

January 29, 2007

GSA ORDER

Subject: Amendment 2007-01; GSAR Case 2006-G522, Federal Supply Schedule Contracts—Recovery Purchasing by State and Local Governments Through Federal Supply Schedules (Change 18)

1. Purpose. This order transmits a revision to the General Services Administration Acquisition Manual (GSAM).
2. Background. The General Services Administration (GSA) is amending the GSAM to implement Section 833 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364). Section 833 amends 40 U.S.C. 502 to authorize the Administrator of General Services to provide to State and local governments the use of Federal Supply Schedules of the GSA for purchase of products and services to be used to facilitate recovery from a major disaster, terrorism or nuclear, biological, chemical, or radiological attack.
3. Effective date. February 1, 2007.
4. Explanation of changes. These changes—
 - a. Revise section 511.204 in paragraphs (c)(3) and (d) to add a prescription for insertion of 552.211-75, Preservation, Packaging and Packing, and 552.211-77, Packing List, in solicitations and contracts for Federal Supply Schedules for recovery purchasing described at section 538.7102.
 - b. Amend section 516.506 to redesignate paragraph (d) to (e), to add a new paragraph (d) to prescribe the new 552.216-72, Placement of Orders, Alternate IV in solicitations and contracts for Federal Supply Schedules for recovery purchasing, and to add the prescription for the new 552.216-72, Placement of Orders, Alternate IV.
 - c. Revise section 532.206 in paragraphs (a) and (b) to add a prescription for insertion of 552.232-8, Discounts for Prompt Payments, Alternate I and 552.232-81, Payments by Non-Federal Ordering Activities, in solicitations and contracts for Federal Supply Schedules for recovery purchasing described at section 538.7102.
 - d. Revise section 532.7003 in paragraphs (b) and (c) to add a prescription for insertion of 552.232-77, Payment By Governmentwide Commercial Purchase Card, Alternate I and 552.232-79, Payment by Credit Card, for Federal Supply Schedules for recovery purchasing described at section 538.7102.

e. Revise section 538.273 in paragraphs (a)(2) and (b)(2) to add a prescription for insertion of 552.238-71, Submission and Distribution of Authorized FSS Schedule Pricelists, and 552.238-75, Price Reductions, in solicitations and contracts for Federal Supply Schedules for recovery purchasing described at section 538.7102.

f. Add new Subpart 538.71, Recovery Purchasing, to incorporate language covering definitions, general information, policy, and prescription of solicitation provisions and contract clauses.

g. Revise section 546.710 in paragraph (b) to add a prescription for insertion of 552.246-73, Warranty—Multiple Award Schedule, Alternate I, in solicitations and contracts for Federal Supply Schedules for recovery purchasing described at section 538.7102.

h. Amend GSAR clause 552.216-72, Placement of Orders, in Alternate II to change the paragraph referenced to cite the correct paragraph at the prescription.


i. Add a new Alternate IV to section 552.216-72, Placement of Orders, for solicitations and contracts for Federal Supply Schedules for recovery purchasing.

j. Amend clause 552.216-73, Ordering Information, and Alternates I and II to change the paragraphs referenced at the prescription due to the insertion of a new paragraph.

k. At section 552.238-76, add the GSAR clause regarding Definition (Federal Supply Schedules)—Recovery Purchasing.

l. Add a new Alternate I to section 552.238-78, Scope of Contract (Eligible Ordering Activities), for solicitations and contracts for Federal Supply Schedules for recovery purchasing.

m. Add a new clause, 552.238-80, Use of Federal Supply Schedule Contracts by Certain Entities—Recovery Purchasing to provide the conditions of the order a state or local entity agrees to when the entity elects to place an order under FSS contracts for recovery purchasing. The clause also provides conditions for the Contractor.



ROGER D. WALDRON
Acting Senior Procurement Executive
Office of the Chief Acquisition Officer
General Services Administration

Amendment 2007-01; GSAR Case 2006-G522, Change 18
FILING INSTRUCTIONS

5. Filing instructions. Remove and insert the following pages to the GSAM:

<u>Remove pages</u>	<u>Insert pages</u>
Structure pp. vii and viii	Structure pp. vii and viii
511-1 thru 511-4	511-1 thru 511-4
516-1 and 516-2	516-1 and 516-2
532-1 thru 532-6	532-1 thru 532-6
Part 538 TOC pp. 538-i and 538-ii 538-1 thru 538-6	Part 538 TOC pp. 538-i and 538-ii 538-1 thru 538-6
546-1 and 546-2	546-1 and 546-2
Part 552 TOC pp. 552-i thru 552-iv 552-15 thru 552-72	Part 552 TOC pp. 552-i thru 552-iv 552-15 thru 552-74

Note: Due to excessive reflow and the inability to create point pages at this time, much of Part 552 has been reprinted in this change.

This process will be corrected in the near future.

(BLANK PAGE)

PART 532—CONTRACT FINANCING

- 532.1 Non-Commercial Item Purchase Financing
- 532.2 Commercial Item Purchase Financing
- 532.4 Advance Payments for Non-Commercial Items
- 532.5 Progress Payments Based on Costs
- 532.6 Contract Debts
- 532.7 Contract Funding
- 532.9 Prompt Payment
- 532.8 Assignment of Claims
- 532.11 Electronic Funds Transfer
- 532.70 Authorizing Payment by Governmentwide Commercial Purchase Card
- 532.71 Payments for Recurring Services
- 532.72 Payments Under Contracts Subject to Audit

PART 533—PROTESTS, DISPUTES, AND APPEALS

- 533.1 Protests
- 533.2 Disputes and Appeals
- 533.70 Processing Contract Appeals

SUBCHAPTER F—SPECIAL CATEGORIES OF CONTRACTING

PART 534—MAJOR SYSTEM ACQUISITION [RESERVED]

PART 535—RESEARCH AND DEVELOPMENT CONTRACTING [RESERVED]

PART 536—CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS

- 536.1 General
- 536.2 Special Aspects of Contracting for Construction
- 536.5 Contract Clauses
- 536.6 Architect-Engineer Services

PART 537—SERVICE CONTRACTING

- 537.1 Service Contracts—General
- 537.2 Advisory and Assistance Services

PART 538—FEDERAL SUPPLY SCHEDULE CONTRACTING

- 538.2 Establishing and Administering Federal Supply Schedules
- 538.70 Cooperative Purchasing
- 538.71 Recovery Purchasing

PART 539—ACQUISITION OF INFORMATION TECHNOLOGY [RESERVED]

PART 540—[RESERVED]

PART 541—ACQUISITION OF UTILITY SERVICES

- 541.4 Administration

SUBCHAPTER G—CONTRACT MANAGEMENT**PART 542—CONTRACT ADMINISTRATION AND AUDIT SERVICES**

- 542.1 Contract Audit Services
- 542.2 Contract Administration Services
- 542.3 Contract Administration Office Functions
- 542.9 Bankruptcy
- 542.11 Production Surveillance and Reporting
- 542.12 Novation and Change-of-Name Agreements
- 542.15 Contractor Performance Information
- 542.70 Audit of Contractor's Records

PART 543—CONTRACT MODIFICATIONS

- 543.1 General
- 543.2 Change Orders

PART 544—SUBCONTRACTING POLICIES AND PROCEDURES [RESERVED]**PART 545—GOVERNMENT PROPERTY [RESERVED]****PART 546—QUALITY ASSURANCE**

- 546.3 Contract Clauses
- 546.4 Government Contract Quality Assurance
- 546.7 Warranties

PART 547—TRANSPORTATION

- 547.3 Transportation in Supply Contracts

PART 548—VALUE ENGINEERING

- 548.1 Policies and Procedures

PART 549—TERMINATION OF CONTRACTS

- 549.1 General Principles
- 549.4 Termination for Default
- 549.5 Contract Termination Clauses

PART 550—EXTRAORDINARY CONTRACTUAL ACTIONS**PART 551—USE OF GOVERNMENT SOURCES BY CONTRACTORS [RESERVED]****SUBCHAPTER H—CLAUSES AND FORMS****PART 552—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

- 552.1 Instructions for Using Provisions and Clauses
- 552.2 Text of Provisions and Clauses
- 552.3 Provision and Clause Matrixes

PART 553—FORMS

- 553.1 General
- 553.3 Illustrations of Forms

PART 511—DESCRIBING AGENCY NEEDS

511.001 Definitions.

“Dual systems” mean the use of both inch-pound and metric systems. For example, an item is designed, produced, and described in inch-pound values with soft metric values also shown for information or comparison purposes.

“Hard metric” means measurement, design, and manufacture using the metric system of measurement, but does not include measurement, design, and manufacture using English system measurement units which are subsequently expressed in the metric system of measurement.

“Hybrid systems” mean the use of both inch-pound and hard metric values in specifications, standards, supplies, and services; e.g., an engine with internal parts in metric dimensions and external fittings or attachments in inch-pound dimensions.

“Metric system” means the International System of Units of the International Bureau of Weights and Measures. The units are listed in Federal Standard 376A, “Preferred Metric Units for General Use by the Federal Government.”

“Soft metric” means the result of mathematical conversion of inch-pound measurements to metric equivalents in specifications, standards, supplies, and services. The physical dimensions are not changed.

511.002 Policy.

511.002-70 GSA Metric Program.

(a) FAR 11.002(b) and GSA Order, GSA Metric Program (ADM 8000.1B), establish policy for using the metric system in procurements. Consistent with this policy, use specifications and purchase descriptions stated in metric units of measurement whenever metric is the accepted industry system.

(b) Whenever possible adopt the following:

(1) Internationally or domestically developed voluntary standards that use metric measurements.

(2) Commercially developed metric specifications.

(c) If metric is not the accepted industry system, use specifications and purchase descriptions stated in soft metric, hybrid, or dual systems during transition. Replace these with hard metric measurements as soon as practical.

(d) For an industry in transition to metric, the head of each Central Office Service responsible for nationwide programs must develop policies promoting and encouraging the use of soft metric, hybrid, or dual systems.

(e) *Construction*: For construction of Federal facilities, you may use specifications for concrete masonry units and recessed lighting fixtures expressed in the metric system. However, you may not use specifications for these that can be satisfied only by hard-metric.

(f) *Exceptions*. (1) The head of each Central Office Service responsible for nationwide programs may grant an exception to the use of metric system measurements under any of the following conditions:

(i) Use of the metric system is impractical.

(ii) Use of the metric system is inefficient.

(iii) Use of the metric system would cause harm to the program mission.

(2) Exceptions to the use of metric system measurements may be made on an individual or class basis. Exceptions for procurements over the simplified acquisition threshold must be in writing and prepared in accordance with GSA Order, GSA Metric Program (ADM 8000.1B).

(3) The Administrator of GSA may allow use of hard metric specifications for concrete masonry units and recessed lighting fixtures in accordance with GSA Order, GSA Metric Program (ADM 8000.1B).

511.002-71 Construction metrication ombudsman.

(a) GSA’s Construction Metrication Ombudsman is in the Office of the Senior Procurement Executive.

(b) The Construction Metrication Ombudsman:

(1) Reviews and responds to complaints from prospective bidders, subcontractors, suppliers, or their designated representatives related to GSA guidelines and regulations on any of the following:

(i) The use of the metric system in contracts for construction of Federal buildings.

(ii) For services and materials required for incorporation in individual projects to construct Federal Buildings.

(2) Ensures that GSA implements the metric system of measurement in a manner consistent with both:

(i) Policy and guidance issued by the Secretary of Commerce.

(ii) The Metric Conversion Act of 1975, as amended.

(c) The Ombudsman’s authority does not replace the authority of the General Accounting Office.

511.002-72 Procedures for procuring products containing recovered materials and environmentally preferable products.

Specification managers must follow the procedures in [523.4](#) and GSA’s Affirmative Procurement Program ([Appendix 523A](#)) when preparing plans, drawings, specifications, standards, and purchase descriptions.

Subpart 511.1—Selecting and Developing Requirements Documents

511.103 Market acceptance.

You may require offerors to meet market acceptance criteria under FAR 11.103 to satisfy GSA needs.

511.104 Use of brand name or equal purchase descriptions.

(a) A brand name or equal purchase description must avoid specifying characteristics that do not materially affect the intended end use and which unnecessarily restrict competition.

(b) When you use a brand name or equal purchase description, best practice is to cite the known acceptable brand name products in current manufacture, rather than only a single brand name product. For example, cite the acceptable brand name products identified during market research.

(c) You may require samples for “or equal” offers, but not for “brand name” offers.

(d) Provide for full consideration and evaluation of “or equal” offers against the salient characteristics specified in the purchase description. Do not reject offers for minor differences in design, construction, or features which do not affect the suitability of the product for its intended use.

511.104-70 Solicitation provisions.

(a) Include the following immediately after each brand name or equal item description, with instructions for the offeror to complete the information:

Offering on:

Manufacturer’s Name _____

Brand _____

Model or Part No. _____

(b) If the solicitation does not require samples for “or equal” offers, include the following notice in the list of brand name or equal items or component parts:

Notice

If you offer other than brand name items identified in this solicitation, you must provide adequate information for GSA to determine the equality of the product(s) offered.

(c) If you use brand name or equal purchase descriptions for some component parts of an end item, you may limit the application of the provision at FAR 52.211-6 to the specified components.

Subpart 511.2—Using and Maintaining Requirements Documents

511.204 Solicitation provisions and contract clauses.

(a) *Construction services.* Insert the clause at [552.211-71](#), Standard References, in solicitations and contracts for construction services when you expect the contract amount to exceed the simplified acquisition threshold, and the solicitation meets either of the following conditions:

(1) The solicitation cites documents or publications not furnished with the solicitation.

(2) The solicitation incorporates documents or publications by reference.

(b) *Federal specifications.* Insert the clause at [552.211-72](#), Reference to Specifications in Drawings, in solicitations and contracts citing Federal specifications which contain drawings.

(c) *Supply contracts that exceed the simplified acquisition threshold.* (1) Include the clause at [552.211-73](#), Marking, in solicitations and contracts for supplies when deliveries may be made to both civilian and military activities and the contract amount is expected to exceed the simplified acquisition threshold.

(2) Include the clause at [552.211-74](#), Charges for Marking, in solicitations and contracts that include the clause at [552.211-73](#) or a similar clause.

(3) Include the clause at [552.211-75](#), Preservation, Packaging and Packing, in solicitations and contracts for supplies expected to exceed the simplified acquisition threshold. You may also include the clause in contracts estimated to be at or below the simplified acquisition threshold when appropriate. Use Alternate I in solicitations and contracts for—

(i) FSS Schedule 70 and the Consolidated Products and Services Schedule containing information technology Special Item Numbers; or

(ii) Federal Supply Schedules for recovery purchasing (see [538.7102](#)).

(4) Insert a clause substantially the same as the clause at [552.211-76](#), Charges for Packaging and Packing, in solicitations and contracts for supplies to be delivered to GSA distribution centers.

(d) *Supply contracts.* Include the clause at [552.211-77](#), Packing List, in solicitations and contracts for supplies, including purchases over the micropurchase threshold. Use Alternate I in solicitations and contracts for—

(1) FSS Schedule 70 and the Consolidated Products and Services Schedule containing information technology Special Item Numbers; or

(2) Federal Supply Schedules for recovery purchasing (see [538.7102](#)).

Subpart 511.4—Delivery or Performance Schedules

511.401 General.

(a) *Other than multiple award schedules.* Preferred practice is to state time of delivery in solicitations and contracts as “required” time of delivery or shipment, expressed in specific periods from receipt by the contractor of a notice of award or an order.

(b) *Multiple award schedules.* (1) In multiple award schedule solicitations, preferred practice is to state delivery times as “desired.” Require offerors to indicate a definite number of days for delivery.

(2) In negotiations, secure the best possible delivery time regardless of the “desired” delivery time(s) in the solicitation. For example, some offers comply with the Government’s desired delivery time but others cite substantially shorter delivery times. Negotiate with the former to bring them in line with the latter. Negotiate variable delivery time offers (e.g., 30-90 days) to keep the timespan to a minimum. If the span applies to several items or several quantity breaks for one item, you may segregate the items or item quantity breaks into smaller groups and assign more specific delivery times.

(c) *Unusually short delivery times.* A requisitioning office that requests an unusually short delivery time must provide satisfactory written justification. A sound justification is particularly important where the time specified is so short that it may limit competition and possibly result in higher prices. Examples of justifications include:

(1) Furniture is required to outfit quarters scheduled for occupancy on a specific date.

(2) Construction material is required to meet job progress schedules.

(3) Supplies are required at a port to meet scheduled ship departures.

(d) *Early delivery.* When the requisitioning office needs a portion of the total delivery early, consider whether to:

(1) Require that portion by the early date and the balance later.

(2) Include the portion required early and the balance as separate items in the same solicitation.

(3) Procure the two portions separately.

(e) *Multiple delivery time requirements.* If a solicitation contains a mix of items that require different delivery times, specify the delivery periods separately. When practical, group

items with similar delivery time requirements according to delivery times in the solicitation.

511.404 Contract clauses.

(a) *Supply contracts.*

(1) *Single award schedules.* Insert [552.211-8](#), Time of Delivery, in solicitations and contracts instead of the clause at FAR 52.211-8. If you need to show different delivery times for different items or groups of items, use Alternate I.

(2) *Multiple award schedules.* Insert [552.211-78](#), Commercial Delivery Schedule (Multiple Award Schedule), in solicitations issued and contracts awarded under the multiple award schedule program.

