to complete each activity, given physical and logistical constraints on the performance of the work. All logic must validly reflect physical or logistical constraints on relationships between activities. Except for the first and last activities in the project schedule, each activity will have at least one predecessor and one successor relationship to form a logically connected network plan from notice to proceed to the contract completion date.

(i) Updates. Unless a different period for updates is specified elsewhere, the Contractor will update the project schedule monthly to reflect actual progress in completing the work, and submit the updated project schedule within 5 working days of the end of each month.

Alternate III (Jan 2020). As prescribed in 536.515(c), substitute the following paragraphs (c), (e), (h), and (i) for paragraphs (c), (e), (h), and (i) of the basic clause:

(c) Submission.

(1) Within 30 calendar days of contract award, or such other time as may be specified in the contract, the Contractor must submit the design phase project schedule.

(2) Within 30 calendar days after establishing the final estimated cost of work, the Contractor will submit the construction phase project schedule, together with a written narrative describing the major work activities, activities on the critical path, and major constraints underlying the sequence and logic of the project schedule.

(e) Activities.

(1) The design phase project schedule must depict all activities necessary to complete the design work, including, as applicable, all submittal and submittal review activities, cost reconciliation, and establishing the estimated cost of work for the construction phase.

(2) The Contractor must use a critical path method project schedule to plan, coordinate, and perform the construction phase work.

(3) The construction phase project schedule must depict all activities necessary to complete the construction work, including, as applicable, all submittal and submittal review activities, all procurement activities, and all field activities, including mobilization, construction, start-up, testing, balancing, commissioning, and punchlist.

(4) Activities must be sufficiently detailed and limited in duration to enable proper planning and coordination of the work, effective evaluation of the reasonableness and realism of the project schedule, accurate monitoring of progress, and reliable analysis of schedule impacts.

(5) Activity durations will be based upon reasonable and realistic allocation of the resources required to complete each activity, given physical and logistical constraints on the performance of the work. All logic must validly reflect physical or logistical constraints on relationships between activities. Except for the first and last activities in the project schedule, each activity will have at least one predecessor and one successor relationship to form a logically connected network plan from notice to proceed to the contract completion date.

(h) Revisions to the schedule.

(1) The Contractor should anticipate that the project schedule will be subject to review and may require revision. The Contractor will devote sufficient resources for meetings, revisions, and resubmissions of the project schedule to address any exceptions taken. The Contractor understands and acknowledges that the purpose of the review and resolution of exceptions is to maximize the usefulness of the project schedule for contract performance.

(2) If the Contractor proposes a revision to the project schedule after initial approved submission, the Contractor must provide in writing a narrative describing the substance of the revision, the rationale for the revision, and the impact of the revision on the projected substantial completion date and the available float for all activities.

(i) Updates. Unless a different period for updates is specified elsewhere, the Contractor will update the project schedule monthly to reflect actual progress in completing the work, and submit the updated project schedule within 5 working days of the end of each month.

552.236-21 [Reserved]

552.236-70 Authorities and Limitations.

As prescribed in 536.570 , insert the following clause:

Authorities and Limitations (MAR 2019)

(a) All work will be performed under the general direction of the Contracting Officer, who alone has the power to bind the Government and to exercise the rights, responsibilities, authorities and functions vested in him by the contract documents, except that he has the right to designate authorized representatives to act for him. Wherever any provision in this contract specifies an individual (such as, but not limited to, Construction Engineer, Resident Engineer, Inspector or Custodian) or organization, whether Governmental or private, to perform any act on behalf of or in the interests of the Government, that individual or organization will l be deemed to be the Contracting Officer's authorized representative under this contract but only to the extent so specified. The Contracting Officer may, at any time during the performance of this contract, vest in any such authorized representatives additional power and authority to act for him or designate additional representatives, specifying the extent of their authority to act for him; a copy of each document vesting additional authority in an authorized representative or designating an additional authorized representative must l be furnished to the Contractor.

(b) The Contractor must perform the contract in accordance with any order (including but not limited to instruction, direction, interpretation, or determination) issued by an authorized representative in accordance with his authority to act for the Contracting Officer; but the Contractor assumes all the risk and consequences of performing the contract in accordance with any order (including but not limited to instruction, direction, interpretation, or determination) issued by an authorized representative in accordance with his authority to act for the ion) of anyone not authorized to issue such order.

(End of clause)

552.236-71 [Reserved]

552.236-72 Submittals.

As prescribed in 536.572, insert the following clause:

Submittals (Mar 2019)

(a) The Contractor shall prepare and submit all submittals as specified in the contract or requested by the Contracting Officer.

(1) Submittals may include: safety plans, schedules, shop drawings, coordination drawings, samples, calculations, product information, or mockups.

(2) Shop drawings may include fabrication, erection and setting drawings, manufacturers' scale drawings, wiring and control diagrams, cuts or entire catalogs, pamphlets, descriptive literature, and performance and test data.

(b) Unless otherwise provided in this contract, or otherwise directed by the Contracting Officer, submittals shall be submitted to the Contracting Officer.

(c) The Contractor shall be entitled to receive notice of action on submittals within a reasonable time, given the volume or complexity of the submittals and the criticality of the affected activities to substantial completion as may be indicated in the project schedule.

(d) Review of submittals will be general and shall not be construed as permitting any departure from the contract requirements.

(e) The Contractor shall not proceed with construction work or procure products or materials described or shown in submittals until the submittal is reviewed. Any work or activity undertaken prior to review shall be at the Contractor's risk. Should the Contracting Officer subsequently determine that the work or activity does not comply with the contract, the Contractor shall be responsible for all cost and time required to comply with the Contracting Officer's determination. The Contracting Officer shall have the right to order the Contractor to cease execution of work for which submittals have not been reviewed. The Government shall not be liable for any cost or delay incurred by the Contractor attributable to the proper exercise of this right.