(3) *Shelf-life items.* Use the following clauses in solicitations and contracts that require delivery of shelf-life items within a specified number of months from the date of manufacture or production (see 101-27.206-2 of the Federal Property Management Regulation):

(i) Insert [552.211-79](#), Acceptable Age of Supplies, if the required shelf-life period is 12 months or less, and lengthy acceptance testing may be involved. For items having a limited shelf-life, substitute Alternate I when required by the director of the commodity center concerned.

(ii) Insert [552.211-80](#), Age on Delivery, if the required shelf-life period is more than 12 months, or when source inspection can be performed within a short time period.

(4) *Stock replenishment contracts.* Insert [552.211-81](#), Time of Shipment, in solicitations and stock replenishment contracts that do not include the Availability for Inspection, Testing and Shipment/Delivery clause at [552.211-83](#) and require shipment within 45 calendar days after receipt of the order. If shipment is required in more than 45 days, use Alternate I.

(5) *Notice of shipment.* Include [552.211-82](#), Notice of Shipment, in solicitation and contracts for supplies when you need to have a notice of shipment from the contractor.

(6) *Indeterminate testing time.* Insert [552.211-83](#), Availability for Inspection, Testing and Shipment/Delivery, in solicitations and contracts that provide for source inspection by Government personnel and that require lengthy testing for which time frames cannot be determined in advance. If the contract is for stock items, use Alternate I.

(b) *Construction contracts.* Insert the clause at [552.211-84](#), Non-Compliance with Contract Requirements, in solicitations and contracts for construction when you expect the contract amount to exceed the simplified acquisition threshold.

Subpart 511.6—Priorities and Allocations**511.600 Scope of subpart.**

FAR Subpart 11.6 implements the Defense Priorities and Allocations System (DPAS), a Department of Commerce (DOC) regulation (15 CFR part 700) to assure timely delivery of industrial resources (products, materials, and services) in support of approved national defense, energy, and civil emergency preparedness (Homeland Security) programs. Pursuant to DPAS Delegation 3, DOC delegated GSA the authority to use the DPAS in support of the GSA Federal Supply system. This subpart implements the DPAS within GSA.

511.601 Definitions.

As used in this subpart—

“Approved program” means a program determined as necessary or appropriate for priorities and allocations support to promote the national defense by the Secretary of Defense, the Secretary of Energy, or the Department of Homeland Security Under Secretary for Emergency Preparedness and Response under the authority of the Defense Production Act, the Stafford Act, and Executive Order 12919, or the Selective Service Act and related statutes, and Executive Order 12742. See Schedule 1 of 15 CFR part 700 for a list of Delegate Agencies, approved programs, and program identification symbols at <http://www.bis.doc.gov/DefenseIndustrialBasePrograms/OSIES/DPAS/Default.htm>.

“Authorized person” means a Delegate Agency, or other entity either permitted under 15 CFR part 700, or explicitly authorized by DOC to issue DPAS rated orders.

“Defense Priorities and Allocations System (DPAS)” means the regulation published at 15 CFR part 700 that requires preferential treatment for certain contracts and orders placed by a Delegate Agency in support of an approved program.

“Delegate Agency” means an agency of the U.S. Government authorized by delegation from DOC to place priority ratings on contracts or orders needed to support approved programs.

“Rated order” means a prime contract, a subcontract, a purchase order, or a delivery or task order in support of an approved program issued in accordance with the provisions of the DPAS regulation (15 CFR part 700).

511.602 General.

(a) The purpose of the DPAS is to assure the timely availability of industrial resources to meet current national defense, energy, and civil emergency preparedness program requirements and to provide an operating system to support rapid industrial response in a national emergency. The primary statutory authority for the DPAS is Title I of the Defense Production Act of 1950, as amended, with additional authority from the Selective Service Act of 1948, and the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Executive Orders 12919 and 12742 delegate this authority to the DOC to administer the DPAS. The DOC is further authorized to redelegate to heads of other departments and agencies (Delegate Agencies) authority under the DPAS for the priority rating of contracts and orders in support of approved programs. Within the DOC, the Office of Strategic Industries and Economic Security (SIES) is assigned the implementation, administration, and compliance responsibilities for the system.

(b) The DPAS is published in the Code of Federal Regulations at 15 CFR part 700. This regulation provides an overview, a detailed explanation of operations and procedures, and other implementing guidance, including information on special priorities assistance and compliance.

(c) Orders placed under DPAS are “rated orders.” Rated orders must receive preferential treatment only as necessary to meet delivery requirements. Rated orders are identified by a rating symbol of either “DX” or “DO” followed by a program identification symbol. All “DO” rated orders have equal priority with each other and take preference over unrated orders. All “DX” rated orders have equal priority with each other and take preference over “DO” rated orders and unrated orders. A program identification symbol indicates which approved program is supported by the rated order.

(d) Only authorized persons may place an order containing a DPAS priority rating.

(e) Within GSA, the Federal Supply Service (FSS) has been delegated the authority to issue rated orders to meet approved national defense, energy, and civil emergency preparedness program requirements of the supply distribution program. The Commissioner, FSS, shall issue additional guidance, as may be necessary, to ensure effective implementation of its delegated DPAS authority, such as the exclusions listed in paragraph F(2) of the 1998 DOC DPAS Delegation 3.

(f) Executive Order 12919 defines the jurisdictional limitations as set forth in 15 CFR 700.18(b).

PART 516—TYPES OF CONTRACTS

Subpart 516.2—Fixed Price Contracts

516.203 Fixed-price contracts with economic price adjustment.

516.203-3 Limitations.

(a) For multiple award schedule contracts, you should:

(1) Include an economic price adjustment (EPA) clause only in multiyear solicitations and contracts.

(2) Document in the acquisition plan the determination required by FAR 16.203-3.

(3) Provide supporting rationale in the contract file to include an EPA clause in a 1-year solicitation or contract.

(b) The contracting director must approve any of the following actions:

(1) A determination to include an EPA clause in a 1-year solicitation or contract or to provide for price increases during the first 12 months of a multiyear contract.

(2) The use in a contract of any EPA clause that you did not include in the initial solicitation. This includes any clause that provides for price adjustment during the first 12 months of a multiyear contract.

(c) The contracting director may raise the price ceiling (the aggregate of permitted price increases during a 12-month period) during the contract period when both of the following conditions are met:

(1) A supplier or suppliers request that the ceiling be raised.

(2) Analysis of current market conditions reveals that most suppliers of similar supplies or services are affected. If the price ceiling is raised, you must amend the contract to reflect the revised ceiling.

516.203-4 Contract clauses.

(a) *Multiple award schedules.* Do not use FAR 52.216-2, 52.216-3, or 52.216-4 in negotiated acquisitions based on discounts from established commercial catalogs or pricelists. Instead, use:

(1) [552.216-70](#), Economic Price Adjustment—FSS Multiple Award Schedule Contracts, in a 1-year solicitation or contract.

(2) [552.216-70](#) (Alternate I) in multiyear solicitations and contracts.

(b) *Stock or Special Order Program Contracts.* In multi-year solicitations and contracts, after making the determination required by FAR 16.203-2, use [552.216-71](#), Economic Price Adjustment-Stock and Special Order Program Contracts, or a clause prepared as authorized in paragraph (a)(2)(ii) of this subsection.

(1) If the contract includes one or more options to extend the term of the contract, use the clause with its Alternate I or a clause substantially the same as [552.216-71](#) with its Alternate I suitably modified.

(2) In a contract requiring a minimum adjustment before the price adjustment mechanism is effectuated, use the basic clause with Alternate II or with Alternate I and Alternate II.

(3) If the Producer Price Index is not an appropriate indicator for price adjustment, modify the clause to use an alternate indicator for adjusting prices. Similarly, if other aspects of [552.216-71](#) are not appropriate, use an alternate clause following established procedures.

(c) *Adjustments based on cost indexes of labor or material.*

(1) If you decide to provide for adjustments based on cost indexes of labor or material, prepare a clause that defines each of the following elements:

(i) The type of labor and/or material subject to adjustment.

(ii) The labor rates, including any fringe benefits and/or unit prices of materials that may be increased or decreased.

(iii) The index(es) that will be used to measure changes in price levels and the base period or reference point from which changes will be measured.

(iv) The period during which the price(s) will be subject to adjustment.

(2) The contracting director must approve use of this clause.

Subpart 516.4—Incentive Contracts

516.406 Contract clauses.

The contracting director must approve any award fee clause.

Subpart 516.5—Indefinite-Delivery Contracts

516.506 Solicitation provisions and contract clauses.

(a) In solicitations and contracts for stock or special order program items, when the contract authorizes FSS and other activities to issue delivery or task orders, insert the clause at [552.216-72](#), Placement of Orders. If only FSS will issue delivery or task orders, insert the clause with its Alternate I.

(b) In solicitations and contracts for single or multiple award schedule program items, insert the clause at [552.216-72](#), Placement of Orders, with its Alternate II.

(c) In solicitations and contracts for FSS Schedule 70 and the Consolidated Products and Services Schedule containing information technology Special Item Numbers, use [552.216-72](#), Placement of Orders, Alternate III, instead of Alternate II.

(d) In solicitations and contracts for Federal Supply Schedules for recovery purchasing (see [538.7102](#)), use [552.216-72](#), Placement of Orders, Alternate IV, instead of Alternate II.

(e) If the clause at [552.216-72](#) is prescribed, insert the provision at [552.216-73](#), Ordering Information, in solicitations for stock items and in other FSS solicitations. Use [552.216-73](#) Alternate II when [552.216-72](#) Alternate II, Alternate III, or Alternate IV are prescribed.

Subpart 516.6—Time-and-Materials, Labor-Hour, and Letter Contracts

516.603 Letter contracts.

516.603-3 Limitations.

Architect-engineer (A-E) services.

(a) *Requirement for a price proposal.* Before you award a letter contract, the proposed A-E must provide a price proposal for the non-design effort.

(b) *Contents of each letter contract.* You must include the following information in the letter contract:

(1) The scope. If you include the design effort, only authorize the A-E to perform those services that are independent of the design effort (for example, feasibility studies, existing facility surveys or site investigation, etc.). Do not authorize the A-E to begin the design effort before the letter contract is definitized.

(2) A definitization schedule. Include dates for each of the following:

(i) Submission of the design fee proposal.

(ii) Start of negotiations.

(iii) Definitization. This date must be no later than 90 days after the date of the letter contract.

(3) A limitation on the Government's liability for the non-design effort to be performed under the contract. Insert this amount in FAR 52.216-24, Limitation of Government Liability.

(c) *Unilateral price decision.* If you must issue a unilateral price decision, the maximum contract amount must not exceed a reasonable price for the excludable items plus the 6 percent statutory fee limitation for the project.

PART 532—CONTRACT FINANCING

Subpart 532.1—Non-Commercial Item Purchase Financing**532.111 Contract clauses for non-commercial purchases.**

(a) *Invoice requirements.* Insert [552.232-70](#), Invoice Requirements, or something substantially the same, in all solicitations and contracts for supplies, services, construction, architect-engineer services, or the acquisition of leasehold interests in real property that require the submission of invoices for payment. Delete subparagraph (b) of the clause if an Accounting Control Transaction (ACT) number is not required for payment.

(b) *Adjusting payments.* Insert [552.232-71](#), Adjusting Payments, in all solicitations and contracts for recurring building services expected to exceed the simplified acquisition threshold.

(c) *Final payment.* Insert [552.232-72](#), Final Payment, in all solicitations and contracts for recurring building services expected to exceed the simplified acquisition threshold.

532.112 Payment of subcontractors under contracts for non-commercial items.**532.112-1 Subcontractor assertions of nonpayment.**

If you determine under FAR 32.112-1 that a contractor's certification of payment is inaccurate in any material respect, report the matter to the Office of Inspector General. If appropriate, the Office of Inspector General will forward a report and recommendation to the Department of Justice.

Subpart 532.2—Commercial Item Purchase Financing**532.206 Solicitation provisions and contract clauses.**

(a) *Discounts for prompt payment.* Include [552.232-8](#), Discounts for Prompt Payments, in multiple award schedule solicitations and contracts instead of the clause at Federal Acquisition Regulation 52.232-8. Use Alternate I in solicitations and contracts for—

(1) FSS Schedule 70 and the Consolidated Products and Services Schedule containing information technology Special Item Numbers (SINs); or

(2) Federal Supply Schedules for recovery purchasing (see [538.7102](#)).

(b) The contracting officer shall insert the clause at [552.232-81](#), Payments by Non-Federal Ordering Activities, in solicitations and schedule contracts for—

(1) FSS Schedule 70 and Consolidated Products and Services Schedule contracts containing information technology SINs; or

(2) Federal Supply Schedules for recovery purchasing (see [538.7102](#)).

(c) The contracting officer shall insert the provision at [552.232-82](#), Contractor's Remittance (Payment) Address, in all Federal Supply Schedule solicitations and contracts.

(d) The contracting officer shall insert the clause at [552.232-83](#), Contractor's Billing Responsibilities, in all Multiple Award Schedule solicitations and contracts.

Subpart 532.4—Advance Payments for Non-Commercial Items**532.402 General.**

Prepare the findings and determinations required by FAR 32.402(e) in coordination with the contract finance office. The HCA approves the findings, determinations and authorization for advance payments.

532.407 Interest.

The contract finance office will give you the interest rate to be charged on the unliquidated balance of advance payments.

Subpart 532.5—Progress Payments Based on Costs

532.501 General.

532.501-2 Unusual progress payments.

The HCA must approve or disapprove requests for “unusual” progress payments.

532.501-70 Use of benchmarks with progress payments based on costs.

(a) In unusual circumstances, you may request that specified benchmarks, such as submission and acceptance of a pre-production or pilot model, be achieved before making progress payments based on costs. If you do this, the HCA must make a written determination that use of benchmarks is in the best interest of the Government. The solicitation and each resulting contract must then include a provision specifying which benchmarks must be achieved before progress payments are made.

(b) Do not use benchmarks in a manner that will convert progress payments based on costs into progress payments based on a percentage or stage of completion.

532.502 Preaward matters.

532.502-2 Contract finance office clearance.

(a) The contract finance office director provides the approval required by FAR 32.502-2.

(b) Before providing for progress payments based on costs, request the Credit and Finance Section, the Heartland Region, to provide advice and assistance about a contractor’s financial condition and the adequacy of his accounting system and controls.

532.503-5 Administration of progress payments.

Ensure that the contract finance office:

(a) Has adequate administrative and fiscal procedures to accomplish the fiscal aspects of FAR 32.503-5.

(b) Gives you the date and amount of each progress payment to a contractor.

(c) Provides you written recommendations if findings warrant action by the Government.

532.503-6 Suspension or reduction of payments.

The HCA must approve any action recommended under FAR 32.503-6. Upon approval, request the contract finance office to suspend or reduce payments.

532.503-9 Liquidation rates—alternate method.

Reduction of the liquidation rates specified in paragraph (b) of FAR 52.232-16 may be made only with your

approval after coordination with the contract finance office. Upon approval, request the finance office to reduce the rate.

Subpart 532.6—Contract Debts

532.606 Debt determination and collection.

532.606-70 Definitions.

“Debt” means an amount of money or property that a responsible official has determined is owed to the United States by any person or entity except that the term does not apply to amounts owed by another Federal agency.

“Delinquent debt” means an amount that has not been paid or otherwise collected by the date specified (usually 30 days) in your initial written demand for payment (i.e., contracting officer’s final decision letter).

“Responsible official” means you, the contracting officer. However, the contract finance office is responsible for the administration of debt collection under the Accounting Operations—Accounts Receivable and Credit and Finance Operations, and Related Activities Handbook (PFM P 4253.1).

532.606-71 Referral of delinquent debts.

(a) If you determine that a debt in excess of \$100 is delinquent, notify the applicable finance office for collection in accordance with the Debt Collection Act of 1982, and possibly forwarding to a credit reporting agency.

(b) If the contractor appeals your demand for payment pursuant to the Disputes clause of its contract, advise the Finance Office whether to suspend collection efforts pending resolution of the dispute.

Subpart 532.7—Contract Funding

532.700 Scope of subpart.

GSA fiscal regulations are in the Budget Administration Handbook (CFO 4251.4), Accounting Classification Handbook (CFO P 4240.1), and Accounting Operations—Voucher Examination Payment Handbook (CFO P 4252.1).

532.705 Contract clauses.

532.705-1 Clauses for contracting in advance of funds.

Insert [552.232-73](#), Availability of Funds, in solicitations and contracts for services which are “severable” when both of the following conditions apply:

(a) The contract, or a portion of the contract, will be chargeable to funds of the new fiscal year.

(b) The circumstances described in the prescriptions for FAR 52.232-18 or 52.232-19 do not apply.

Subpart 532.8—Assignment of Claims

532.805 Procedure.

(a) When acknowledging receipt of the notice of assignment, notify the contractor that all future invoices or other requests for payment under the contract must specify the name and address of the assignee and include a notation that payments due thereunder have been duly assigned. You must send a copy of the acknowledgment to the contract finance office.

(b) When payments under requirements or indefinite quantity contracts that are for the sole use of GSA have been assigned, provide all GSA offices that will place orders against the contract the name and address of the assignee that will receive amounts due under the contract. The notification should also state that you requested the contractor to specify the name and address of the assignee on future invoices.

532.806 Contract clauses.

Insert the clause at [552.232-23](#), Assignment of Claims, in solicitations and requirements or indefinite quantity contracts under which more than one agency may place orders.

Subpart 532.9—Prompt Payment

532.902 Definitions.

“Full cycle electronic commerce” means the use of electronic data interchange (EDI), Internet-based invoice processing, and electronic funds transfer (EFT):

(a) By the Government, to place purchase, delivery, or task orders, receive invoices, and pay invoices.

(b) By the Contractor, to accept and fill orders, submit invoices, and receive payment.

532.905 Invoice payments.

(a) *General and architect-engineer contracts.* Before exercising the authority to modify the date for constructive acceptance or constructive approval of progress payments in the clauses listed below, you must prepare a written justification explaining why a longer period is necessary. An official one level above you must approve your justification. Determine the time needed on a case-by-case basis.

(1) In paragraph (a)(6)(i) of the clause at FAR 52.232-25, Prompt Payment, do not specify a constructive acceptance period that exceeds 30 days.

(2) In paragraph (a)(4)(i)(A) of the clause at FAR 52.232-26, Prompt Payment for Fixed-Price Architect-Engineer Contracts, do not specify a constructive acceptance period that exceeds 30 days.

(3) In paragraph (a)(4)(i)(B) of the clause at FAR 52.232-26, Prompt Payment for Fixed-Price Architect-Engineer Contracts, do not specify a period for constructive approval of progress payments that exceeds 7 days.

(b) Construction contracts.

(1) Determine on a case-by-case basis the time specified for payment of progress payments in paragraph (a)(1)(i)(A) of the clause at FAR 52.232-27, Prompt Payment for Construction Contracts. Justify in writing periods longer than 14 days. An official one level above you must approve your justification. Under no circumstances may more than 30 days be specified.

(2) Determine the time to be specified in paragraph (a)(4)(i) of FAR clause 52.232-27, for constructive acceptance or approval, on a case-by-case basis. This time may not exceed 7 days unless you justify a longer period in writing, and obtain the approval of an official one level above you. Under no circumstances may more than 30 days be specified.

(c) Federal Supply Service.

(1) To increase efficiency and reduce costs to the Government, Federal Supply Service contracts under the Stock, Special Order, and Schedules Programs may authorize payment within 10 days of receipt of a proper invoice. The contract must meet all the following conditions:

(i) The contractor agrees to full cycle electronic commerce.

(ii) The contract includes FAR 52.232-33, Mandatory Information for Electronic Funds Transfer Payment.

(2) The 10 day payment terms apply to each order that meets all the following conditions:

(i) FSS places the order using EDI in accordance with the Trading Partner Agreement.

(ii) The contractor submits EDI invoices in accordance with the Trading Partner Agreement or invoices through the GSA Finance Center Internet-based invoice process.

(iii) A GSA Finance Center pays the invoices using EFT.

(3) The 10 day payment terms do not apply to any order:

(i) Placed by a GSA contracting activity other than FSS.

(ii) Placed by or paid by another agency.

532.905-70 Certification of payment to subcontractors and suppliers under fixed-price construction contracts.

The contractor may use GSA Form 2419, Certification of Progress Payments Under Fixed-Price Construction Contracts, for the certification required by FAR 52.232-5.

532.905-71 Final payment—construction and building service contracts.

The following procedures apply to construction and building service contracts.

(a) Do not process the final payment on construction or building service contracts until the contractor submits a properly executed GSA Form 1142, Release of Claims. If, after repeated attempts, you are unable to obtain a release of claims from the contractor, you may process the final payment with the approval of assigned legal counsel.

(b) The amount of final payment must include, as appropriate, deductions to cover any of the following:

- (1) Liquidated damages for late completion.
- (2) Liquidated damages for labor violations.
- (3) Amounts withheld for improper payment of labor wages.

(4) The amount of unilateral change orders covering defects and omissions.

532.907 Interest penalties.

You can access the interest rate applicable to late payments under the Prompt Payment Act at <http://www.fms.treas.gov/prompt/formulas.html>. This link provides the current interest rate and a list of past rates also.

532.908 Contract clauses.

(a) *Federal Supply Service*. For FSS Stock, Special Order, and Schedules solicitations and contracts that provide payment in 10 days under [532.905\(c\)](#):

(1) If the contract will include FAR 52.212-4, insert the clause at [552.232-74](#), Invoice Payments. GSA received a class deviation to allow use of [552.232-74](#) for commercial items.

(2) If the contract will not include FAR 52.212-4, insert [552.232-25](#), Prompt Payment, instead of FAR 52.232-25.

(b) *Leasehold Interests in Real Property*. (1) Insert [552.232-75](#), Prompt Payment, in solicitations and contracts for acquiring leasehold interests in real property.

(2) Insert [552.232-76](#), Electronic Funds Transfer Payment, in solicitations and contracts for acquisition of leasehold interests in real property.

(i) You may modify the date for constructive acceptance in subparagraph (b)(2) of the clause to specify a period longer than 7 calendar days (but not to exceed 30 days) if necessary because of the nature of the services to be received, inspected or accepted by the Government. Prepare a written justification for specifying the longer period and obtain your contracting director's approval.

(ii) Use Alternate I if the lease contract does not contain provisions for ordering alterations or overtime utility services.

(c) *Solicitations, purchase orders, contracts, and leases*. Insert [552.232-78](#), Payment Information:

(1) In all solicitations, purchase orders, and contracts, including acquisitions of leasehold interests in real property.

(2) In task and delivery orders if the contract that the order is placed against does not include the clause.

Subpart 532.11—Electronic Funds Transfer

[Reserved]

Subpart 532.70—Authorizing Payment by Governmentwide Commercial Purchase Card**532.7001 Definition.**

“Governmentwide commercial purchase card” has the same meaning as in FAR 13.101.

532.7002 Solicitation requirements.

(a) In solicitations for supplies and services, except FSS schedule solicitations, request offerors to indicate if they will accept payment by Governmentwide commercial purchase card. Identify the card brand(s) under the GSA SmartPay program that may be used to make payments under the contract, on the cover page or in Section L of the solicitation.

(b) For FSS schedule contracts, identify the card brand(s) under the GSA SmartPay program that may be used to make payments under the contract in the contract award letter.

(c) For orders placed by GSA, you may authorize payment by Governmentwide commercial purchase card only for orders that do not exceed \$100,000 (see GSA Order, Guidance on Use of the Credit Card for Purchases (CFO 4200.1)).

(d) Consider requesting offerors to designate different levels for which they may accept payment by Governmentwide commercial purchase card, for example:

“If awarded a contract under this solicitation, the offeror agrees to accept payment by Governmentwide commercial purchase card for orders of:

_____ \$2,500 or less	_____ \$25,000 or less
_____ \$50,000 or less	_____ \$100,000 or less”

532.7003 Contract clause.

(a) *Indefinite-delivery, indefinite-quantity (IDIQ) contracts other than Federal Supply Service*. Insert the clause at [552.232-77](#), Payment By Governmentwide Commercial Purchase Card, in IDIQ solicitations and contracts for supplies and services if the contract will provide for payment by Governmentwide commercial purchase card as an alternative method of payment for orders.

(b) *Federal Supply Service contracts.* Use Alternate I of the clause at [552.232-77](#) for all FSS schedule solicitations and contracts, except for—

(1) Federal Supply Schedule 70, Information Technology, and the Consolidated Products and Services Schedule contracts containing information technology Special Item Numbers; or

(2) Federal Supply Schedule contracts for recovery purchasing (see [538.7102](#)).

(c) *Federal Supply Service schedule contracts for information technology Special Item Numbers or Federal Supply Schedules for recovery purchasing* (see [538.7102](#)). In solicitations and contracts for (1) FSS Schedule 70 and the Consolidated Products and Services Schedule containing information technology Special Item Numbers; or (2) Federal Supply Schedule contracts for recovery purchasing (see [538.7102](#)), use [552.232-79](#) instead of [552.232-77](#).

Subpart 532.71—Payments for Recurring Services

532.7101 Definitions.

“Fixed roll payment” means automatic payment of fixed amounts at regular intervals without submission of an invoice or receiving report.

532.7102 Applicability.

You may use fixed roll payments in any contract that meets all four of the following conditions:

- (a) The contract provides for recurring services at a constant level for a period of at least two months.
- (b) The contract does not contain any discount terms.
- (c) Payment is due 30 days following completion of the service month.
- (d) For a commercial item acquisition, fixed roll payments are consistent with customary commercial practice.

532.7103 Procedures.

(a) *Payment.* (1) *Process.* Finance processes payment automatically, without submission of an invoice or receiving report, 30 days from the last day of service. Finance pays the monthly amount authorized in the original contract provided to Finance with the ACT label, or contract modification, less any deductions (see [532.7102\(d\)](#)).

(2) *Vendor payment identification.* Finance generates the 12 digit invoice number using the ACT number followed by an abbreviated month and year of service (e.g., 84261554JUN7, for June 1997). Ensure that the ACT

number appears on the contract award document so that the contractor can identify payments.

(b) *Contract deductions.* Any contract that provides for fixed roll payment requires effective monitoring to ensure satisfactory performance and identify any deductions to which the Government is entitled. If the Government is entitled to a deduction (e.g., as consideration for nonperformance or late performance), notify the Fort Worth Finance Division promptly. Prompt notice is critical to avoiding more burdensome action later to recover an overpayment. Use the following procedures.

(1) To make a deduction from the payment due a contractor, notify the Fort Worth Finance Division. You may provide the notice by any of the following means:

(i) Mail, addressed to:

Chief, Accounts Payable Branch
GSA Finance Division (7BCP)
PO Box 17181
Fort Worth, TX 76102

(ii) Facsimile (receiving report or letter format) to:

Chief, Accounts Payable Branch
(817) 978-7413

(iii) cc:Mail to:

#R7 FINANCE VCPC VENDORS A-I
#R7 FINANCE VCPC VENDORS J-Z

(2) Provide all the following information in the notice:

(i) ACT number.

(ii) Specific multiple distribution line (MDL) coding affected by the deduction, unless the deduction is prorated among all accounting coding according to the existing distribution.

(iii) Contract number.

(iv) Vendor name.

(v) Month of service.

(vi) Original monthly amount.

(vii) Amount of deduction.

(viii) Amount authorized for payment.

(ix) Your phone number.

(3) Provide deduction notices no later than the 20th day of the month following service. For notices received after the 20th, Finance will subtract the deduction from the next month’s payment.

(c) *Final Payment.* Based on the contract expiration date, Finance will automatically remove contracts from the fixed roll system in the month prior to expiration. Finance will request a final receiving report in the usual manner to ensure all requirements for contract close-out have been met. Finance will not make final payment until it receives the final receiving report or like authorization from you.

532.7104 Contract clauses.

(a) *Noncommercial item acquisitions.* For solicitations and contracts to be paid by fixed roll payment, include the clause at [552.232-1](#), Payments. Do not include the clauses at FAR 52.232-1, Payments, or [552.232-70](#), Invoice Requirements.

(b) *Commercial item acquisitions.* For solicitations and contracts to be paid by fixed roll payment, tailor the clause at FAR 52.212-4 by an addendum as noted in (1) and (2) below. This tailoring is authorized by a deviation approved on January 5, 1999.

(1) Delete paragraph FAR 52.212-4(g), Invoice.

(2) Add the following to paragraph FAR 52.212-4(i), Payment:

The Government shall pay the Contractor, without submission of invoices or vouchers, 30 days after the service period, the prices stipulated in this contract for services rendered and accepted, less any deductions provided in this contract.

Subpart 532.72—Payments Under Contracts Subject to Audit

532.7201 General.

(a) Do not approve an initial invoice or voucher before consulting with the Assistant Inspector General—Auditing or the Field Audit Office regarding cost or other supporting data as required under:

- (1) Cost-reimbursement type contracts.
- (2) The cost-reimbursement portion of fixed-price type contracts.
- (3) Time and materials or labor-hour contracts.
- (4) Fixed-price contracts providing for any of the following:
 - (i) Progress payments based on costs.
 - (ii) Advance payments.
 - (iii) Guaranteed loans.
 - (iv) Incentives or redetermination.

(b) Except for fixed-price contracts with redetermination where no price revision (upward or downward) is to be made, do not approve the final payment invoice or voucher for contracts specified in [532.7201\(a\)](#), nor the final payment or settlement of other contracts subject to audit prior to:

- (1) Receipt and review of the contract audit report.
- (2) Consultation with the Assistant Inspector General for Auditing or the Field Audit Office if no audit is to be conducted.

532.7202 Submission and processing of invoices or vouchers.

(a) Require contractors to submit invoices or vouchers to you. Annotate invoices with the date of receipt, as required by FAR 32.905. That date will be used to determine interest penalties for late payments. You, or your designee, must review the processing of invoices or vouchers before payment to determine if the items and amounts claimed are in consonance with the contract terms and represent prudent business transactions. You must ensure that these payments are commensurate with physical and technical progress under the contract. If the contractor has not deducted questionable amounts from the invoice or amounts required to be withheld, you must make the required deduction, except as provided in [532.7203](#).

(b) Subject to [532.7201](#), note your approval of any payment on (or attached to) the invoice or voucher submitted by the contractor. Forward the invoice or voucher to the appropriate contract finance office for retention after certification and scheduling for payment by a disbursing office.

532.7203 Action upon receipt of an audit report.

Audit reports will be furnished to you, with a copy to the appropriate contract finance office. Upon receipt of an audit report, pursuant to contract terms, determine the allowability of all costs covered by audit. Give full consideration to the auditor's recommendations, but make an independent business judgment before taking any action based on the audit report. If you doubt or question any of the auditor's recommendations, you need not make deductions from invoices or vouchers for provisional payments. In these cases, confer with the auditor and other appropriate Government personnel (such as a price specialist and assigned counsel) to determine what action to take. If you disagree with the auditor's recommendations, document the contract file and furnish the auditor with a copy of the statement.

532.7204 Suspension and disapproval of amounts claimed.

(a) Notify the appropriate contract finance office in writing when amounts claimed for payment are either:

- (1) Suspended.
- (2) Disapproved as not being allowable according to contract terms.
- (3) Not allocable to the contract.

(b) Your notice forms the basis for the contract finance office to issue GSA Form 533, Administrative Difference Statement. Finance will attach a copy of GSA Form 533 to each copy of the invoice or voucher from which the deduction has been made, and will include an explanation of the deduction.

AMENDMENT 2007-01 FEBRUARY 1, 2007

PART 538—FEDERAL SUPPLY SCHEDULE CONTRACTING

Sec.

**Subpart 538.2—Establishing and Administering
Federal Supply Schedules**

- 538.270 Evaluation of multiple award schedule (MAS) offers.
- 538.271 MAS contract awards.
- 538.272 MAS price reductions.
- 538.273 Contract clauses.

Subpart 538.71—Recovery Purchasing

- 538.7100 Scope of subpart.
- 538.7101 Definitions.
- 538.7102 General.
- 538.7103 Policy.
- 538.7104 Solicitation provisions and contract clauses.

Subpart 538.70—Cooperative Purchasing

- 538.7000 Scope of subpart.
- 538.7001 Definitions.
- 538.7002 General.
- 538.7003 Policy.
- 538.7004 Solicitation provisions and contract clauses.

This page intentionally left blank.

PART 538—FEDERAL SUPPLY SCHEDULE CONTRACTING**Subpart 538.2—Establishing and Administering Federal Supply Schedules****538.270 Evaluation of multiple award schedule (MAS) offers.**

(a) The Government will seek to obtain the offeror's best price (the best price given to the most favored customer). However, the Government recognizes that the terms and conditions of commercial sales vary and there may be legitimate reasons why the best price is not achieved.

(b) Establish negotiation objectives based on a review of relevant data and determine price reasonableness.

(c) When establishing negotiation objectives and determining price reasonableness, compare the terms and conditions of the MAS solicitation with the terms and conditions of agreements with the offeror's commercial customers. When determining the Government's price negotiation objectives, consider the following factors:

- (1) Aggregate volume of anticipated purchases.
- (2) The purchase of a minimum quantity or a pattern of historic purchases.
- (3) Prices taking into consideration any combination of discounts and concessions offered to commercial customers.
- (4) Length of the contract period.
- (5) Warranties, training, and/or maintenance included in the purchase price or provided at additional cost to the product prices.
- (6) Ordering and delivery practices.
- (7) Any other relevant information, including differences between the MAS solicitation and commercial terms and conditions that may warrant differentials between the offer and the discounts offered to the most favored commercial customer(s). For example, an offeror may incur more expense selling to the Government than to the customer who receives the offeror's best price, or the customer (e.g., dealer, distributor, original equipment manufacturer, other reseller) who receives the best price may perform certain value-added functions for the offeror that the Government does not perform. In such cases, some reduction in the discount given to the Government may be appropriate. If the best price is not offered to the Government, you should ask the offeror to identify and explain the reason for any differences. Do not require offerors to provide detailed cost breakdowns.

(d) You may award a contract containing pricing which is less favorable than the best price the offeror extends to any commercial customer for similar purchases if you make a determination that both of the following conditions exist:

(1) The prices offered to the Government are fair and reasonable, even though comparable discounts were not negotiated.

(2) Award is otherwise in the best interest of the Government.

538.271 MAS contract awards.

(a) MAS awards will be for commercial items as defined in FAR 2.101. Negotiate contracts as a discount from established catalog prices.

(b) Before awarding any MAS contract, determine that the offered prices are fair and reasonable (see FAR Subpart 15.4 and [538.270](#)). Document the negotiation and your determination using FAR 15.406-3 as guidance.

(c) State clearly in the award document the price/discount relationship between the Government and the identified commercial customer (or category of customers) on which the award is predicated.