(f) The Contractor shall identify, in writing, all deviations or changes in resubmitted submittals. In the absence of such written notice, review of a resubmission shall not include or apply to such deviations or changes.

(End of clause)

Alternate I (Mar 2019). As prescribed in 536.572 add the following paragraph to the basic clause:

(g) The Contractor shall submit design documents for review in accordance with PBS-P100. The Government shall review submittals for the limited purpose of verifying that the documents conform to the design criteria expressed in the contract documents.

552.236-73 [Reserved]

552.236-74 Evaluation of Options.

As prescribed in 536.270-5(a), insert a provision substantially the same as the following provision:

Evaluation of Options (MAR 2019)

The Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

(End of provision)

552.236-75 Evaluation Exclusive of Options.

As prescribed in 536.270-5(b), insert a provision substantially the same as the following clause:

Evaluation Exclusive of Options (MAR 2019)

The Government will evaluate offers for award purposes by including only the price for the basic requirement. Options will not be included in the evaluation for award purposes.

(End of provision)

552.236-76 [Reserved]

552.236-77 Government's Right to Exercise Options.

As prescribed in 536.270-5(d), insert a clause substantially the same as the following clause:

Government's Right to Exercise Options (MAR 2019)

(a) The Government may exercise any option in writing in accordance with the terms and conditions of the contract within Enter value:Enter value:_____ [insert the period of time within which the Contracting Officer may exercise the option]. Unless otherwise specified, options may be exercised within 90 calendar days of contract award.

(b) If the Government exercises the option, the contract must be considered to include this option clause.

(End of clause)

552.236-79 Construction-Manager-As-Constructor.

As prescribed in 536.7107(a), insert a clause substantially the same as the following clause:

Construction-Manager-As-Constructor (JAN 2020)(DEVIATION FAR 52.216-17)

(a) General. Pricing for the Guaranteed Maximum Price (GMP) for the option for construction services will be subject to the requirements below.

(b) Definitions. The following definitions will apply to this clause:

"Construction-Manager-as-Constructor (CMc) Contingency Allowance (CCA)" means an allowance for the exclusive use of the construction contractor to cover reimbursable costs during construction that are not the basis of a change order. These costs could include estimating, scheduling, and planning errors in the final Estimated Cost of the Work (ECW) or other contractor errors.

"Cost" means allowable costs in accordance with FAR Part 31.

"Cost of Performance" means the final sum of cost of the construction work and fee for the construction work.

"Early Work Package" means a set of construction activities that can be clearly defined and separately performed from the remainder of the construction work. Demolition is an example of an early work package.

"Estimated Cost of the Work (ECW)" means the estimated cost of the construction work, not including home office overhead.

"Fee for the Construction Work" means the amount established for the contractor's profit and home office overhead costs, as described in FAR Part 31, for the construction work.

"Guaranteed Maximum Price (GMP)" means the sum of the ECW, CCA, and the fee for the construction work.

(c) Guaranteed Maximum Price. This contract at award includes a GMP.

(d) Estimated Cost of the Work. The proposed ECW incorporated into the contract at award is a target ECW. A final ECW is negotiated during the design phase and is incorporated into the contract prior to exercise of the GMP option.

(e) Final Estimated Cost of the Work.

(1) Submission Requirements for Final ECW Proposal. During the design phase, and at a time agreed by the Contracting Officer, the Contractor must submit the following:

(i) A detailed statement of all construction costs, including early work packages in the performance of the construction work to date;

(ii) A detailed breakdown of home office overhead costs and a statement that the accounting practices used for the allocation of home office overhead on this contract is in accordance with the Contractor's established cost accounting practices;

(iii) A proposed final ECW;

(iv) Sufficient data to support the accuracy and reliability of the estimate;

(v) An explanation of the difference between the proposed final ECW and the target ECW used to establish the GMP; and

(vi) The Contractor's affirmation that:

(v) An explanation of the difference between the proposed final ECW and the target ECW used to establish the GMP; and

(A) The Contractor is satisfied that the project as described in the specifications and construction drawings is constructible using commercially practicable means and methods;

(B) The Contractor is satisfied that the construction work has been sufficiently described to enable it to estimate the cost of the work with reasonable accuracy;

(C) The Contractor has disclosed to the Contracting Officer all of its actual knowledge relating to design errors and omissions that may affect the cost of the work; and

(D) The Contractor acknowledges that the final ECW and time established for completion will not be adjusted on account of cost or time attributable to known design errors and omissions disclosed by the Contractor pursuant to paragraph (e)(1)(v)(C) of this clause. Unknown design errors and omissions that form the basis for a change order may still be settled in accordance with GSAR 552.243-71 Equitable Adjustments.

(2) Establishment of the Final ECW. The parties must negotiate a final ECW based on the data provided under paragraph (e)(1) of this clause. The final ECW must be established and incorporated into the Contract by bilateral modification. The Contracting Officer will not accept a final ECW proposal that does not include the written affirmation described in this clause. The Contracting Officer will not exercise the GMP option for construction work unless the final ECW has been incorporated into the contract.

(f) CMc Contingency Allowance. The CCA will be____ percent of the ECW [Contracting Officer insert percentage amount].

(g) Shared Savings Incentive. The Contractor will be entitled to ____ percent of the difference between the final GMP and the final cost of performance [Contracting Officer insert percentage amount].

(h) Adjustment of ECW and GMP. The ECW and GMP will be subject to adjustment for changes and any other conditions giving rise to entitlement to an adjustment under this contract. The ECW and GMP may be adjusted down for deletions to the scope of the construction services through a bilateral modification.

(i) Adjustment of CCA. If the sum of the final ECW, CCA, and fee for the construction work is greater than the GMP as established at contract award or as adjusted in accordance with FAR Part 43, then the Contractor should work with the Contracting Officer to identify measures to reduce the overall GMP, including reducing the CCA, reducing the fee, or as a last resort, reducing the scope of the project. At any time, the parties may agree to a different CCA than the amount expressed at time of contract award. Prior to the use of the CCA, the Contractor must coordinate approval following the procedures identified in the contract. For approved CCA uses, the CCA will be reduced and the ECW will be adjusted accordingly.