538.272 MAS price reductions.

(a) Section [552.238-75](#), Price Reductions, requires the contractor to maintain during the contract period the negotiated price/discount relationship (and/or term and condition relationship) between the eligible ordering activities and the offeror's customer or category of customers on which the contract award was predicated (see [538.271\(c\)](#)). If a change occurs in the contractor's commercial pricing or discount arrangement applicable to the identified commercial customer (or category of customers) that results in a less advantageous relationship between the eligible ordering activities and this customer or category of customers, the change constitutes a "price reduction."

(b) Make sure that the contractor understands the requirements of section [552.238-75](#) and agrees to report to you all price reductions as provided for in the clause.

538.273 Contract clauses.

(a) *Multiple award schedules.* Insert in solicitations and contracts:

(1) [552.238-70](#), Identification of Electronic Office Equipment Providing Accessibility for the Handicapped, if you include electronic office equipment items.

(2) [552.238-71](#), Submission and Distribution of Authorized FSS Schedule Pricelists. In solicitations and contracts for:

(i) FSS Schedule 70 and the Consolidated Products and Services Schedule contracts containing information technology Special Item Numbers; or

(ii) Federal Supply Schedule contracts for recovery purchasing (see [538.7102](#)), use Alternate I. If GSA is not prepared to accept electronic submissions for a particular schedule delete—

(A) The paragraph identifier “(i)” in (b)(1) and the word “and” at the end of paragraph (b)(1)(i); and

(B) Paragraphs (b)(1)(ii) and (b)(3).

(3) [552.238-72](#), Identification of Products that have Environmental Attributes.

(4) [552.238-73](#), Cancellation.

(b) *Multiple and single award schedules.* Insert in solicitations and contracts:

(1) [552.238-74](#), Industrial Funding Fee and Sales Reporting.

(2) [552.238-75](#), Price Reductions. Use Alternate I in solicitations and contracts for—

(i) FSS Schedule 70 and the Consolidated Products and Services Schedule contracts containing information technology Special Item Numbers; or

(ii) Federal Supply Schedule contracts for recovery purchasing (see [538.7102](#)).

Subpart 538.70—Cooperative Purchasing

538.7000 Scope of subpart.

This subpart prescribes policies and procedures that implement statutory provisions authorizing non-federal organizations to use Schedule 70 and Consolidated Products and Services Schedule contracts containing information technology Special Item Numbers (SINs).

538.7001 Definitions.

“Ordering activity” (also called “ordering agency” and “ordering office”) means an eligible ordering activity (see [552.238-78](#)) authorized to place orders under Federal Supply Schedule contracts.

“Schedule 70,” as used in this subpart, means Schedule 70 information technology contracts, and Consolidated Products and Services Schedule contracts containing information technology SINs. The Consolidated Products and Services Schedule is a compilation of multiple individual Federal Supply Schedules; therefore, only the SINs that fall under Schedule 70 of the Consolidated Products and Services Schedule will apply to Cooperative Purchasing. No other Schedules, or SINs, containing information technology outside of Schedule 70 SINs, and Consolidated Products and Services Schedule contracts containing Schedule 70 SINs, will apply.

“State and local government entities,” as used in this subpart, means the states of the United States, counties, municipalities, cities, towns, townships, tribal governments, public authorities (including public or Indian housing agencies under the United States Housing Act of 1937), school districts, colleges and other institutions of higher education, council of governments (incorporated or not), regional or interstate government entities, or any agency or instrumentality of the preceding entities (including any local educational agency or institution of higher education), and including legislative and judicial departments. The term does not include contractors of, or grantees of, State or local governments.

(1) “Local educational agency” has the meaning given that term in section 8013 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713).

(2) “Institution of higher education” has the meaning given that term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(3) “Tribal government” means—

(i) The governing body of any Indian tribe, band, nation, or other organized group or community located in the continental United States (excluding the State of Alaska) that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; and

(ii) Any Alaska Native regional or village corporation established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 *et seq.*).

538.7002 General.

(a) 40 U.S.C. 501, (the Act) authorizes the Administrator of General Services to procure and supply personal property and nonpersonal services for the use of Executive agencies. Under 40 U.S.C. 502, the goods and services available to executive agencies are also available to mixed ownership Government corporations, establishments within the legislative or judicial branches of Government (excepting the Senate, House of Representatives, Architect of the Capitol, and any activities under the direction of the Architect of the Capitol), the District of Columbia, and Qualified Non-profit Agencies.

(b) Section 211 of the E-Government Act of 2002 amends 40 U.S.C. 502 to authorize the Administrator of General Services to provide for use of certain Federal Supply Schedules of the GSA by a State or local government, which includes any State, local, regional, or tribal government, or any instrumentality thereof (including any local educational agency or institution of higher education).

(c) State and local governments are authorized to procure only from the information technology Federal Supply Schedule (Schedule 70) contracts and Consolidated Products and Services Schedule contracts containing information technology SINS. A listing of the participating contractors and SINS for the products and services that are available through Schedule 70 and Consolidated Products and Services Schedule contracts containing information technology SINS, is available in GSA's Schedules e-Library at web site <http://fss.gsa.gov/elibrary>. Click on Schedules e-Library and then click on the ICON labeled Cooperative Purchasing, State and Local. The contractors and the products and services available for cooperative purchasing will be labeled with the ICON.

538.7003 Policy.

Preparing solicitations when schedules are open to eligible non-federal entities. When opening Schedule 70 and the Consolidated Products and Services Schedule containing information technology SINS, for use by eligible non-federal entities, the contracting officer must make minor modifications to certain Federal Acquisition Regulation and GSAM provisions and clauses in order to make clear distinctions between the rights and responsibilities of the U.S. Government in its management and regulatory capacity pursuant to which it awards schedule contracts and fulfills associated Federal requirements versus the rights and responsibilities of eligible ordering activities placing orders to fulfill agency needs. Accordingly, the contracting officer is authorized to modify the following FAR provisions/clauses to delete "Government" or similar language referring to the U.S. Government and substitute "ordering activity" or similar language when preparing solicitations and contracts to be awarded under Schedule 70 and the Consolidated Products and Services Schedule containing information technology SINS. When such changes are made, the word "(DEVIATION)" shall be added at the end of the title of the provision or clause. These clauses include but are not limited to:

- (a) 52.212-4, Contract Terms and Conditions—Commercial Items.
- (b) 52.216-18, Ordering.
- (c) 52.216-19, Order Limitations.
- (d) 52.229-1, State and Local Taxes.
- (e) 52.229-3, Federal, State, and Local Taxes.
- (f) 52.232-7, Payments Under Time-and-Materials and Labor-Hour Contracts.
- (g) 52.232-17, Interest.
- (h) 52.232-19, Availability of Funds for the Next Fiscal Year.
- (i) 52.232-34, Payment by Electronic Funds Transfer—Other than Central Contractor Registration
- (j) 52.232-36, Payment by Third Party.
- (k) 52.237-3, Continuity of Services.
- (l) 52.246-4, Inspection of Services-Fixed Price.
- (m) 52.246-6, Inspection—Time-and-Material and Labor-Hour.
- (n) 52.247-34, F.O.B. Destination.
- (o) 52.247-38, F.O.B. Inland Carrier Point of Exportation.

538.7004 Solicitation provisions and contract clauses.

(a) The contracting officer shall insert the clause at [552.238-77](#), Definition (Federal Supply Schedules), in solicitations and schedule contracts for Schedule 70 and the Consolidated Products and Services Schedule contracts containing information technology SINs.

The contracting officer shall insert the clause at [552.238-78](#), Scope of Contract (Eligible Ordering Activities), in solicitations and contracts for Schedule 70 and the Consolidated Products and Services Schedule contracts containing information technology SINs.

(b) The contracting officer shall insert the clause at [552.238-79](#), Use of Federal Supply Schedule Contracts by Certain Entities—Cooperative Purchasing, in solicitations and Schedule 70 contracts and the Consolidated Products and Services Schedule contracts containing information technology SINs.

(c) See [552.101-70](#) for authorized FAR deviations.

Subpart 538.71—Recovery Purchasing

538.7100 Scope of subpart.

This subpart prescribes policies and procedures to implement the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364) authorizing non-federal organizations to use Federal Supply Schedule contracts to purchase products and services to be used for recovery from major disasters, terrorism or nuclear, biological, chemical, or radiological attack.

538.7101 Definitions.

The definitions in subsection [538.7001](#) shall apply for purposes of this subpart.

538.7102 General.

(a) Section 833 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364) amends 40 U.S.C. 502 to authorize the Administrator of General Services to provide to State and local governments the use of Federal Supply Schedules of the GSA for purchase of products and services to be used to facilitate recovery from a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*) or to facilitate recovery from terrorism or nuclear, biological, chemical, or radiological attack. Section 833 requires the Secretary of Homeland Security to determine which products and services qualify before the Administrator provides for the use of the Federal Supply Schedules. Use of Federal supply schedules by State and local governments is voluntary. Agreement of a schedule contractor to offer recovery purchasing under the contract and acceptance of any order for recovery purchasing from a state or local government is voluntary.

(b) State and local governments are authorized to use Federal Supply Schedules to procure products and services determined by the Secretary of Homeland Security to be used to facilitate recovery from major disasters, terrorism, or nuclear, biological, chemical, or radiological attack. A listing of the Federal Supply Schedules for the products and services is available in GSA's Schedules e-Library at web site <http://www.gsaelibrary.gsa.gov>. Click on the link, "Disaster Recovery Purchasing, State and Local." The participating contractors and the products and services available for recovery purchasing will be labeled with the Disaster Recovery Purchasing ICON.

(c) State and local governments that wish to use the Federal Supply Schedules to facilitate recovery from major disasters or attacks are responsible for ensuring that only authorized representatives of their governments place orders against these schedules and that procured products and services are used only for the purposes authorized by Section 833 of Public Law 109-364.

538.7103 Policy.

Preparing solicitations when schedules are open to eligible non-federal entities. When opening the Federal Supply Schedules for products and services determined by the Secretary of Homeland Security, for use by eligible non-federal entities, the contracting officer must make minor modifications to certain Federal Acquisition Regulation (FAR) and GSAM provisions and clauses in order to make clear distinctions between the rights and responsibilities of the U.S. Government in its management and regulatory capacity pursuant to which it awards schedule contracts and fulfills associated Federal requirements versus the rights and responsibilities of eligible ordering activities placing orders to fulfill agency needs. Accordingly, the contracting officer is authorized to modify the following FAR provisions/clauses to delete “Government” or similar language referring to the U.S. Government and substitute “ordering activity” or similar language when preparing solicitations and contracts to be awarded under the Federal Supply Schedules for products and services determined by the Secretary of Homeland Security. When such changes are made, the word “(DEVIATION)” shall be added at the end of the title of the provision or clause. These clauses include but are not limited to—

- (a) 52.212-4, Contract Terms and Conditions—Commercial Items.
- (b) 52.216-18, Ordering.
- (c) 52.216-19, Order Limitations.
- (d) 52.229-1, State and Local Taxes.
- (e) 52.229-3, Federal, State, and Local Taxes.
- (f) 52.232-7, Payments Under Time-and-Materials and Labor-Hour Contracts.
- (g) 52.232-17, Interest.
- (h) 52.232-19, Availability of Funds for the Next Fiscal Year.
- (i) 52.232-34, Payment by Electronic Funds Transfer—Other than Central Contractor Registration.
- (j) 52.232-36, Payment by Third Party.
- (k) 52.237-3, Continuity of Services.
- (l) 52.246-4, Inspection of Services-Fixed Price.
- (m) 52.246-6, Inspection-Time-and-Material and Labor-Hour.
- (n) 52.247-34, F.O.B. Destination.
- (o) 52.247-38, F.O.B. Inland Carrier Point of Exportation.

538.7104 Solicitation provisions and contract clauses.

(a) The contracting officer shall insert the clause at [552.238-76](#), Definition (Federal Supply Schedules)—Recovery Purchasing, in Federal Supply Schedule solicitations and contracts which contain products and services determined by the Secretary of Homeland Security to facilitate recovery from major disasters, terrorism, or nuclear, biological, chemical, or radiological attack.

(b) The contracting officer shall insert the clause at [552.238-78](#), Scope of Contract (Eligible Ordering Activities), with Alternate I in Federal Supply Schedule solicitations and contracts which contain products and services determined by the Secretary of Homeland Security to facilitate recovery from major disasters, terrorism, or nuclear, biological, chemical, or radiological attack.

(c) The contracting officer shall insert the clause at [552.238-80](#), Use of Federal Supply Schedule Contracts by Certain Entities—Recovery Purchasing, in Federal Supply Schedule solicitations and contracts which contain products and services determined by the Secretary of Homeland Security that facilitate recovery from major disasters, terrorism, or nuclear, biological, chemical, or radiological attack.

(d) See [552.101-70](#) for authorized Federal Acquisition Regulation deviations.

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 contracts and solicitations issued by FSS:

(a) Insert the clause at [552.246-70](#), Source Inspection by Quality Approved Manufacturer, in solicitations and contract that provide for source inspection, except:

- (1) Multiple award schedule contracts.
- (2) Motor vehicle contracts.
- (3) Contracts awarded by the FSS Services Acquisition Center, unless you decide, together with the Central Office Quality Assurance Division (FQA), that inspection by Government personnel is necessary.

(b) You may authorize inspection and testing at manufacturing plants or other facilities located outside the United States, Puerto Rico, or the Virgin Islands, under paragraph (a)(1) of the clause at [552.246-70](#) under any of the circumstances listed below. Coordinate the authorization with FQA and document it in the file.

- (1) Inspection services are available from another Federal agency with primary inspection responsibility in the geographic area.
- (2) An inspection interchange agreement exists with another agency for inspection at a contractor's plant.
- (3) The procurement is for the Agency for International Development and specifies the area of source.
- (4) Other considerations will ensure more economical and effective inspection consistent with the Government's interest.

546.302-71 Source inspection.

For solicitations and contracts issued by FSS, if Government personnel at the source will perform inspection, insert [552.246-71](#), Source Inspection by Government.

546.312 Construction contracts.

Insert the clause at [552.246-72](#), Final Inspection and Tests, in solicitations and contracts for construction that include FAR 52.246-12, Inspection of Construction.

Subpart 546.4—Government Contract Quality Assurance

546.400-70 Scope of subpart.

This subpart prescribes policies and procedures for the Federal Supply Service. Use by other GSA activities is optional.

546.402 Government contract quality assurance at source.

(a) Government personnel or a Quality Approved Manufacturer must perform source inspection of supplies under any of the following contracts:

- (1) FSS contracts selected for source inspection.
- (2) Requirements contracts with a national scope, including shipments to GSA distribution centers.
- (3) Requirements contracts with a regional scope.
- (4) Definite quantity contracts for stock items.
- (5) Contracts for Class 8010 items.
- (6) Contracts for:
 - (i) Special-purpose vehicles.
 - (ii) Trucks over 10,000 pounds gross vehicle weight (GVW).
 - (iii) Trucks weighing 10,000 pounds GVW or less, not covered by a Federal standard.
 - (iv) Vehicles to be shipped outside the coterminous United States.

(b) Contracts may also provide for source inspection if the contracting director both:

- (1) Coordinates with FQA.
- (2) Determines it is in the Government's interest due to the critical nature of the supplies.

546.403 Government contract quality assurance at destination.

Require inspection of supplies at destination under each of the following:

- (a) For purchases that exceed the micropurchase threshold, but not the simplified acquisition threshold.
- (b) For schedule contracts, except those selected for source inspection.
- (c) If contracting for either:
 - (1) Commercial or off-the-shelf products.
 - (2) Standard vehicles purchased for domestic consignees.
 - (3) Trucks weighing 10,000 pounds GVW or less, purchased for domestic consignees using a Federal Standard.

546.470 Testing.

You may authorize testing to determine conformance with specifications and standards at the facilities of any of the following:

- (a) Federal agencies.

546.470-1

- (b) Manufacturers.
- (c) Independent testing laboratories.
- (d) Others, as appropriate.

546.470-1 Acceptance testing.

(a) Acceptance testing determines conformance with purchase descriptions or specifications before a shipment is accepted. Do not use acceptance testing solely to furnish information to a producer or vendor as to whether a product conforms with specification requirements.

(b) GSA normally bears the cost of services for acceptance testing of samples of a shipment, except for retesting necessitated by prior rejection.

546.470-2 Certification testing.

Certification testing determines whether an item conforms with a specification for the purpose of executing a certificate of compliance required by the specification. The contractor has responsibility for certification testing.

Subpart 546.7—Warranties

546.704 Authority for use of warranties.

Consider the criteria in FAR 46.703 and decide whether to use a warranty in a specific acquisition.

546.705 Limitations.

The contracting director must approve the use of warranties in cost reimbursement contracts, except those in FAR clauses 52.246-3 and 52.246-8.

546.708 Warranties of data.

(a) Use warranties of data only when you meet both of the following conditions:

- (1) You decide the use of a warranty is in the Government's interest.
 - (2) The contracting director concurs in your decision.
- (b) The technical or specification manager has responsibility for developing any warranties of data.

546.709 Warranties of commercial items.

The specification manager must advise you which of the following apply:

- (a) Whether a specification contains a warranty.
- (b) Whether a commercial warranty applies.
- (c) If an extended warranty is necessary, and recommend the duration of the extended warranty.

546.710 Contract clauses.

(a) Insert the clause at [552.246-17](#), Warranty of Supplies of a Noncomplex Nature, instead of FAR 52.246-17 in solicitations and contracts. Use the following alternates as applicable:

(1) *Commercial item acquisitions other than multiple award schedules.* Use the clause at [552.246-17](#) with its Alternate I.

(2) *Other than commercial items in Class 8010.* Use the clause at [552.246-17](#) with its Alternate II.