(j) Adjustment of the Fee for the Construction Work. The fee for the construction work may be adjusted for changes that are the basis for a change order, including scope changes, differing site conditions, and Government-caused delays. The fee for the construction work associated with a change order must not be driven by a fixed percentage. The fee for the construction work is not increased or decreased based on fluctuations in the actual costs of the work. At time of proposal submission, the fee elements may be expressed as a percentage of the ECW, but will be converted to a fixed amount prior to executing the GMP option.

(k) Conversion to Firm-Fixed-Price Prior to Final Settlement.

(1) Submission Requirements for Conversion to Firm-Fixed Price. If the parties agree to negotiate and establish a firm-fixed-price for construction work prior to the exercise of the GMP option, or at the request of the Contracting Officer, the Contractor will submit the following:

(i) A proposed firm-fixed-price proposal for the completion of the construction work, which must include all markups, including profit.

(ii) A detailed statement of any costs incurred in the performance of the contract work to date.

(2) Establishment of Firm-Fixed-Price.

(i) Prior to Exercise of GMP Option. The parties may negotiate and establish a firm-fixed-price for construction work prior to the exercise of the GMP option based on the data provided under paragraph (k)(1) of this clause; provided that the firm-fixed-price must not exceed the GMP. The Contracting Officer will have the right, but not the obligation, to bilaterally exercise the GMP option at the firm-fixed-price within 120 calendar days of the establishment of such price.

(ii) After Exercise of the GMP Option. At any time prior to final settlement, the Contracting Officer may request that the Contractor provide a firm-fixed-price proposal for the completion of construction work in accordance with paragraph (k)(1) of this clause. Within 60 calendar days of such request, the Contractor will provide such data. Within 60 calendar days of receipt of the Contractor's proposal, the Contracting Officer will have the right, but not the obligation, to convert the contract to a firm-fixed-price contract through a bilateral modification at the proposed fixed-price or as otherwise negotiated by the parties; provided that the firm-fixed-price, plus any costs incurred in the performance of the construction work, must not exceed the GMP.

(iii) If any portion of the contract is converted to a firm-fixed-price, then that portion of the contract is no longer subject to open book accounting, a shared savings incentive, or the need for final settlement. If the contract is not converted to a firm-fixed-price contract, then the final settlement of the Contractor's compensation must be determined in accordance with paragraph (l) of this clause.

(3) Payments. If this contract is converted to a firm-fixed-price contract, the Contractor will submit a revised schedule of values for the construction work allocating the unpaid balance of the fixed price to the itemized work activities remaining uncompleted, which will be the basis for remaining progress payments.

(l) Final Settlement. The final settlement amount must consist of the cost of performance and the Contractor's shared savings incentive, if any, provided that in no event will the final settlement exceed the GMP. The final settlement amount must be the Contractor's total compensation due under the contract.

(1) Submission Requirements for Final Settlement Proposal. The Contractor must submit a final settlement proposal within 120 days of substantial completion to determine the cost of the construction work, which will include the following:

(i) A detailed statement of all costs incurred by the Contractor in performing the construction work;

(ii) A firm-fixed-price proposal for the performance of the remaining work, if any, that may be necessary to complete performance of the construction work;

(iii) An executed release of claims, which will describe any and all exceptions, including a description of any outstanding claims; and

(iv) Any other relevant data that the Contracting Officer may reasonably require.

(2) Determination of the Cost of the Work. The cost of the construction work will be the sum of all costs incurred by the Contractor in performing the construction work, the proposed fixed price for performance of remaining work, if any, less the residual value of any Contractor retained inventory. In order to determine the cost of the construction work, the Contractor will be subject to an audit of the Contractor's records and/or the Contractor's proposal. Establishment of the cost of the construction work will be subject to negotiation between the Government and the Contractor. In the event that the parties are unable to reach agreement, the Contracting Officer may unilaterally determine the cost of the construction work, and such determination will be subject to FAR Clause 52.233-1 Disputes.

(3) Determination of the Shared Savings Incentive. If the final cost of performance is equal to or greater than the final GMP, the Contractor is not entitled to any additional compensation. If the final cost of performance is less than the final GMP, the Contractor is entitled to the percentage specified in paragraph (g) of this clause, of the difference between the final GMP and the final cost of performance, as the shared savings incentive.

(m) Subcontracts. No subcontract placed under this contract may provide for cost-plus-a-percentage of cost. Any costs incurred by the Contractor as a result of such a subcontract must not be included in the cost of the construction work or the final settlement.

(n) Open Book Access.

(1) At any time prior to converting to firm-fixed-price, the Government and its representatives, including designated auditors and accountants, will have the right, but not the obligation, to attend any and all project meetings and must have access to any and all records maintained by the Contractor relating to the contract. The Contractor will include this requirement for open book access by the Government in its subcontracts for the contract.

(2) After converting to firm-fixed-price, the Government maintains the right to examine records under GSAR Clause 552.215-70.

(o) Termination. If this Contract is terminated, the Contractor must not be entitled to a shared savings incentive.

(p) The contractor agrees to incorporate the substance of this clause in all subcontracts under this contract.

(End of clause)

552.236-80 Accounting Records and Progress Payments.

As prescribed in 536.7107(b), insert a clause substantially the same as the following clause:

Accounting Records and Progress Payments (JAN 2020)

(a) The Contractor will keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under this contract. The Contractor's accounting and control systems must meet Generally Accepted Accounting Principles (GAAP) and provide for the following:

(1) There is proper segregation of direct costs and indirect costs.

(2) There is proper identification and accumulation of direct costs by contract.

(3) There is a labor time distribution system that charges direct and indirect labor appropriately.

(b) The Contractor must afford access to and must permit any authorized representatives of the Government to audit, examine and copy any records, documents, books, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, vouchers, memoranda, and other data relating to this contract. Records subject to audit, examination, and copying will include those records necessary to evaluate and verify all direct and indirect costs, including overhead and payroll tax and fringe benefit allocations, as they may apply to costs associated with the contract. The Contractor will preserve these records for a period of three years after the final payment, or for such longer period as may be required by law.

(c) The records identified in paragraphs (b) of this clause will be subject to inspection and audit by the Government or its authorized representative for, but not limited to, evaluating and verifying:

(1) Contractor compliance with contract requirements;

(2) Compliance with pricing change orders, invoices, applications for payment, or claims submitted by the contractor or any of its subcontractors at any tier, including vendors and suppliers.

(d) If requested by the Government, the Contractor must promptly deliver to the Government or its designee copies of all records related to the contract, in a form acceptable to the Government. The Contractor must provide to the Government or its authorized representative such records maintained in an electronic format in a computer readable format on data disks or suitable alternative computer data exchange formats.

(e) The Government will have access to the Contractor's facilities, will be allowed to interview all current and former employees to discuss matters pertinent to the contract, and must be provided adequate work space, in order to conduct audits and examinations.

(f) If any audit or examination of the Contractor's records discloses total findings resulting in overpricing or overcharges by the Contractor to the Government in excess of one-quarter percent of the total contract billings, the Contractor will immediately reimburse the Government for the overcharges. The Contractor must also reimburse the Government for the costs of the audit unless otherwise agreed to by the Government and the Contractor.

(g) The Government will be entitled to audit all modifications, including lump-sum modifications, to determine whether the proposed costs, as represented by the Contractor and any of its subcontractors, are in compliance with the contract. If it is determined that the costs proposed under a modification, including lump-sum modifications, are not in compliance with the contract, the Government reserves the right to adjust the amount previously approved and included in the modification.

(h) If the Contractor fails to comply with any conditions in this clause, the Contracting Officer may retain a maximum of 10 percent of the amount of each payment request submitted until such deficiencies are corrected.

(i) These requirements regarding accounting records must not mitigate, lessen nor change any other requirements in the contract regarding audits, payment submissions, records, or records retention.

(j) The contractor agrees to incorporate the substance of this clause in all subcontracts under this contract

(End of clause)

552.537

552.237-71 Qualifications of Employees

As prescribed in 537.110, insert the following clause:

Qualifications of Employees (MAY 1989)

(a) The contracting officer or a designated representative may require the Contractor to remove any employee(s) from GSA controlled buildings or other real property should it be determined that the individual(s) is either unsuitable for security reasons or otherwise unfit to work on GSA controlled property.

(b) The Contractor must fill out and cause each of its employees performing work on the contract work to fill out, for submission to the Government, such forms as may be necessary for security or other reasons. Upon request of the Contracting Officer, the Contractor and its employees will be fingerprinted.

(c) Each employee of the Contractor must be a citizen of the United States of America, or an alien who has been lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card Form I-151, or, who presents other evidence from the Immigration and Naturalization Service that employment will not affect his immigration status.

(End of clause)

552.237-72 [Reserved]

552.237-73 Restriction on Disclosure of Information

As prescribed in 537.270, insert the following clause:

Restriction on Disclosure of Information (JUNE 2009)

(a) The Contractor must, in the performance of this contract, keep all information contained in source documents or other media furnished by the Government in the strictest confidence. The Contractor will not publish or otherwise divulge such information in whole or in part, in any manner or form, nor authorize or permit others to do so. The Contractor will take such reasonable measures as are necessary to restrict access to such information, while in the Contractor's possession, to those employees needing such information to perform the work provided herein, i.e.,on a "need to know" basis. The Contractor must immediately notify, in writing, the

Contracting Officer in the event that the Contractor determines or has reason to suspect a breach of this requirement.

(b) The Contractor must not disclose any information concerning the work under this contract to any persons or entity unless the Contractor obtains prior written approval from the Contracting Officer.

(c) The Contractor will insert the substance of this clause in any consultant agreement or subcontract under this contract.

(d) Any unauthorized disclosure of information may result in termination of this contract for cause.

(End of clause)

552.539 [Reserved]

552.540

552.540-70 Notice of Evaluation of Supply Chain Risk.

As prescribed in 540.170, insert the following provision.

Notice of Evaluation of Supply Chain Risk (GSAR Deviation)(July 2026)

The Government may consider supply chain risk information as defined in FAR 40.101 (GSA Class Deviation RFO-2025-40) during the evaluation process. Unacceptable supply chain risks may be grounds to remove an offeror from consideration.

(End of provision)

552.540-71 Supply Chain Risk Monitoring.

As prescribed in 540.170, insert the following clause.

Supply Chain Risk Monitoring (GSAR Deviation)(July 2026)

The Government monitors supply chain risk information as defined in FAR 40.101 (GSA Class Deviation RFO-2025-40) throughout contract performance. If supply chain risks are identified that cannot be reasonably mitigated, the Government will take corrective action using any available remedies, such as, but not limited to:

(a) Removal of the product, service, or solution from the contract;

(b) Not extending contract performance;

(c) Contract cancellation; or

(d) Contract termination.

(End of clause)

552.542 [Reserved]

552.543

552.243-71 Equitable Adjustments.

As prescribed in 543.205, insert the following clause:

Equitable Adjustments (GSAR Deviation)(July 2026)

(a) This clause governs the determination of equitable adjustments to which the Contractor may be entitled under the “Changes” clause prescribed by FAR 52.243-4, the “Changes and Changed Conditions” clause prescribed by FAR 52.243-5, the “Differing Site Conditions” clause prescribed by FAR 52.236-2, and any other provision of this contract allowing entitlement to an equitable adjustment. This clause does not govern determination of the Contractor’s relief allowable under the “Suspension of Work” clause prescribed by FAR 52.242-14.