(3) *Other than commercial items in Class 8030 or 8040.* Use the clause at [552.246-17](#) with its Alternate III. In addition, specify in the solicitation whether the items are “noncritical end use items” or “critical end use items”.

(b) *Multiple award schedules.* Insert the clause at [552.246-73](#), Warranty—Multiple Award Schedule, in solicitations and contracts. Use Alternate I in solicitations and contracts for—

(1) FSS Schedule 70 and the Consolidated Products and Services Schedule containing information technology Special Item Numbers); or

(2) Federal Supply Schedules for recovery purchasing (see [538.7102](#)).

(c) *Construction contracts expected to exceed the simplified acquisition threshold.* Insert the clause at [552.246-75](#), Guarantees, in solicitations and contracts.

(d) *Pesticides.* Insert the clause at [552.246-76](#), Warranty of Pesticides, in solicitations and contracts involving the procurement of pesticides.

AMENDMENT 2004-02 SEPTEMBER 16, 2004

PART 552—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

Sec.

<p>552.000 Scope of part.</p> <p style="text-align: center;">Subpart 552.1—Instructions for Using Provisions and Clauses</p> <p>552.101-70 Using Part 552.</p> <p>552.102 Incorporating provisions and clauses.</p> <p>552.103 Identification of provisions and clauses.</p> <p>552.104 Procedures for modifying and completing provisions and clauses.</p> <p>552.105 Procedures for using alternates.</p> <p>552.107-70 Provisions and clauses prescribed in Subpart 552.1.</p> <p style="text-align: center;">Subpart 552.2—Text of Provisions and Clauses</p> <p>552.200 Scope of subpart.</p> <p>552.203-5 Covenant Against Contingent Fees.</p> <p>552.203-70 Price Adjustment for Illegal or Improper Activity.</p> <p>552.203-71 Restriction on Advertising.</p> <p>552.209-70 Product Removal from Qualified Products List.</p> <p>552.209-71 Waiver of First Article Testing and Approval Requirement.</p> <p>552.209-72 Supplemental Requirements for First Article Approval—Contractor Testing.</p> <p>552.209-73 Supplemental Requirements for First Article Approval—Government Testing.</p> <p>552.211-8 Time of Delivery.</p> <p>552.211-15 Defense Priorities and Allocations System Requirements.</p> <p>552.211-70 [Reserved]</p> <p>552.211-71 Standard References.</p> <p>552.211-72 Reference to Specifications in Drawings.</p> <p>552.211-73 Marking.</p> <p>552.211-74 Charges for Marking.</p> <p>552.211-75 Preservation, Packaging and Packing.</p> <p>552.211-76 Charges for Packaging and Packing.</p> <p>552.211-77 Packing List.</p> <p>552.211-78 Commercial Delivery Schedule (Multiple Award Schedule).</p> <p>552.211-79 Acceptable Age of Supplies.</p> <p>552.211-80 Age on Delivery.</p> <p>552.211-81 Time of Shipment.</p> <p>552.211-82 Notice of Shipment.</p> <p>552.211-83 Availability for Inspection, Testing, and Shipment/Delivery.</p> <p>552.211-84 Non-Compliance with Contract Requirements.</p> <p>552.212-70 Preparation of Offer (Multiple Award Schedule).</p> <p>552.212-71 Contract Terms and Conditions Applicable to GSA Acquisition of Commercial Items.</p>	<p>552.212-72 Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to GSA Acquisition of Commercial Items.</p> <p>552.212-73 Evaluation—Commercial Items (Multiple Award Schedule).</p> <p>552.214-70 “All or None” Offers.</p> <p>552.214-71 Progressive Awards and Monthly Quantity Allocations.</p> <p>552.214-72 Bid Sample Requirements.</p> <p>552.215-70 Examination of Records by GSA.</p> <p>552.215-71 Examination of Records by GSA (Multiple Award Schedule).</p> <p>552.215-72 Price Adjustment—Failure to Provide Accurate Information.</p> <p>552.216-70 Economic Price Adjustment—FSS Multiple Award Schedule Contracts.</p> <p>552.216-71 Economic Price Adjustment—Stock and Special Order Program Contracts.</p> <p>552.216-72 Placement of Orders.</p> <p>552.216-73 Ordering Information.</p> <p>552.217-70 Evaluation of Options.</p> <p>552.217-71 Notice Regarding Option(s).</p> <p>552.219-70 Allocation of Orders—Partially Set-aside Items.</p> <p>552.219-71 Notice to Offerors of Subcontracting Plan Requirements.</p> <p>552.219-72 Preparation, Submission, and Negotiation of Subcontracting Plans.</p> <p>552.219-73 Goals for Subcontracting Plan.</p> <p>552.219-74 Section 8(a) Direct Award.</p> <p>552.223-70 Hazardous Substances.</p> <p>552.223-71 Nonconforming Hazardous Materials.</p> <p>552.223-72 Hazardous Material Information.</p> <p>552.225-70 Notice of Procurement Restriction—Hand or Measuring Tools or Stainless Steel Flatware.</p> <p>552.227-70 Government Rights (Unlimited).</p> <p>552.227-71 Drawings and Other Data to Become Property of Government.</p> <p>552.228-70 Workers’ Compensation Laws.</p> <p>552.229-70 Federal, State, and Local Taxes.</p> <p>552.229-71 Federal Excise Tax—DC Government.</p> <p>552.232-1 Payments.</p> <p>552.232-8 Discounts for Prompt Payment.</p> <p>552.232-23 Assignment of Claims.</p> <p>552.232-25 Prompt Payment.</p> <p>552.232-70 Invoice Requirements.</p> <p>552.232-71 Adjusting Payments.</p> <p>552.232-72 Final Payment.</p> <p>552.232-73 Availability of Funds.</p> <p>552.232-74 Invoice Payments.</p> <p>552.232-75 Prompt Payment.</p>
--	--

AMENDMENT 2007-01 FEBRUARY 1, 2007

GENERAL SERVICES ADMINISTRATION ACQUISITION MANUAL

552.232-76	Electronic Funds Transfer Payment.	552.242-70	Status Report of Orders and Shipments.
552.232-77	Payment By Governmentwide Commercial Purchase Card.	552.243-70	Pricing of Adjustments.
552.232-78	Payment Information.	552.243-71	Equitable Adjustments.
552.232-79	Payment by Credit Card.	552.243-72	Modifications (Multiple Award Schedule).
552.232-81	Payments by Non-Federal Ordering Activities.	552.246-17	Warranty of Supplies of a Noncomplex Nature
552.232-82	Contractor's Remittance (Payment) Address.	552.246-70	Source Inspection by Quality Approved Manufacturer.
552.232-83	Contractor's Billing Responsibilities.	552.246-71	Source Inspection by Government.
552.233-70	Protests Filed Directly with the General Services Administration.	552.246-72	Final Inspection and Tests.
552.233-71	Disputes (Utility Contracts).	552.246-73	Warranty—Multiple Award Schedule.
552.236-70	Definitions.	552.246-74	[Reserved]
552.236-71	Authorities and Limitations.	552.246-75	Guarantees.
552.236-72	Specialist.	552.246-76	Warranty of Pesticides.
552.236-73	Basis of Award—Construction Contract.	552.247-70	Placarding Railcar Shipments.
552.236-74	Working hours.	552.247-71	Diversion of Shipment Under f.o.b. Destination Contracts.
552.236-75	Use of Premises.	552.249-70	Termination for Convenience of the Government (Fixed Price) (Short Form).
552.236-76	Measurements.	552.249-71	Submission of Termination Liability Schedule.
552.236-77	Specifications and Drawings.	552.252-5	Authorized Deviations in Provisions.
552.236-78	Shop Drawings, Coordination Drawings, and Schedules.	552.252-6	Authorized Deviations in Clauses.
552.236-79	Samples.	552.270-1	Instructions to Offerors—Acquisition of Leasehold Interests in Real Property.
552.236-80	Heat.	552.270-2	Historic Preference.
552.236-81	Use of Equipment by the Government.	552.270-3	Parties to Execute Lease.
552.236-82	Subcontracts.	552.270-4	Definitions.
552.236-83	Requirement for a Project Labor Agreement.	552.270-5	Subletting and Assignment.
552.237-70	Qualifications of Offerors.	552.270-6	Maintenance of Building and Premises—Right of Entry.
552.237-71	Qualifications of Employees.	552.270-7	Fire and Casualty Damage.
552.237-72	Prohibition Regarding "Quasi-Military Armed Forces."	552.270-8	Compliance with Applicable Law.
552.237-73	Restriction on Disclosure of Information.	552.270-9	Inspection—Right of Entry.
552.238-70	Identification of Electronic Office Equipment Providing Accessibility for the Handicapped.	552.270-10	Failure in Performance.
552.238-71	Submission and Distribution of Authorized FSS Schedule Pricelists.	552.270-11	Successors Bound.
552.238-72	Identification of Products that have Environmental Attributes.	552.270-12	Alterations.
552.238-73	Cancellation	552.270-13	Proposals for Adjustment.
552.238-74	Industrial Funding Fee and Sales Reporting.	552.270-14	Changes.
552.238-75	Price Reductions.	552.270-15	Liquidated Damages.
552.238-76	Definition (Federal Supply Schedules)—Recovery Purchasing.	552.270-16	Adjustment for Vacant Premises.
552.238-77	Definition (Federal Supply Schedules).	552.270-17	Delivery and Condition.
552.238-78	Scope of Contract (Eligible Ordering Activities).	552.270-18	Default in Delivery—Time Extensions.
552.238-79	Use of Federal Supply Schedule Contracts by Certain Entities—Cooperative Purchasing.	552.270-19	Progressive Occupancy.
552.238-80	Use of Federal Supply Schedule Contracts by Certain Entities—Recovery Purchasing.	552.270-20	Payment.
		552.270-21	Effect of Acceptance and Occupancy.
		552.270-22	Default by Lessor During the Term.
		552.270-23	Subordination, Nondisturbance and Attornment.
		552.270-24	Statement of Lease.
		552.270-25	Substitution of Tenant Agency.
		552.270-26	No Waiver.

552.270-27 Integrated Agreement.
552.270-28 Mutuality of Obligation.
552.270-29 Acceptance of Space.

Subpart 552.3—Provision and Clause Matrixes
552.300 Scope of subpart.

This page intentionally left blank.

AMENDMENT 2007-01 FEBRUARY 1, 2007

(g) The basic content and format of the TPA will be provided by:

General Services Administration
Acquisition Operations and Electronic Commerce Center
(FCS)
Washington, DC 20406

Telephone: [Contracting Officer insert appropriate telephone numbers]

FAX:

(End of clause)

Alternate I (Sep 1999). As prescribed in [516.506](#), substitute the following paragraphs (a), (b), (c), and (d) for paragraphs (a), (b), (c), and (d) of the basic clause:

(a) All delivery orders (orders) under this contract will be placed by the General Services Administration's Federal Supply Service (FSS). The Contractor is not authorized to accept orders from any other agency. Violation of this restriction may result in termination of the contract pursuant to the default clause of this contract.

(b) All orders shall be placed by Electronic Data Interchange (EDI) using the American National Standards Institute (ANSI) X12 Standard for Electronic Data Interchange (EDI) format.

(c) If the Contractor agrees, transmission will be computer-to-computer EDI. If computer-to-computer EDI is not possible, FSS will use an alternative EDI method allowing the Contractor to receive orders by facsimile transmission.

(d) When computer-to-computer EDI procedures will be used to place orders, the Contractor shall enter into a Trading Partner Agreement (TPA) with FSS in order to ensure mutual understanding by the parties of certain electronic transaction conventions and to recognize the rights and responsibilities of the parties as they apply to this method of placing orders. The TPA must identify, among other things, the third party provider(s) through which electronic orders are placed, the transaction sets used, security procedures, and guidelines for implementation.

Alternate II (Sep 1999). As prescribed in [516.506\(b\)](#), substitute the following paragraph (a) for paragraph (a) of the basic clause:

(a) The organizations listed below may place orders under this contract. Questions regarding organizations authorized to use this schedule should be directed to the Contracting Officer.

- (1) Executive agencies.
- (2) Other Federal agencies.
- (3) Mixed-ownership Government corporations.
- (4) The District of Columbia.

(5) Government contractors authorized in writing by a Federal agency pursuant to 48 CFR 51.1.

(6) Other activities and organizations authorized by statute or regulation to use GSA as a source of supply.

Alternate III (May 2004). As prescribed in [516.506\(c\)](#), substitute the following paragraphs (a), (c), and (d) for paragraphs (a), (c), and (d) of the basic clause:

(a) See [552.238-78](#), Scope of Contract (Eligible Ordering Activities), for who may order under this contract.

(c) If the Contractor agrees, GSA's Federal Supply Service (FSS) will place orders for eligible ordering activities, as defined in paragraph (a) of the clause at [552.238-78](#), by EDI using computer-to-computer EDI. If computer-to-computer EDI is not possible, FSS will use an alternative EDI method allowing the Contractor to receive orders by facsimile transmission. Subject to the Contractor's agreement, other eligible ordering activities, as defined in paragraphs (a) and (d) of the clause at [552.238-78](#), may also place orders by EDI.

(d) When computer-to-computer EDI procedures will be used to place orders, the Contractor shall enter into one or more Trading Partner Agreements (TPA) with each ordering activity placing orders electronically in order to ensure mutual understanding by the parties of certain electronic transaction conventions and to recognize the rights and responsibilities of the parties as they apply to this method of placing orders. The TPA must identify, among other things, the third party provider(s) through which electronic orders are placed, the transaction sets used, security procedures, and guidelines for implementation. Ordering activities may obtain a sample format to customize as needed from the office specified in paragraph (g) of this clause.

Alternate IV (Feb 2007). As prescribed in [516.506\(d\)](#), substitute the following paragraphs (a), (c), and (d) for paragraphs (a), (c), and (d) of the basic clause:

(a) See [552.238-78](#), Scope of Contract (Eligible Ordering Activities)—Alternate I, for who may order under this contract.

(c) If the Contractor agrees, GSA's Federal Acquisition Service (FAS) will place orders for eligible ordering activities, as defined in paragraph (a) of the clause at [552.238-78](#)—Alternate I, by EDI using computer-to-computer EDI. If computer-to-computer EDI is not possible, FAS will use an alternative EDI method allowing the Contractor to receive orders by facsimile transmission. Subject to the Contractor's agreement, other eligible ordering activities, as defined in paragraphs (a) and (d) of the clause at [552.238-78](#)—Alternate I, may also place orders by EDI.

(d) When computer-to-computer EDI procedures will be used to place orders, the Contractor shall enter into one or more Trading Partner Agreements (TPA) with each ordering activity placing orders electronically in order to ensure mutual understanding by the parties of certain electronic transaction conventions and to recognize the rights and

AMENDMENT 2007-01 FEBRUARY, 2007

552.216-73

GENERAL SERVICES ADMINISTRATION ACQUISITION MANUAL

responsibilities of the parties as they apply to this method of placing orders. The TPA must identify, among other things, the third party provider(s) through which electronic orders are placed, the transaction sets used, security procedures, and guidelines for implementation. Ordering activities may obtain a sample format to customize as needed from the office specified in paragraph (g) of this clause.

552.216-73 Ordering Information.

As prescribed in [516.506\(e\)](#), insert the following provision:

ORDERING INFORMATION (SEP 1999)

(a) In accordance with the Placement of Orders clause of this solicitation, the offeror elects to receive orders placed by GSA's Federal Supply Service (FSS) by either facsimile transmission or computer-to-computer Electronic Data Interchange (EDI).

(b) An offeror electing to receive computer-to-computer EDI is requested to indicate below the name, address, and telephone number of the representative to be contacted regarding establishment of an EDI interface.

(c) An offeror electing to receive orders by facsimile transmission is requested to indicate below the telephone number(s) for facsimile transmission equipment where orders should be forwarded.

(d) For mailed orders, the offeror is requested to include the postal mailing address(es) where paper form orders should be mailed.

(End of provision)

Alternate I (Sep 1999). As prescribed in [516.506\(e\)](#), delete paragraph (d) of the basic provision.

Alternate II (Sep 1999). As prescribed in [516.506\(e\)](#), add the following paragraph (e) to the basic provision:

(e) Offerors marketing through dealers are requested to indicate below whether those dealers will be participating in the proposed contract.

YES NO

If "yes" is checked, ordering information to be inserted above shall reflect that in addition to offeror's name, address, and facsimile transmission telephone number, orders can be addressed to the offeror's name, c/o nearest local dealer. In this event, two copies of a list of participating dealers shall accompany this offer, and shall also be included in Contractor's Federal Supply Schedule pricelist.

552.217-70 Evaluation of Options.

As prescribed in [517.208\(a\)](#), insert the following provision:

EVALUATION OF OPTIONS (AUG 1990)

(a) The Government will evaluate offers for award purposes by determining the lowest base period price. When option year pricing is based on a formula (e.g., changes in the Producer Price Index or other common standard); option year pricing is automatically considered when evaluating the base year price, as any change in price will be uniformly related to changes in market conditions. All options are therefore considered to be evaluated. Evaluation of options will not obligate the Government to exercise the option(s).

(b) The Government will reject the offer if exceptions are taken to the price provisions of the Economic Price Adjustment clause, unless the exception results in a lower maximum option year price. Such offers will be evaluated without regard to the lower option year(s) maximum. However, if the offeror offering a lower maximum is awarded a contract, the award will reflect the lower maximum.

552.217-71 Notice Regarding Option(s).

As prescribed in [517.208\(b\)](#), insert the following provision:

NOTICE REGARDING OPTION(S) (NOV 1992)

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

(End of provision)

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

As prescribed in [519.508](#), 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)

552.219-71 Notice to Offerors of Subcontracting Plan Requirements.

As prescribed in [519.708-70\(a\)](#), insert the following provision:

NOTICE TO OFFERORS OF SUBCONTRACTING
PLAN REQUIREMENTS (JUNE 2005)

The General Services Administration (GSA) is committed to assuring that maximum practicable opportunity is provided to small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns to participate in the performance of this contract consistent with its efficient performance. GSA expects any subcontracting plan submitted pursuant to FAR 52.219-9, Small Business Subcontracting Plan, to reflect this commitment. Consequently, an offeror, other than a small business concern, before being awarded a contract exceeding \$500,000 (\$1,000,000 for construction), must demonstrate that its subcontracting plan represents a creative and innovative program for involving small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns as subcontractors in the performance of this contract.

(End of provision)

552.219-72 Preparation, Submission, and Negotiation of Subcontracting Plans.

As prescribed in [519.708-70\(b\)](#), insert the following provision:

PREPARATION, SUBMISSION, AND NEGOTIATION OF
SUBCONTRACTING PLANS (JUNE 2005)

(a) An offeror, other than a small business concern, submitting an offer that exceeds \$500,000 (\$1,000,000 for construction) shall submit a subcontracting plan with its initial offer. The subcontracting plan will be negotiated concurrently with price and any required technical and management proposals, unless the offeror submits a previously-approved commercial plan.

(b) Maximum practicable utilization of small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns as subcontractors is a matter of national interest with both social and economic benefits. The General Services Administration (GSA) expects that an offeror's subcontracting plan will reflect a commitment to assuring that small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns are provided the maximum practicable opportunity, consistent with efficient contract performance, to participate as subcontractors in the performance of the resulting contract. An offeror submitting a commercial plan can reflect this commitment through subcontracting opportunities it provides that relate to the offeror's production generally; i.e., for both its commercial and Government business.

(c) GSA believes that this potential contract provides significant opportunities for the use of small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns as subcontractors. Consequently, in addressing the eleven elements described at FAR 52.219-9(d) of the clause in this contract entitled Small Business Subcontracting Plan, the offeror shall:

(1) Demonstrate that its subcontracting plan represents a creative and innovative program for involving small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns in performing the contract.

(2) Include a description of the offeror's subcontracting strategies used in any previous contracts, significant achievements, and how this plan will build upon those earlier achievements.

(3) Demonstrate through its plan that it understands the small business subcontracting program's objectives and GSA's expectations, and it is committed to taking those actions necessary to meet these goals or objectives.

(d) In determining the acceptability of any subcontracting plan, the Contracting Officer will take each of the following actions:

(1) Review the plan to verify that the offeror demonstrates an understanding of the small business subcontracting program’s objectives and GSA’s expectations with respect to the program and has included all the information, goals, and assurances required by FAR 52.219-9.

(2) Consider previous goals and achievements of contractors in the same industry.

(3) Consider information and potential sources obtained from agencies administering national and local preference programs and other advocacy groups in evaluating whether the goals stated in the plan adequately reflect the anticipated potential for subcontracting to small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns.

(4) Review the offeror’s description of its strategies, historical performance and significant achievements in placing subcontracts for the same or similar products or services with small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns. The offeror’s description can apply to commercial as well as previous Government contracts.

(e) Failure to submit an acceptable subcontracting plan and/or correct deficiencies in a plan within the time specified by the Contracting Officer shall make the offeror ineligible for award.

(End of provision)

552.219-73 Goals for Subcontracting Plan.

As prescribed in [519.708-70\(c\)](#), insert the following provision:

GOALS FOR SUBCONTRACTING PLAN (JUNE 2005)

(a) Maximum practicable utilization of small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns as subcontractors is a matter of national interest with both social and economic benefits.

(1) The General Services Administration’s (GSA’s) commitment to ensuring that maximum practicable opportunity is provided to small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns to participate as subcontractors in the performance of this contract, consistent with its efficient performance, must be reflected in the offeror’s subcontracting plan submitted pursuant to the clause of this contract at FAR 52.219-9, Small Business Subcontracting Plan.

(2) In addressing the eleven elements described at FAR 52.219-9(d), the offeror shall demonstrate that its subcontracting plan represents a creative and innovative program for involving small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns in performing this contract. An offeror submitting a commercial plan can demonstrate its commitment in providing maximum practicable opportunities through subcontracting opportunities it provides to small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns that relate to the offeror’s production generally; i.e., for both its commercial and Government business.

(3) The subcontracting plan shall include a description of the offeror’s subcontracting strategies used in previous contracts and significant achievements, with an explanation of how this plan will build upon those earlier achievements. Additionally, the offeror shall demonstrate through its plan that it understands the small business subcontracting program’s objectives, GSA’s expectations, and is committed to taking those actions necessary to meet these goals or objectives.

(b) GSA believes that this contract provides significant opportunities for the use of small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns as subcontractors. Accordingly, it is anticipated that an acceptable subcontracting plan will contain at least the following goals:

Small Business	_____ percent
HUBZone Small Business	_____ percent
Small Disadvantaged Business	_____ percent
Women-Owned Small Business	_____ percent
Veteran-Owned Small Business	_____ percent
Service-Disabled Veteran-Owned Small Business	_____ percent

NOTE: Target goals are expressed as a percentage of planned subcontracting dollars.

(c) In determining the acceptability of any subcontracting plan, the Contracting Officer will—

(1) Review the plan to verify that the offeror has demonstrated an understanding of the small business subcontracting program’s objectives and GSA’s expectations with respect to the programs and has included all the information, goals, and assurances required by FAR 52.219-9;

(2) Consider previous goals and achievements of contractors in the same industry;

(3) Consider information and potential sources obtained from agencies administering national and local preference programs and other advocacy groups in evaluating

whether the goals stated in the plan adequately reflect the anticipated potential for subcontracting to small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns; and

(4) Review the offeror's description of its strategies, historical performance and significant achievements in placing subcontracts for the same or similar products or services with small, HUBZone small, small disadvantaged, women-owned, veteran-owned, and service-disabled veteran owned small business concerns. The offeror's description can apply to commercial as well as previous Government contracts.

(d) Failure to submit an acceptable subcontracting plan and/or correct deficiencies in a plan within the time specified by the Contracting Officer shall make the offeror ineligible for award.

(End of provision)

Alternate I (Sep 1999). As prescribed in [519.708-70\(c\)\(2\)](#), delete paragraph (b) of the basic provision and redesignate paragraphs (c) and (d) as paragraphs (b) and (c).

552.219-74 Section 8(a) Direct Award.

As prescribed in [519.870-8](#), insert the following clause:

SECTION 8(A) DIRECT AWARD (SEP 1999)

(a) This contract is issued as a direct award between the contracting activity and the 8(a) Contractor pursuant to the Memorandum of Understanding between the Small Business Administration (SBA) and the General Services Administration. SBA retains the responsibility for 8(a) certifications, 8(a) eligibility determinations, and related issues, and will provide counseling and assistance to the 8(a) contractor under the 8(a) program. The cognizant SBA district office is:

[Complete at time of award]

(b) The contracting activity is responsible for administering the contract and taking any action on behalf of the Government under the terms and conditions of the contract. However, the contracting activity shall give advance notice to SBA before it issues a final notice terminating performance, either in whole or in part, under the contract. The contracting activity shall also coordinate with SBA prior to processing any advance payments or novation agreements. The contracting activity may assign contract administration functions to a contract administration office.

(c) The Contractor agrees:

(1) To notify the Contracting Officer, simultaneous with its notification to SBA (as required by SBA's 8(a) regulations), when the owner or owners upon whom 8(a) eligibility is based plan to relinquish ownership or control of the concern. Consistent with 15 U.S.C. 637(a)(21),

transfer of ownership or control shall result in termination of the contract for convenience, unless SBA waives the requirement for termination prior to the actual relinquishing of ownership and control.

(2) To the requirements of 52.219-14, Limitations on Subcontracting.

(End of clause)

552.223-70 Hazardous Substances.

As prescribed in [523.303\(a\)](#), 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 CFR 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 CFR and the Hazardous Materials Transportation Act.

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

(End of clause)

552.223-71 Nonconforming Hazardous Materials.

As prescribed in [523.303\(b\)](#), 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 shall 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) Shall 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 shall promptly comply with the decision of the Contracting Officer.

(End of clause)

552.223-72 Hazardous Material Information.

As prescribed in [523.370](#), insert the following provision:

HAZARDOUS MATERIAL INFORMATION (SEP 1999)

Offeror shall 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)

552.225-70 Notice of Procurement Restriction—Hand or Measuring Tools or Stainless Steel Flatware.

As prescribed in [525.1101](#), insert the following clause:

NOTICE OF PROCUREMENT RESTRICTION—HAND OR MEASURING TOOLS OR STAINLESS STEEL FLATWARE (SEP 1999)

(a) Awards under this solicitation will only be made to offerors that will furnish hand or measuring tools or stainless steel flatware that are domestic end products. Pursuant to the requirements of the current Department of Defense Appropriations Act, GSA has determined, in accordance with Section 6-104.4 of the Armed Services Procurement Regulation (6/15/70)(32 CFR 6-104.4), that it is in the national interest to reject foreign products.

As used in this clause, a “domestic end product” is—

- (1) Any hand or measuring tool, except for an electric or air-motor driven hand tool, or stainless steel flatware, wholly produced or manufactured, including all components, in the United States or its possessions; or
- (2) Any electric or air-motor driven hand tool if the cost of its components produced or manufactured in the United States exceeds 75 percent of the cost of all its components.

(b) Tool kits or sets, being procured under this solicitation, will not be considered domestic end products if any individual

tool classified in FSC Group 51 or 52 and included in a tool kit or set is not a domestic end product as defined in paragraph (a) of this clause. The restrictions of this clause do not apply to individual hand or measuring tools that are contained in the tool kit or set but are not classified in FSC Group 51 or 52.

(End of clause)

552.227-70 Government Rights (Unlimited).

As prescribed in [527.409\(a\)](#), insert the following clause:

GOVERNMENT RIGHTS (UNLIMITED) (MAY 1989)

The Government shall have unlimited rights in all drawings, designs, specifications, notes and other works developed in the performance of this contract, including the right to use same on any other Government design or construction without additional compensation to the Contractor. The Contractor hereby grants to the Government a paid-up license throughout the world to all such works to which he may assert or establish any claim under design patent or copyright laws. The Contractor for a period of three years after completion of the project agrees to furnish the original or copies of all such works on the request of the Contracting Officer.

(End of clause)

552.227-71 Drawings and Other Data to Become Property of Government.

As prescribed in [527.409\(b\)](#), substitute the following clause:

DRAWINGS AND OTHER DATA TO BECOME PROPERTY OF GOVERNMENT (MAY 1989)

All designs, drawings, specifications, notes and other works developed in the performance of this contract shall become the sole property of the Government and may be used on any other design or construction without additional compensation to the Contractor. The Government shall be considered the “person for whom the work was prepared” for the purpose of authorship in any copyrightable work under Section 201(b) of Title 17, United States Code. With respect thereto, the Contractor agrees not to assert or authorize others to assert any rights nor establish any claim under the design patent or copyright laws. The Contractor for a period of three years after completion of the project agrees to furnish all retained works on the request of the Contracting Officer. Unless otherwise provided in this contract, the Contractor shall have the right to retain copies of works beyond such period.

(End of clause)

552.228-70 Workers' Compensation Laws.

As prescribed in [528.310\(a\)](#), insert the following clause:

WORKERS' COMPENSATION LAWS (SEP 1999)

The Act of June 25, 1936, 49 Stat. 1938 (40 U.S.C. 290) authorizes the constituted authority of the several States to apply their workers' compensation laws to all lands and premises owned or held by the United States.

(End of clause)

552.229-70 Federal, State, and Local Taxes.

As prescribed in [529.401-70](#), insert the following clause:

FEDERAL, STATE, AND LOCAL TAXES (APR 1984)

The contract price includes all applicable Federal, State, and local taxes. No adjustment will be made to cover taxes which may subsequently be imposed on this transaction or

changes in the rates of currently applicable taxes. However, the Government will, upon the request of the Contractor, furnish evidence appropriate to establish exemption from any tax from which the Government is exempt and which was not included in the contract price.

(End of clause)

552.229-71 Federal Excise Tax—DC Government.

As prescribed in [529.401-71](#), insert the following clause:

FEDERAL EXCISE TAX—DC GOVERNMENT (SEP 1999)

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

This page intentionally left blank.

552.232-1 Payments.

As prescribed in [532.7104](#), insert the following clause:

PAYMENTS (APR 1984) (DEVIATION FAR 52.232-1)

(a) The Government shall pay the Contractor, without submission of invoices or vouchers, 30 days after the service period, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract.

(b) Unless otherwise specified in this contract, the Government will make payment on partial deliveries accepted by the Government if either:

(1) The amount due on the deliveries warrants it.

(2) The Contractor requests it and the amount due on the deliveries is at least \$1,000 or 50 percent of the total contract price.

(c) When processing payment, GSA's Finance Office will automatically generate the 12 digit invoice number using the ACT number assigned to the contract, followed by an abbreviated month and year of service (e.g., 84261554JUN7, for June 1997). The ACT number appears on the contract award document.

(End of clause)

552.232-8 Discounts for Prompt Payment.

As prescribed in [532.206](#), insert the following clause:

DISCOUNTS FOR PROMPT PAYMENT (APR 1989)
(DEVIATION FAR 52.232-8)

(a) Discounts for early payment (hereinafter referred to as "discounts" or "the discount") will be considered in evaluating the relationship of the offeror's concessions to the Government vis-a-vis the offeror's concessions to its commercial customers, but only to the extent indicated in this clause.

(b) Discounts will not be considered to determine the low offeror in the situation described in the "Offers on Identical Products" provision of this solicitation.

(c) Uneconomical discounts will not be considered as meeting the criteria for award established by the Government. In this connection, a discount will be considered uneconomical if the annualized rate of return for earning the discount is lower than the "value of funds" rate established by the Department of the Treasury and published quarterly in the Federal Register. The "value of funds" rate applied will be the rate in effect on the date specified for the receipt of offers.

(d) Agencies required to use the resultant schedule will not apply the discount in determining the lowest delivered price pursuant to the FPMR, 41 CFR 101-26.408, if the agency determines that payment will probably not be made within the discount period offered. The same is true if the discount is considered uneconomical at the time of placement of the order.

(e) Discounts for early payment may be offered either in the original offer or on individual invoices submitted under the resulting contract. Discounts offered will be taken by the Government if payment is made within the discount period specified.

(f) Discounts that are included in offers become a part of the resulting contracts and are binding on the Contractor for all orders placed under the contract. Discounts offered only on individual invoices will be binding on the Contractor only for the particular invoice on which the discount is offered.

(g) In connection with any discount offered for prompt payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date which appears on the payment check or the date on which an electronic funds transfer was made.

(End of clause)

Alternate I (May 2003). As prescribed in [532.206\(a\)](#), remove paragraph (d) and redesignate paragraphs (e), (f), and (g) as (d), (e), and (f), respectively.

552.232-23 Assignment of Claims.

As prescribed in [532.806](#), insert the following clause:

ASSIGNMENT OF CLAIMS (SEP 1999)

Because this is a requirements or indefinite quantity contract under which more than one agency may place orders, paragraph (a) of the Assignment of Claims clause (FAR 52.232-23) is inapplicable and the following is substituted therefor:

In order to prevent confusion and delay in making payment, the Contractor shall not assign any claim(s) for amounts due or to become due under this contract. However, the Contractor is permitted to assign separately to a bank, trust company, or other financial institution, including any Federal lending agency, under the provisions of the Assignment of Claims Act, as amended, 31 U.S.C. 3727, 41 U.S.C. 15 (hereinafter referred to as "the Act"), all amounts due or to become due under any order amounting to \$1,000 or more issued by any Government agency under this contract. Any such assignment takes effect only if and when the assignee files written notice of the assignment together with a true copy of the instrument of assignment with the contracting officer issuing the order and the finance office designated in the order to make payment. Unless otherwise stated in the order, payments to an assignee of any amounts due or to become due under any order assigned may, to the extent specified in the Act, be subject to reduction or set-off.

(End of clause)

552.232-25 Prompt Payment.

As prescribed in [532.908\(a\)\(2\)](#), insert the following clause:

PROMPT PAYMENT (JUL 1998)
(DEVIATION FAR 52.232-25)

Notwithstanding any other payment clause in this contract, the Government will make invoice payments and contract financing payments under the terms and conditions specified in this clause. Payment shall be considered as being made on the day a check is dated or the date of an electronic funds transfer. Definitions of pertinent terms are set forth in section 32.902 of the Federal Acquisition Regulation. All days referred to in this clause are calendar days, unless otherwise specified. (However, see paragraph [\(g\)\(4\)](#) of this clause concerning payments due on Saturdays, Sundays, and legal holidays.)

(a) *Invoice payments.* (1) The due date for making invoice payments by the designated payment office is:

(i) For orders placed electronically by the General Services Administration (GSA) Federal Supply Service (FSS), and to be paid by GSA through electronic funds transfer (EFT), the later of the following two events:

(A) 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.

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

(ii) For all other orders, the later of the following two events:

(A) The 30th 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 30th 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.

(B) The 30th day after Government acceptance of supplies delivered or services performed by the Contractor.

(iii) On a final invoice, if the payment amount is subject to contract settlement actions, acceptance occurs on the effective date of the contract settlement.