(b) Proposals for equitable adjustments, including no cost requests for adjustment of the contract’s required completion date, must include a detailed breakdown of the following elements, as applicable:

(1) Direct Costs.

(2) Markups.

(3) Change to the time for completion specified in the contract.

(c) Direct Costs. The Contractor must separately identify each item of deleted and added work associated with the change or other condition giving rise to entitlement to an equitable adjustment, including increases or decreases to unchanged work impacted by the change. For each item of work so identified, the Contractor must propose for itself and, if applicable, its first two tiers of subcontractors, the following direct costs:

(1) Material cost broken down by trade, supplier, material description, quantity of material units, and unit cost (including all manufacturing burden associated with material fabrication and cost of delivery to site, unless separately itemized);

(2) Labor cost broken down by trade, employer, occupation, quantity of labor hours, and burdened hourly labor rate, together with itemization of applied labor burdens (exclusive of employer’s overhead, profit, and any labor cost burdens carried in employer’s overhead rate);

(3) Cost of equipment required to perform the work, identified with material to be placed or operation to be performed;

(4) Cost of preparation and/or revision to shop drawings and other submittals with detail set forth in paragraphs (e)(1) and (e)(2) of this clause;

(5) Delivery costs, if not included in material unit costs;

(6) Time-related costs not separately identified as direct costs, and not included in the Contractor's or subcontractors' overhead rates, as specified in paragraph (g) of this clause; and

(7) Other direct costs.

(d) Marked-up costs of subcontractors below the second tier may be treated as other direct costs of a second tier subcontractor, unless the Contracting Officer requires a detailed breakdown under paragraph (i) of this clause.

(e) Extensions of Time and Time-related Costs. The Contractor must propose a daily rate for each firm's time-related costs during the affected period, and, for each firm, the increase or decrease in the number of work days of performance attributable to the change or other condition giving rise to entitlement to an equitable adjustment, with supporting analysis. Entitlement to time and time-related costs must be determined as follows:

(1) Increases or decreases to a firm's time-related costs must be allowed only if such increase or decrease necessarily and exclusively results from the change or other condition giving rise to entitlement to an equitable adjustment.

(2) The Contractor must not be entitled to an extension of time or recovery of its own time-related costs except to the extent that such change or other condition necessarily and exclusively causes its duration of performance to extend beyond the completion date specified in the contract.

(3) Costs may be characterized as time-related costs only if they are incurred solely to support performance of this contract and the increase or decrease in such costs is solely dependent upon the duration of a firm's performance of work.

(4) Costs may not be characterized as time-related costs if they are included in the calculation of a firm's overhead rate.

(5) Equitable adjustment of time and time-related costs must not be allowed unless the analysis supporting the proposal complies with provisions specified elsewhere in this contract regarding the Contractor's project schedule.

(f) Markups. For each firm whose direct costs are separately identified in the proposal, the Contractor must propose an overhead rate, profit rate, and where applicable, a bond rate and insurance rate. Markups must be determined and applied as follows:

(1) Overhead rates must be negotiated, and may be subject to audit and adjustment.

(2) Profit rates must be negotiated, but must not exceed ten percent, unless entitlement to a higher rate of profit may be demonstrated.

(3) The Contractor and its subcontractor[s] must not be allowed overhead or profit on the overhead or profit received by a subcontractor, except to the extent

that the subcontractor's costs are properly included in other direct costs as specified in paragraph (f) of this clause.

(4) Overhead rates must be applied to the direct costs of work performed by a firm, and must not be allowed on the direct costs of work performed by a subcontractor to that firm at any tier except as set forth below in paragraphs (h)(6) and (h)(7) of this clause.

(5) Profit rates must be applied to the sum of a firm's direct costs and the overhead allowed on the direct costs of work performed by that firm.

(6) Overhead and profit must be allowed on the direct costs of work performed by a subcontractor within two tiers of a firm at rates equal to only fifty percent of the overhead and profit rates negotiated pursuant to paragraphs (h)(1) and (h)(2) of this clause for that firm, but not in excess of ten percent when combined.

(7) Overhead and profit must not be allowed on the direct costs of a subcontractor more than two tiers below the firm claiming overhead and profit for subcontractor direct costs.

(8) If changes to a Contractor's or subcontractor's bond or insurance premiums are computed as a percentage of the gross change in contract value, markups for bond and insurance must be applied after all overhead and profit is applied. Bond and insurance rates must not be applied if the associated costs are included in the calculation of a firm's overhead rate.

(9) No markup must be applied to a firm's costs other than those specified herein.

(g) At the request of the Contracting Officer, the Contractor must provide such other information as may be reasonably necessary to allow evaluation of the proposal. If the proposal includes significant costs incurred by a subcontractor below the second tier, the Contracting Officer may require the same detail for those costs as required for the first two tiers of subcontractors, and markups must be applied to these subcontractor costs in accordance with paragraph (h).

(h) Proposal Preparation Costs. If performed by the firm claiming them, proposal preparations costs must be included in the labor hours proposed as direct costs. If performed by an outside consultant or law firm, proposal preparation costs must be treated as other direct costs to the firm incurring them. Requests for proposal preparation costs must include the following:

(1) A copy of the contract or other documentation identifying the consultant or firm, the scope of the services performed, the manner in which the consultant or firm was to be compensated, and if compensation was paid on an hourly basis, the fully burdened and marked-up hourly rates for the services provided.

(2) If compensation was paid on an hourly basis, documentation of the quantity of hours worked, including descriptions of the activities for which the hours were billed, and applicable rates.

(3) Written proof of payment of the costs requested. The sufficiency of the proof must be determined by the Contracting Officer.

(i) Proposal preparation costs must be allowed only if—

(1)The nature and complexity of the change or other condition giving rise to entitlement to an equitable adjustment warrants estimating, scheduling, or other effort not reasonably foreseeable at the time of contract award;

(2) Proposed costs are not included in a firm's time-related costs or overhead rate; and

(3) Proposed costs were incurred prior to a Contracting Officer's unilateral determination of an equitable adjustment under the conditions set forth in paragraph (o), or were incurred prior to the time the request for equitable adjustment otherwise became a matter in dispute.