(2) The General Services Administration will issue payment on the due date in paragraph (a)(1)(i) of this clause if the Contractor complies with full cycle electronic commerce. Full cycle electronic commerce includes all the following elements:

(i) The Contractor must receive and fulfill electronic data interchange (EDI) purchase orders (transaction set 850).

(ii) The Contractor must generate and submit to the Government valid EDI invoices (transaction set 810) or submit invoices through the GSA Finance Center Internet-based invoice process. Internet-based invoices must be submitted using procedures provided by GSA.

(iii) The Contractor's financial institution must receive and process, on behalf of the Contractor, EFT payments through the Automated Clearing House (ACH) system.

(iv) The EDI transaction sets in paragraphs (a)(2)(i) through (a)(2)(iii) of this clause must adhere to implementation conventions provided by GSA.

(3) If any of the conditions in paragraph (a)(2) of this clause do not occur, the 10 day payment due dates in (a)(1) become 30 day payment due dates.

(4) *Certain food products and other payments.* (i) Due dates on Contractor invoices for meat, meat food products, or fish; perishable agricultural commodities; and dairy products, edible fats or oils, and food products prepared from edible fats or oils are—

(A) For meat or meat food products, as defined in section 2(a)(3) of the Packers and Stockyard Act of 1921 (7 U.S.C. 182(3)), and as further defined in Pub. L. 98-181, including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product, as close as possible to, but not later than, the 7th day after product delivery.

(B) For fresh or frozen fish, as defined in section 204(3) of the Fish and Seafood Promotion Act of 1986 (16 U.S.C. 4003(3)), as close as possible to, but not later than, the 7th day after product delivery.

(C) For perishable agricultural commodities, as defined in section 1(4) of the Perishable Agricultural Commodities Act of 1930 (7 U.S.C. 499a(4)), as close as possible to, but not later than, the 10th day after product delivery, unless another date is specified in the contract.

(D) For dairy products, as defined in section 111(e) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502(e)), edible fats or oils, and food products prepared from edible fats or oils, as close as possible to, but not later than, the 10th day after the date on which a proper invoice has been received. Liquid milk, cheese, certain processed cheese products, butter, yogurt, ice cream, mayonnaise, salad dressings, and other similar products, fall within this classification. Nothing in the Act limits this classification to refrigerated products. When questions arise regarding the proper classification of a specific product, prevailing industry practices will be followed in specifying a contract payment due date. The burden of proof that a classification of a specific product is, in fact, prevailing industry practice is upon the Contractor making the representation.

(ii) If the contract does not require submission of an invoice for payment (e.g., periodic lease payments), the due date will be as specified in the contract.

(5) *Contractor's invoice.* The Contractor shall prepare and submit invoices to the designated billing office specified in the contract. Notwithstanding paragraph (g) of the clause at FAR 52.212-4, Contract Terms and Conditions—Commercial Items, if the Contractor submits hard-copy invoices, submit only an original invoice. No copies of the invoice are required. A proper invoice must include the items listed in paragraphs (a)(5)(i) through (a)(5)(viii) of this clause. If the invoice does not comply with these requirements, it shall be returned within 7 days after the date the designated billing office received the invoice (3 days for meat, meat food products, or fish; 5 days for perishable agricultural commodities, edible fats or oils, and food products prepared from edible fats or oils), with a statement of the reasons why it is not a proper invoice. Untimely notification will be taken into account in computing any interest penalty owed the Contractor in the manner described in paragraph (a)(5) of this clause.

(i) Name and address of the Contractor.

(ii) Invoice date. (The Contractor is encouraged to date invoices as close as possible to the date of the mailing or transmission.)

(iii) Contract number or other authorization for supplies delivered or services performed (including order number and contract line item number).

(iv) Description, quantity, unit of measure, unit price, and extended price of supplies delivered or services performed.

(v) Shipping and payment terms (e.g., shipment number and date of shipment, prompt payment discount terms). Bill of lading number and weight of shipment will be shown for shipments on Government bills of lading.

(vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the contract or in a proper notice of assignment).

(vii) Name (where practicable), title, phone number, and mailing address of person to be notified in the event of a defective invoice.

(viii) Any other information or documentation required by the contract (such as evidence of shipment).

(ix) While not required, the Contractor is strongly encouraged to assign an identification number to each invoice.

(6) *Interest penalty.* An interest penalty shall be paid automatically by the designated payment office, without request from the Contractor, if payment is not made by the due date and the conditions listed in paragraphs (a)(6)(i) through (a)(6)(iii) of this clause are met, if applicable. However, when the due date falls on a Saturday, Sunday, or legal holiday when Federal Government offices are closed and Government business is not expected to be conducted, payment may be made

on the following business day without incurring a late payment interest penalty.

(i) A proper invoice was received by the designated billing office.

(ii) A receiving report or other Government documentation authorizing payment was processed, and there was no disagreement over quantity, quality, or Contractor compliance with any contract term or condition.

(iii) In the case of a final invoice for any balance of funds due the Contractor for supplies delivered or services performed, the amount was not subject to further contract settlement actions between the Government and the Contractor.

(7) *Computing penalty amount.* The interest penalty shall be at the rate established by the Secretary of the Treasury under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) that is in effect on the day after the due date, except where the interest penalty is prescribed by other governmental authority (e.g., tariffs). This rate is referred to as the "Renegotiation Board Interest Rate," and it is published in the Federal Register semiannually on or about January 1 and July 1. The interest penalty shall accrue daily on the invoice principal payment amount approved by the Government until the payment date of such approved principal amount; and will be compounded in 30-day increments inclusive from the first day after the due date through the payment date. That is, interest accrued at the end of any 30-day period will be added to the approved invoice principal payment amount and will be subject to interest penalties if not paid in the succeeding 30-day period. If the designated billing office failed to notify the Contractor of a defective invoice within the periods prescribed in paragraph (g)(5) of this clause, the due date on the corrected invoice will be adjusted by subtracting from such date the number of days taken beyond the prescribed notification of defects period. Any interest penalty owed the Contractor will be based on this adjusted due date. Adjustments will be made by the designated payment office for errors in calculating interest penalties.

(i) For the sole purpose of computing an interest penalty that might be due the Contractor, Government acceptance shall be deemed to have occurred constructively on the 7th day (unless otherwise specified in this contract) after the Contractor delivered the supplies or performed the services in accordance with the terms and conditions of the contract, unless there is a disagreement over quantity, quality, or Contractor compliance with a contract provision. In the event that actual acceptance occurs within the constructive acceptance period, the determination of an interest penalty shall be based on the actual date of acceptance. The constructive acceptance requirement does not, however, compel Government officials to accept supplies or services, perform contract administration functions, or make payment prior to fulfilling their responsibilities.

(ii) The following periods of time will not be included in the determination of an interest penalty:

(A) The period taken to notify the Contractor of defects in invoices submitted to the Government, but this may not exceed 7 days (3 days for meat, meat food products, or fish; 5 days for perishable agricultural commodities, dairy products, edible fats or oils, and food products prepared from edible fats or oils).

(B) The period between the defects notice and resubmission of the corrected invoice by the Contractor.

(C) For incorrect electronic funds transfer (EFT) information, in accordance with the EFT clause of this contract.

(iii) Interest penalties will not continue to accrue after the filing of a claim for such penalties under the clause at 52.233-1, Disputes, or for more than 1 year. Interest penalties of less than \$1 need not be paid.

(iv) Interest penalties are not required on payment delays due to disagreement between the Government and the Contractor over the payment amount or other issues involving contract compliance or on amounts temporarily withheld or retained in accordance with the terms of the contract. Claims involving disputes, and any interest that may be payable, will be resolved in accordance with the clause at 52.233-1, Disputes.

(8) Prompt payment discounts. An interest penalty also shall be paid automatically by the designated payment office, without request from the Contractor, if a discount for prompt payment is taken improperly. The interest penalty will be calculated as described in paragraph (g)(7) of this clause on the amount of discount taken for the period beginning with the first day after the end of the discount period through the date when the Contractor is paid.

(9) *Additional interest penalty.* (i) If this contract was awarded on or after October 1, 1989, a penalty amount, calculated in accordance with paragraph (a)(9)(iii) of this clause, shall be paid in addition to the interest penalty amount if the Contractor—

(A) Is owed an interest penalty of \$1 or more;

(B) Is not paid the interest penalty within 10 days after the date the invoice amount is paid; and

(C) Makes a written demand to the designated payment office for additional penalty payment, in accordance with paragraph (a)(9)(ii) of this clause, postmarked not later than 40 days after the invoice amount is paid.

(ii) (A) Contractors shall support written demands for additional penalty payments with the following data. No additional data shall be required. Contractors shall—

(1) Specifically assert that late payment interest is due under a specific invoice, and request payment of all overdue late payment interest penalty and such additional penalty as may be required;

(2) Attach a copy of the invoice on which the unpaid late payment interest was due; and

(3) State that payment of the principal has been received, including the date of receipt.

(B) Demands must be postmarked on or before the 40th day after payment was made, except that—

(1) If the postmark is illegible or nonexistent, the demand must have been received and annotated with the date of receipt by the designated payment office on or before the 40th day after payment was made; or

(2) If the postmark is illegible or nonexistent and the designated payment office fails to make the required annotation, the demand's validity will be determined by the date the Contractor has placed on the demand; provided such date is no later than the 40th day after payment was made.

(iii) (A) The additional penalty shall be equal to 100 percent of any original late payment interest penalty, except—

(1) The additional penalty shall not exceed \$5,000;

(2) The additional penalty shall never be less than \$25; and

(3) No additional penalty is owed if the amount of the underlying interest penalty is less than \$1.

(B) If the interest penalty ceases to accrue in accordance with the limits stated in paragraph (a)(5)(iii) of this clause, the amount of the additional penalty shall be calculated on the amount of interest penalty that would have accrued in the absence of these limits, subject to the overall limits on the additional penalty specified in subdivision (a)(7)(iii)(A) of this clause.

(C) For determining the maximum and minimum additional penalties, the test shall be the interest penalty due on each separate payment made for each separate contract. The maximum and minimum additional penalty shall not be based upon individual invoices unless the invoices are paid separately. Where payments are consolidated for disbursing purposes, the maximum and minimum additional penalty determination shall be made separately for each contract therein.

(D) The additional penalty does not apply to payments regulated by other Government regulations (e.g., payments under utility contracts subject to tariffs and regulation).

(b) *Contract financing payments.* (1) Due dates for recurring financing payments. If this contract provides for contract financing, requests for payment shall be submitted to the designated billing office as specified in this contract or as directed by the Contracting Officer. Contract financing payments shall be made on the *[insert day as prescribed by Agency head; if not prescribed, insert 30th day]* day after receipt of a proper contract financing request by the designated billing office. In the event that an audit or other review

of a specific financing request is required to ensure compliance with the terms and conditions of the contract, the designated payment office is not compelled to make payment by the due date specified.

(2) Due dates for other contract financing. For advance payments, loans, or other arrangements that do not involve recurring submissions of contract financing requests, payment shall be made in accordance with the corresponding contract terms or as directed by the Contracting Officer.

(3) Interest penalty not applicable. Contract financing payments shall not be assessed an interest penalty for payment delays.

(c) Fast payment procedure due dates. If this contract contains the clause at 52.213-1, Fast Payment Procedure, payments will be made within 15 days after the date of receipt of the invoice.

(End of clause)

552.232-70 Invoice Requirements.

As prescribed in [532.111\(a\)](#), insert the following clause:

INVOICE REQUIREMENTS (SEP 1999)

(a) Invoices shall be submitted in an original only, unless otherwise specified, to the designated billing office specified in this contract or order.

(b) Invoices must include the Accounting Control Transaction (ACT) number provided below or on the order.

ACT Number *[Contracting Officer insert number]*

(c) In addition to the requirements for a proper invoice specified in the Prompt Payment clause of this contract or order, the following information or documentation must be submitted with each invoice:

[Contracting Officer list additional requirements.]

(End of clause)

552.232-71 Adjusting Payments.

As prescribed in [532.111\(b\)](#), insert the following clause:

ADJUSTING PAYMENTS (SEP 1999)

(a) Under the Inspection of Services clause of this contract, payments may be adjusted if any services do not conform with contract requirements. The Contracting Officer or a designated representative will inform the Contractor, in writing, of the type and dollar amount of proposed deductions by the 10th workday of the month following the performance period for which the deductions are to be made.

(b) The Contractor may, within 10 working days of receipt of the notification of the proposed deductions, present to the

Contracting Officer specific reasons why any or all of the proposed deductions are not justified. Reasons must be solidly based and must provide specific facts that justify reconsideration and/or adjustment of the amount to be deducted. Failure to respond within the 10-day period will be interpreted to mean that the Contractor accepts the deductions proposed.

(c) All or a portion of the final payment may be delayed or withheld until the Contracting Officer makes a final decision on the proposed deduction. If the Contracting Officer determines that any or all of the proposed deductions are warranted, the Contracting Officer shall so notify the Contractor, and adjust payments under the contract accordingly.

(End of clause)

552.232-72 Final Payment.

As prescribed in [532.111\(c\)](#), insert the following clause:

FINAL PAYMENT (SEP 1999)

Before final payment is made, the Contractor shall furnish the Contracting Officer with a release of all claims against the Government relating to this contract, other than claims in stated amounts that are specifically excepted by the Contractor from the release. If the Contractor's claim to amounts payable under the contract has been assigned under the Assignment of Claims Act of 1940, as amended (31 U.S.C. 3727, 41 U.S.C. 15), a release may also be required of the assignee.

(End of clause)

552.232-73 Availability of Funds.

As prescribed in [532.705-1](#), insert the following clause:

AVAILABILITY OF FUNDS (SEP 1999)

The authorization of performance of work under this contract during the initial contract period and any option or extension period(s) is contingent upon the appropriation of funds to procure this service. If the contract is awarded, extended, or option(s) exercised, the Government's obligation beyond the end of the fiscal year (September 30), in which the award or extension is made or option(s) exercised, is contingent upon the availability of funds from which payment for the contract services can be made. No legal liability on the part of the Government for payment of any money beyond the end of each fiscal year (September 30) shall arise unless or until funds are made available to the Contracting Officer for this procurement and written notice of such availability is given to the Contractor.

(End of clause)

552.232-74 Invoice Payments.

As prescribed in [532.908\(a\)\(1\)](#), insert the following clause:

INVOICE PAYMENTS (SEP 1999)

(a) The due date for making invoice payments by the designated payment office is:

(1) For orders placed electronically by the General Services Administration (GSA) Federal Supply Service (FSS), and to be paid by GSA through electronic funds transfer (EFT), the later of the following two events:

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

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

(2) For all other orders, the later of the following two events:

(i) The 30th 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 30th day after the date of the Contractor's invoice; provided the Contractor submitted a proper invoice and no disagreement exists over quantity, quality, or Contractor compliance with contract requirements.

(ii) The 30th day after Government acceptance of supplies delivered or services performed by the Contractor.

(3) On a final invoice, if the payment amount is subject to contract settlement actions, acceptance occurs on the effective date of the contract settlement.

(b) The General Services Administration will issue payment on the due date in paragraph (a)(1) of this clause if the Contractor complies with full cycle electronic commerce. Full cycle electronic commerce includes all the following elements:

(1) The Contractor must receive and fulfill electronic data interchange (EDI) purchase orders (transaction set 850).

(2) The Contractor must generate and submit to the Government valid EDI invoices (transaction set 810) or submit invoices through the GSA Finance Center Internet-based invoice process. Internet-based invoices must be submitted using procedures provided by GSA.

(3) The Contractor's financial institution must receive and process, on behalf of the Contractor, EFT payments through the Automated Clearing House (ACH) system.

(4) The EDI transaction sets in paragraphs (b)(1) through (b)(3) of this clause must adhere to implementation conventions provided by GSA.

(c) If any of the conditions in paragraph (b) of this clause do not occur, the 10-day payment due dates in paragraph (a)(1) of this clause become 30-day payment due dates.

(d) Notwithstanding paragraph (g) of the clause at FAR 52.212-4, Contract Terms and Conditions—Commercial Items, if the Contractor submits hard-copy invoices, submit only an original invoice. No copies of the invoice are required.

(e) All other provisions of the Prompt Payment Act (31 U.S.C. 3901 et seq.) and Office of Management and Budget (OMB) Circular A-125, Prompt Payment, apply.

(End of clause)

552.232-75 Prompt Payment.

As prescribed in [532.908\(b\)\(1\)](#), insert the following clause:

PROMPT PAYMENT (SEP 1999)

The Government will make payments under the terms and conditions specified in this clause. Payment shall be considered as being made on the day a check is dated or an electronic funds transfer is made. All days referred to in this clause are calendar days, unless otherwise specified.

(a) *Payment due date.* (1) *Rental payments.* Rent shall be paid monthly in arrears and will be due on the first workday of each month, and only as provided for by the lease.

(i) When the date for commencement of rent falls on the 15th day of the month or earlier, the initial monthly rental payment under this contract shall become due on the first workday of the month following the month in which the commencement of the rent is effective.

(ii) When the date for commencement of rent falls after the 15th day of the month, the initial monthly rental payment under this contract shall become due on the first workday of the second month following the month in which the commencement of the rent is effective.

(2) *Other payments.* The due date for making payments other than rent shall be the later of the following two events:

(i) The 30th day after the designated billing office has received a proper invoice from the Contractor.

(ii) The 30th day after Government acceptance of the work or service. However, if the designated billing office fails to annotate the invoice with the actual date of receipt, the invoice payment due date shall be deemed to be the 30th day after the Contractor's invoice is dated, provided a proper invoice is received and there is no disagreement over quantity, quality, or Contractor compliance with contract requirements.