(j) Proposed direct costs, markups, and proposal preparation costs must be allowable in the determination of an equitable adjustment only if they are reasonable and otherwise consistent with the contract cost principles and procedures set forth in 31 of the Federal Acquisition Regulation (48 CFR 31) in effect on the date of this contract. Characterization of costs as direct costs, time-related costs, or overhead costs must be consistent with the requesting firm's accounting practices on other work under this contract and other contracts.

(k) If the Contracting Officer determines that it is in the Government's interest that the Contractor proceed with a change before negotiation of an equitable adjustment is completed, the Contracting Officer may order the Contractor to proceed on the basis of a unilateral modification to the contract increasing or decreasing the contract price by an amount to be determined later. Such increase or decrease must not exceed the increase or decrease proposed by the Contractor.

(l) If the parties cannot agree to an equitable adjustment, the Contracting Officer may determine the equitable adjustment unilaterally.

(m) The Contractor must not be entitled to any proposal preparation costs incurred subsequent to the date of a unilateral determination or denial of the request if the Contracting Officer issues a unilateral determination or denial under any of the following circumstances:

(1) The Contractor fails to submit a proposal within the time required by this contract or such time as may reasonably be required by the Contracting Officer.

(2) The Contractor fails to submit additional information requested by the Contracting Officer within the time reasonably required.

(3) Agreement to an equitable adjustment cannot be reached within 60 days of submission of the Contractor's proposal or receipt of additional requested information, despite the Contracting Officer's diligent efforts to negotiate the equitable adjustment.

(End of clause)

552.546

552.246-70 Source Inspection by Quality Approved Manufacturer.

As prescribed in 546.302-70 , insert the following clause:

Source Inspection by Quality Approved Manufacturer (Jul 2009)

(a) *Inspection system and inspection facilities*.

(1) The inspection system maintained by the Contractor under the Inspection of Supplies — Fixed Price clause (FAR 52.246-2) of this contract must be maintained throughout the contract period. Unless otherwise authorized in writing by the Contracting Officer, the Contractor must comply with all requirements of editions in effect on the date of the solicitation of either Federal Standard 368 or the International Organization for Standardization (ISO) Standard 9001:2000 (Quality Management Systems — Requirements). A documented description of the inspection system must be made available to the Government before contract award. At the sole discretion of the Contracting Officer, he/she may authorize in writing exceptions to the quality assurance standards identified above. The Contractor must immediately notify the Administrative Contracting Officer (ACO) of any changes made in the inspection system during the contract period. As used herein, the term “inspection system” means the Contractor’s own facility or any other facility acceptable to the Government that will be used to perform inspections or tests of materials and components before incorporation into end articles and for inspection of such end articles before shipment. When the manufacturing plant is located outside of the United States, the Contractor must arrange delivery of the items from a plant or warehouse located in the United States (including Puerto Rico and the U.S. Virgin Islands) equipped to perform all inspections and tests required by the contract or specifications to evidence conformance therewith, or must arrange with a testing laboratory or other facility in the United States, acceptable to the Government, to perform the required inspections and tests.

(2) In addition to the requirements in Federal Standard 368, ISO 9001:2000 or as otherwise approved by the Government, records must include the date inspection and testing were performed. These records shall be available for (i) 3 years after final payment; or (ii) 4 years from the end of the Contractor’s fiscal year in which the record was created, whichever period expires first.

(3) Offerors are required to specify, in the space provided elsewhere in this solicitation, the name and address of each manufacturing plant or other facility

where supplies will be available for inspection, indicating the item number(s) to which each applies.

(4) The Contractor must provide the Administrative Contracting Officer ACO with the name(s) of the individual and an alternate responsible for the inspection system. In the event that the designated individual(s) becomes unavailable to oversee the inspection system, the Contractor, within 10 calendar days of such event, must provide the ACO with the names of the replacement individual(s).

(b) *Inspection by the Contractor*.The Contractor is required to demonstrate that the supplies in the shipment have been subject to and have passed all inspections and tests required by the contract and meet the requirements of the contract.

(c) *Inspection by Government personnel*.

(1) Although the Government will normally rely upon the Contractor's representation as to the quality of supplies shipped, it reserves the right under the Inspection of Supplies — Fixed Price clause to inspect and test all supplies called for by this contract, before acceptance, at all times and places, including the point of manufacture. When the Government notifies the Contractor of its intent to inspect supplies before shipment, the Contractor must notify or arrange for subcontractors to notify the designated GSA quality assurance office 7 workdays before the date when supplies will be ready for inspection. Shipment must not be made until inspection by the Government is completed and shipment is authorized by the Government.

(2) The offeror must indicate, in the spaces provided below, the location(s) at which the supplies will be inspected or made available for inspection.

INSPECTION POINT

ITEM NO(S)	**NAME OF MANUFACTURER**	**NAME, ADDRESS (Including County), and**	**TELEPHONE NUMBER**
____________	____________	____________	____________
____________	____________	____________	____________

____________ ____________ ____________ ____________

NOTE: If additional space is needed, the offeror may furnish the requested information by an attachment to the offer.

(3) During the contract period, a Government representative may periodically select samples of supplies produced under this contract for Government verification, inspection, and testing. Samples selected for testing will be disposed of as follows: Samples from an accepted lot, not damaged in the testing process, will be returned promptly to the Contractor after completion of tests. Samples damaged in the testing process will be disposed of as requested by the Contractor. Samples from a rejected lot will be returned to the Contractor or disposed of in a time and manner agreeable to both the Contractor and the Government.

(d) *Quality deficiencies*.

(1) Notwithstanding any other clause of this contract concerning the conclusiveness of acceptance by the Government, any supplies or production lots shipped under this contract found to be defective in material or workmanship, or otherwise not in conformity with the requirements of this contract within a period of _____* months after acceptance shall, at the Government's option, be replaced, repaired, or otherwise corrected by the Contractor at no cost to the Government within 30 calendar days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice to replace or correct. The Contractor must remove, at its own expense, supplies rejected or required to be replaced, repaired, or corrected. When the nature of the defect affects an entire batch or lot of supplies, and the Contracting Officer determines that correction can best be accomplished by retaining the nonconforming supplies, and reducing the contract price by an equitable amount under the circumstances, then the equitable price adjustment shall apply to the entire batch or lot of supplies from which the nonconforming item was taken.

(2) The Contractor may be issued a Quality Deficiency Notice (QDN) if:

(i) Supplies in process, shipped, or awaiting shipment to fill Government orders are found not to comply with contract requirements, or

(ii) Deficiencies in either plant quality or process controls are found. Upon receipt of a QDN, the Contractor must take immediate corrective action and must suspend shipment of the supplies covered by the QDN until such time as corrective action has been completed. The Contractor must notify the Government representative, within 5 workdays, of the action plan or the corrective action taken. The Government may elect to verify the corrective action at the Contractor location(s). Shipments of nonconforming supplies will be returned at the Contractor's expense and may constitute cause for termination of the contract. Delays due to the insurance of a QDN do not constitute excusable delay under the default clause of this contract. Failure to complete corrective action in a timely manner may result in termination of the contract.

(3) This contract may be terminated for default if subsequent Government inspection discloses that plant quality or process controls are not being maintained, supplies that do not meet the requirements of the contract are being shipped, or if the contractor fails to comply with any other requirement of this clause.

(e) *Additional cost for inspection and testing*. The Contractor will be charged for any additional cost of inspection/testing or reinspecting/retesting supplies for the reasons stated in paragraph (e) of FAR 52.246-2, Inspection of Supplies-Fixed Price. When inspection or testing is performed by or under the direction of GSA, charges will be at the rate of $ _____* per man-hour or fraction thereof if the inspection is at a GSA distribution center; $ _____* per man-hour or fraction thereof, plus travel costs incurred, if the inspection is at any other location; and $ _____* per man-hour or fraction thereof for laboratory testing, except that when a testing facility other than a GSA laboratory performs all or part of the required tests, the Contractor shall be assessed the actual cost incurred by the Government as a result of testing at such facility. When inspection is performed by or under the direction of any agency other than GSA, the charges indicated above may be used, or the agency may assess the actual cost of performing the inspection and testing.

(f) *Responsibility for rejected supplies*. When the Contractor fails to remove or provide instructions for the removal of rejected supplies under paragraph(d) of this clause, pursuant to the Contracting Officer's instructions, the Contractor will be liable for all costs incurred by the Government in taking such measures as are expedient to avoid unnecessary loss to the Contractor. In addition to the remedies provided in FAR 52.246-2, supplies may be—

(1) *Stored and charged against the Contractor's account;*

(2) *Reshipped to the Contractor at its expense (any additional expense incurred by the Government or the freight carrier caused by the refusal of the Contractor to accept their return shall also be charged against the Contractor's account);*

(3) *Sold to the highest bidder on the open market and the proceeds applied against the accumulated storage and other costs, including the cost of the sale; or*

(4) *Otherwise disposed of by the Government.*

(g) *Subcontracting requirements*. The Contractor must insert in any subcontracts the inspection or testing provisions set forth in paragraphs (a) through (d) of this clause and the Inspection of Supplies—Fixed Price clause of this contract. The Contractor will be responsible for compliance by any subcontractor with the provisions set forth in paragraphs (a) through (d) of this clause and the Inspection of Supplies — Fixed Price clause.

* *Normally insert 12 months as the period during which defective or otherwise nonconforming supplies must be replaced. However, when the supplies being bought have a shelf life of less than 1 year, you should use the shelf-life period, or in the instance where you reasonably expect a longer period to be available, you should use the longer period.*

** *The rates to be inserted are established by the Commissioner of the Federal Acquisition Service or a designee.*

(End of clause)

552.246-71 Source Inspection by Government.

As prescribed in 546.302-71, insert the following clause:

Source Inspection by Government (JUN 2009)

(a) *Inspection by Government personnel*.

(1) Supplies to be furnished under this contract will be inspected at source by the Government before shipment from the manufacturing plant or other facility designated by the Contractor, unless the Contractor is otherwise notified in writing by the Contracting Officer or a designated representative. Notwithstanding the foregoing, the Government may perform any or all tests contained in the contract specifications at a Government facility without prior written notice by the Contracting Officer before release of the supplies for shipment. Samples sent to a Government testing facility will be disposed of as follows: Samples from an accepted lot, not damaged in the testing process, will be returned promptly to the Contractor after completion of tests. Samples damaged in the testing process will be disposed of as requested by the Contractor. Samples from a rejected lot will be returned to the Contractor or disposed of in a time and manner agreeable to both the Contractor and the Government.

(2) Government inspection responsibility will be assigned to the GSA quality assurance office which has jurisdiction over the State in which the Contractor's or subcontractor's plant or other designated point for inspection is located. The Contractor must notify or arrange for subcontractors to notify the designated GSA quality assurance office 7 workdays before the date when supplies will be ready for inspection. Shipment must not be made until after inspection by the Government is completed and shipment is authorized by the Government.

(b) *Inspection and receiving reports*. For each shipment, the Contractor must be responsible for preparation and distribution of inspection documents as follows: (1) DD Form 250, Material Inspection and Receiving Report, or computer formatted equivalent for deliveries to military agencies; or (2) GSA Form 308, Notice of Inspection for deliveries to GSA or other civilian agencies. When required, the Contractor will be furnished a supply of GSA Form 308 and/or DD Form 250, and complete instructions for their preparation and distribution.

(c) *Inspection facilities*.

(1) The inspection system required to be maintained by the Contractor in accordance with FAR 52.246-2, Inspection of Supplies—Fixed Price, may be the Contractor's own facilities or any other facilities acceptable to the Government. These facilities must be utilized to perform all inspections and tests of materials and components before incorporation into end articles, and for the inspection of such end articles before shipment. The Government reserves the right to evaluate the acceptability and effectiveness of the Contractor's inspection system before award and periodically during the contract period.

(2) Offerors are required to specify, in the spaces provided elsewhere in the solicitation, the name and address of each manufacturing plant or other facility where supplies will be available for inspection, indicating the item number(s) to which each applies.

(3) The Contractor must deliver the items specified in this contract from a plant or warehouse located within the United States (including Puerto Rico and the U.S. Virgin Islands) that is equipped to perform all inspections and tests required by this contract or specifications to evidence conformance therewith, or must arrange with a testing laboratory or other facility in the United States, acceptable to the Government, to perform the required inspections and tests.

(d) *Availability of records*.

(1) In addition to any other requirement of this contract, the Contractor must maintain records showing the following information for each order received under the contract:

(i) Order number;

(ii) Date order received by the Contractor;

(iii) Quantity ordered;

(iv) Date scheduled into production;

(v) Batch or lot number, if applicable;

(vi) Date inspected and/or tested;

(vii) Date available for shipment;

(viii) Date shipped or date service completed; and

(ix) National Stock Number (NSN), or if none is provided in the contract, the applicable item number or other contractual identification.

(2) These records should be maintained at the point of source inspection and must be available to the Contracting Officer, or an authorized representative, for (i) 3 years after final payment; or (ii) 4 years from the end of the Contractor's fiscal year in which the record was created, whichever period expires first.

(e) *Additional cost for inspection and testing*. The Contractor will be charged for any additional cost for inspecting/testing or reinspection/ retesting supplies for the reasons stated in paragraph (e) of FAR 52.246-2, Inspection of Supplies—Fixed Price. When inspection or testing is performed by or under the direction of GSA, charges will be at the rate of $_____* per man-hour or fraction thereof if the inspection is at a GSA distribution center; $ _____* per man-hour or fraction thereof, plus travel costs incurred, if the inspection is at any other location; and $_____* per man-hour or fraction thereof for laboratory testing, except that when a testing facility other than a GSA laboratory performs all or part of the required tests, the Contractor will be assessed the actual cost incurred by the Government as a result of testing at such facility. When inspection is performed by or under the direction of any agency other than GSA, the charges indicated above may be used, or the agency may assess the actual cost of performing the inspection and testing.

(f) *Responsibility for rejected supplies*. When the Contractor fails to remove or provide instructions for the removal of rejected supplies under FAR 52.246-2(h) pursuant to the Contracting Officer's instructions, the Contractor will be liable for all costs incurred by the Government in taking such measures as are expedient to avoid unnecessary loss to the Contractor. In addition to the remedies provided in FAR 52.246-2, supplies may be—

(1) Stored for the Contractor's account;

(2) Reshipped to the Contractor at its expense (any additional expense incurred by the Government or the freight carrier caused by the refusal of the Contractor to accept their return also shall be for the Contractor's account); or

(3) Sold to the highest bidder on the open market and the proceeds applied against the accumulated storage and other costs, including the cost of the sale.

*The rates to be inserted are established by the Commissioner of the Federal Acquisition Service or a designee.

(End of clause)

552.246-72 Final Inspection and Tests.

As prescribed in [546.312](546.312) , insert the following clause:

Final Inspection and Tests (Sep 1999)

The Contractor must give written notice to the Contracting Officer at least 10 calendar days before the date the work will be completed and ready for final inspection and tests. Final inspection and tests will begin within 10 calendar days after the date specified in the Contractor's notice unless the Contracting Officer determines that the work is not ready for final inspection and so informs the Contractor.

(End of clause)

552.252

552.252-5 Authorized Deviations in Provisions.

As prescribed in 552.107-70(a), insert the following provision:

Authorized Deviations in Provisions (NOV 2021) (Deviation FAR 52.252-5)

(a) Deviations to FAR provisions. This solicitation identifies any authorized deviation to a Federal Acquisition Regulation (FAR) (48 CFR chapter 1) provision by—

(1) The addition of "(DEVIATION)" after the date of the FAR provision when an authorized deviation to a FAR provision is being used, and

(2) The addition of "(DEVIATION FAR (provision number))" after the date of the GSAR provision when a GSAR provision is being used in lieu of a FAR provision.

(b) Deviations to GSAR provisions. This solicitation identifies any authorized deviation to a General Services Administration Acquisition Regulation (GSAR) (48 CFR chapter 5) provision by the addition of "(DEVIATION)" after the date of the provision.

(c) "Substantially the same as" provisions. Changes in wording of provisions prescribed for use on a "substantially the same as" basis are not considered deviations.

(End of provision)

552.252-6 Authorized Deviations in Clauses.

As prescribed in 552.107-70(b), insert the following clause:

Authorized Deviations in Clauses (NOV 2021) (Deviation FAR 52.252-6)

(a) Deviations to FAR clauses. This solicitation or contract identifies any authorized deviation to a Federal Acquisition Regulation (FAR) (48 CFR chapter 1) clause by—

(1) The addition of “(DEVIATION)” after the date of the FAR clause when an authorized deviation to a FAR clause is being used, and

(2) The addition of “(DEVIATION FAR (clause number))” after the date of the GSAR clause when a GSAR clause is being used in lieu of a FAR clause.

(b) Deviations to GSAR clauses. This solicitation or contract identifies any authorized deviation to a General Services Administration Acquisition Regulation (GSAR) (48 CFR chapter 5) clause by the addition of “(DEVIATION)” after the date of the clause.

(c) “Substantially the same as” clauses. Changes in wording of clauses prescribed for use on a “substantially the same as” basis are not considered deviations.

(End of clause)