(b) *Invoice and inspection requirements for payments other than rent.*

(1) The Contractor shall prepare and submit an invoice to the designated billing office after completion of the work. A proper invoice shall include the following items:

- (i) Name and address of the Contractor.
- (ii) Invoice date.
- (iii) Lease number.
- (iv) Government's order number or other authorization.
- (v) Description, price, and quantity of work or services delivered.
- (vi) Name and address of Contractor official to whom payment is to be sent (must be the same as that in the remittance address in the lease or the order).
- (vii) Name (where practicable), title, phone number, and mailing address of person to be notified in the event of a defective invoice.

(2) The Government will inspect and determine the acceptability of the work performed or services delivered within 7 days after the receipt of a proper invoice or notification of completion of the work or services unless a different period is specified at the time the order is placed. If actual acceptance occurs later, for the purpose of determining the payment due date and calculation of interest, acceptance will be deemed to occur on the last day of the 7 day inspection period. If the work or service is rejected for failure to conform to the technical requirements of the contract, the 7 days will be counted beginning with receipt of a new invoice or notification. In either case, the Contractor is not entitled to any payment or interest unless actual acceptance by the Government occurs.

(c) *Interest Penalty.* (1) An interest penalty shall be paid automatically by the Government, without request from the Contractor, if payment is not made by the due date.

(2) The interest penalty shall be at the rate established by the Secretary of the Treasury under Section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) that is in effect on the day after the due date. This rate is referred to as the "Renegotiation Board Interest Rate," and it is published in the *Federal Register* semiannually on or about January 1 and July 1. The interest penalty shall accrue daily on the payment amount approved by the Government and be compounded in 30-day increments inclusive from the first day after the due date through the payment date.

(3) Interest penalties will not continue to accrue after the filing of a claim for such penalties under the clause at 52.233-1, Disputes, or for more than 1 year. Interest penalties of less than \$1.00 need not be paid.

(4) Interest penalties are not required on payment delays due to disagreement between the Government and Contractor over the payment amount or other issues involving contract compliance or on amounts temporarily withheld or retained in accordance with the terms of the contract. Claims involving disputes, and any interest that may be payable, will

be resolved in accordance with the clause at 52.233-1, Disputes.

(End of clause)

Alternate I (Sep 1999). If Alternate I is used, subparagraph (a)(1) of the basic clause should be designated as paragraph (a) and subparagraph (a)(2) and paragraph (b) should be deleted. Paragraph (c) of the basic clause should be redesignated (b).

552.232-76 Electronic Funds Transfer Payment.

As prescribed in [532.908\(b\)\(2\)](#), insert the following clause:

ELECTRONIC FUNDS TRANSFER PAYMENT (MAR 2000)

(a) The Government will make payments under this lease by electronic funds transfer (EFT). The Lessor must, no later than 30 days before the first payment:

(1) Designate a financial institution for receipt of EFT payments.

(2) Submit this designation to the Contracting Officer or other Government official, as directed.

(b) The Lessor must provide the following information:

(1) The American Bankers Association 9-digit identifying number for Automated Clearing House (ACH) transfers of the financing institution receiving payment if the institution has access to the Federal Reserve Communications System.

(2) Number of account to which funds are to be deposited.

(3) Type of depositor account ("C" for checking, "S" for savings).

(4) If the Lessor is a new enrollee to the EFT system, the Lessor must complete and submit a "Payment Information Form," SF 3881, before payment can be processed.

(c) If the Lessor, during the performance of this contract, elects to designate a different financial institution for the receipt of any payment, the appropriate Government official must receive notice of such change and the required information specified above no later than 30 days before the date such change is to become effective.

(d) The documents furnishing the information required in this clause must be dated and contain the:

(1) Signature, title, and telephone number of the Lessor or the Lessor's authorized representative.

(2) Lessor's name.

(3) Lease number.

(e) Lessor's failure to properly designate a financial institution or to provide appropriate payee bank account information may delay payments of amounts otherwise properly due.

(End of clause)

552.232-77 Payment By Governmentwide Commercial Purchase Card.

As prescribed in [532.7003](#), insert the following clause:

PAYMENT BY GOVERNMENTWIDE COMMERCIAL
PURCHASE CARD (MAR 2000)

(a) Definitions. “Governmentwide commercial purchase card” means a uniquely numbered credit card issued by a contractor under GSA’s Governmentwide Contract for Fleet, Travel, and Purchase Card Services to named individual Government employees or entities to pay for official Government purchases.

“Oral order” means an order placed orally either in person or by telephone.

(b) At the option of the Government and if agreeable to the Contractor, payments of * or less for oral or written orders may be made using the Governmentwide commercial purchase card.

(c) The Contractor shall not process a transaction for payment through the credit card clearinghouse until the purchased supplies have been shipped or services performed. Unless the cardholder requests correction or replacement of a defective or faulty item under other contract requirements, the Contractor must immediately credit a cardholder’s account for items returned as defective or faulty.

(d) Payments made using the Governmentwide commercial purchase card are not eligible for any negotiated prompt payment discount. Payment made using a Government debit card will receive the applicable prompt payment discount.

(End of clause)

**Enter amount not to exceed \$100,000.*

Alternate I (Mar 2000). For FSS schedule solicitations and contracts, replace paragraph (b) of the basic clause and add paragraph (c) as follows. Redesignate paragraphs (c) and (d) of the basic clause as (d) and (e) respectively.

(b) The Contractor must accept the Governmentwide commercial purchase card for payments equal to or less than the micro-purchase threshold (see Federal Acquisition Regulation 2.101) for oral or written orders under this contract.

(c) The Contractor and the ordering agency may agree to use the Governmentwide commercial purchase card for dollar amounts over the micro-purchase threshold, and the Government encourages the Contractor to accept payment by the purchase card. The dollar value of a purchase card action must not exceed the ordering agency’s established limit. If the Contractor will not accept payment by the purchase card for an order exceeding the micro-purchase threshold, the Contractor must so advise the ordering agency within 24 hours of receipt of the order.

552.232-78 Payment Information.

As prescribed in [532.908\(c\)](#), insert the following clause:

PAYMENT INFORMATION (JUL 2000)

The General Services Administration (GSA) makes information on contract payments available electronically at <http://www.finance.gsa.gov>. The Contractor may register at the site and review its record of payments. This site provides information only on payments made by GSA, not by other agencies.

(End of clause)

552.232-79 Payment by Credit Card.

As prescribed in [532.7003\(c\)](#) insert the following clause:

PAYMENT BY CREDIT CARD (MAY 2003)

(a) Definitions.

“Credit card” means any credit card used to pay for purchases, including the Governmentwide Commercial Purchase Card.

“Governmentwide commercial purchase card” means a uniquely numbered credit card issued by a Contractor under GSA’s Governmentwide Contract for Fleet, Travel, and Purchase Card Services to named individual Government employees or entities to pay for official Government purchases.

“Oral order” means an order placed orally either in person or by telephone.

(b) The Contractor must accept the credit card for payments equal to or less than the micro-purchase threshold (see Federal Acquisition Regulation 2.101) for oral or written orders under this contract.

(c) The Contractor and the ordering agency may agree to use the credit card for dollar amounts over the micro-purchase threshold, and the Government encourages the Contractor to accept payment by the purchase card. The dollar value of a purchase card action must not exceed the ordering agency’s established limit. If the Contractor will not accept payment by the purchase card for an order exceeding the micro-purchase threshold, the Contractor must so advise the ordering agency within 24 hours of receipt of the order.

(d) The Contractor shall not process a transaction for payment through the credit card clearinghouse until the purchased supplies have been shipped or services performed. Unless the cardholder requests correction or replacement of a defective or faulty item under other contract requirements, the Contractor must immediately credit a cardholder’s account for items returned as defective or faulty.

(e) Payments made using the Governmentwide commercial purchase card are not eligible for any negotiated prompt payment discount. Payment made using an ordering activity

debit card will receive the applicable prompt payment discount.

(End of clause)

552.232-81 Payments by Non-Federal Ordering

Activities.

As prescribed in [532.206\(b\)](#), insert the following clause:

PAYMENTS BY NON-FEDERAL ORDERING ACTIVITIES
(MAY 2003)

If eligible non-federal ordering activities are subject to a State prompt payment law, the terms and conditions of the applicable State law apply to the orders placed under this contract by such activities. If eligible non-federal ordering activities are not subject to a State prompt payment law, the terms and conditions of the Federal Prompt Payment Act as reflected in Federal Acquisition Regulation clause 52.232-25, Prompt Payment, or 52.212-4, Contract Terms and Conditions—Commercial Items, apply to such activities in the same manner as to Federal ordering activities.

(End of clause)

552.232-82 Contractor's Remittance (Payment) Address.

As prescribed in [532.206\(c\)](#), insert the following provision:

CONTRACTOR'S REMITTANCE (PAYMENT) ADDRESS
(MAY 2003)

(a) Payment by electronic funds transfer (EFT) is the preferred method of payment. However, under certain conditions, the ordering activity may elect to make payment by check. The offeror shall indicate below the payment address to which checks should be mailed for payment of proper invoices submitted under a resultant contract.

Payment Address:

(b) Offeror shall furnish by attachment to this solicitation, the remittance (payment) addresses of all authorized participating dealers receiving orders and accepting payment by check in the name of the Contractor in care of the dealer, if different from their ordering address(es) specified elsewhere in this solicitation. If a dealer's ordering and remittance address differ, both must be furnished and identified as such.

(c) All offerors are cautioned that if the remittance (payment) address shown on an actual invoice differs from that shown in paragraph [\(b\)](#) of this provision or on the attachment,

the remittance address(es) in paragraph [\(b\)](#) of this provision or attached will govern. Payment to any other address, except as provided for through EFT payment methods, will require an administrative change to the contract.

NOTE: All orders placed against a Federal Supply Schedule contract are to be paid by the individual ordering activity placing the order. Each order will cite the appropriate ordering activity payment address, and proper invoices should be sent to that address. Proper invoices should be sent to GSA only for orders placed by GSA. Any other ordering activity's invoices sent to GSA will only delay your payment.

(End of provision)

552.232-83 Contractor's Billing Responsibilities.

As prescribed in [532.206\(d\)](#), insert the following clause:

CONTRACTOR'S BILLING RESPONSIBILITIES (MAY 2003)

The Contractor is required to perform all billings made pursuant to this contract. However, if the Contractor has dealers that participate on the contract and the billing/payment process by the Contractor for sales made by the dealer is a significant administrative burden, the following alternative procedures may be used. Where dealers are allowed by the Contractor to bill ordering activities and accept payment in the Contractor's name, the Contractor agrees to obtain from all dealers participating in the performance of the contract a written agreement, which will require dealers to—

- (1) Comply with the same terms and conditions regarding prices as the Contractor for sales made under the contract;
- (2) Maintain a system of reporting sales under the contract to the manufacturer, which includes—
 - (i) The date of sale;
 - (ii) The ordering activity to which the sale was made;
 - (iii) The service or product/model sold;
 - (iv) The quantity of each service or product/model sold;
 - (v) The price at which it was sold, including discounts; and
 - (vi) All other significant sales data.
- (3) Be subject to audit by the Government, with respect to sales made under the contract; and
- (4) Place orders and accept payments in the name of the Contractor in care of the dealer.

An agreement between a Contractor and its dealers pursuant to this procedure will not establish privity of contract between dealers and the Government.

(End of clause)

552.233-70 Protests Filed Directly with the General Services Administration.

As prescribed in [533.103-72](#), insert the following provision:

PROTESTS FILED DIRECTLY WITH THE GENERAL SERVICES ADMINISTRATION (MAR 2000)

(a) The following definitions apply in this provision:

“Agency Protest Official for GSA” means the official in the Office of Acquisition Policy designated to review and decide procurement protests filed with GSA.

“Deciding official” means the person chosen by the protester to decide the agency protest. The deciding official may be either the Contracting Officer or the Agency Protest Official.

(b) The filing time frames in FAR 33.103(e) apply. An agency protest is filed when the protest complaint is received at the location the solicitation designates for serving protests. GSA’s hours of operation are 8:00 a.m. to 4:30 p.m. Protests delivered after 4:30 p.m. will be considered received and filed the following business day.

(c) A protest filed directly with the General Services Administration (GSA) must:

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

(2) Be filed with the Contracting Officer.

(3) State whether the protester chooses to have the Contracting Officer or the Agency Protest Official for GSA decide the protest. If the protest is silent on this matter, the Contracting Officer will decide the protest.

(4) Indicate whether the protester prefers to make an oral presentation, a written presentation, or an oral presentation confirmed in writing, of arguments in support of the protest to the deciding official.

(5) Include the information required by FAR 33.103(d)(2):

(i) Name, address, fax number, and telephone number of the protester.

(ii) Solicitation or contract number.

(iii) Detailed statement of the legal and factual grounds for the protest, to include a description of resulting prejudice to the protester.

(iv) Copies of relevant documents.

(v) Request for a ruling by the agency.

(vi) Statement as to the form of relief requested.

(vii) All information establishing that the protester is an interested party for the purpose of filing a protest.

(viii) All information establishing the timeliness of the protest (see paragraph [\(b\)](#) of this provision).

(d) An interested party filing a protest with GSA has the choice of requesting either that the Contracting Officer or the Agency Protest Official for GSA decide the protest.

(e) The decision by the Agency Protest Official for GSA is an alternative to a decision by the Contracting Officer. The

Agency Protest Official for GSA will not consider appeals from the Contracting Officer’s decision on an agency protest.

(f) The deciding official must conduct a scheduling conference with the protester within three (3) days after the protest is filed. The scheduling conference will establish deadlines for oral or written arguments in support of the agency protest and for agency officials to present information in response to the protest issues. The deciding official may hear oral arguments in support of the agency protest at the same time as the scheduling conference, depending on availability of the necessary parties.

(g) Oral conferences may take place either by telephone or in person. Other parties (e.g., representatives of the program office) may attend at the discretion of the deciding official.

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

(1) The protester and the agency have only one opportunity to support or explain the substance of the protest (either orally, in writing, or orally confirmed in writing).

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

(3) The deciding official has discretion to request additional information from either the agency or the protester. However, the deciding official will normally decide protests on the basis of information provided by the protester and the agency.

(4) Except as provided in paragraph (h)(5)(ii) of this provision, the parties are encouraged, but not required, to exchange information submitted to the Agency Protest Official for GSA.

(5) If the agency makes a written response to the protest, the following filing requirements apply:

(i) The agency must file its response to the protest with the deciding official within five (5) days after the filing of the protest.

(ii) The agency must also provide the protester with a copy of the response on the same day it files the response with the deciding official. If the agency believes it needs to redact or withhold any information in the response from the protester, it must obtain the approval of the deciding official.

(i) The deciding official will resolve the protest through informal presentations or meetings to the maximum extent practicable.

(j) An interested party may represent itself or be represented by legal counsel. GSA will not reimburse the party for any legal fees related to the agency protest.

(k) GSA will stay award or suspend contract performance in accordance with FAR 33.103(f). The stay or suspension, unless over-ridden, remains in effect until the protest is decided, dismissed, or withdrawn.

(l) The deciding official will make a best effort to issue a decision on the protest within twenty-eight (28) days after the filing date. The decision may be oral or written. If the decision is communicated orally to the protester, the deciding official

will confirm in writing within three (3) days after the decision.

(m) 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.

(End of provision)

552.233-71 Disputes (Utility Contracts).

As prescribed in [533.215](#), insert the following clause:

DISPUTES (UTILITY CONTRACTS) (JAN 2005)

The requirements of the Disputes clause at FAR 52.233-1 are supplemented to provide that matters involving the interpretation of tariffed retail rates, tariff rate schedules, and tariffed terms provided under this contract are subject to the jurisdiction and regulation of the utility rate commission having jurisdiction.

(End of clause)

552.236-70 Definitions.

As prescribed in [536.570-1](#), insert the following clause:

DEFINITIONS (APR 1984)

The terms “Administration” and “Service” as used in this contract shall mean the General Services Administration (GSA) and the Public Buildings Service (PBS), respectively.

(End of clause)

552.236-71 Authorities and Limitations.

As prescribed in [536.570-2](#), insert the following clause:

AUTHORITIES AND LIMITATIONS (APR 1984)

(a) All work shall be performed under the general direction of the Contracting Officer, who alone shall have 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 shall have 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 shall 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 shall be furnished to the Contractor.

(b) The Contractor shall 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) of anyone not authorized to issue such order.

(End of clause)

552.236-72 Specialist.

As prescribed in [536.570-3](#), insert the following clause:

SPECIALIST (APR 1984)

The term “Specialist,” as used in the contract specification, shall mean an individual or firm of established reputation (or, if newly organized, whose personnel have previously established a reputation in the same field), which is regularly engaged in, and which maintains a regular force of workmen skilled in either (as applicable) manufacturing or fabricating items required by the contract, installing items required by the contract, or otherwise performing work required by the contract. Where the contract specification requires installation by a specialist, that term shall also be deemed to mean either the manufacturer of the item, an individual or firm licensed by the manufacturer, or an individual or firm who will perform the work under the manufacturer’s direct supervision.

(End of clause)

552.236-73 Basis of Award—Construction Contract.

As prescribed in [536.570-4](#), insert the following provision or the appropriate Alternate:

BASIS OF AWARD—CONSTRUCTION CONTRACT
(APR 1985)

(a) The low bidder for purposes of award is the responsible bidder offering the lowest price for the base bid (consisting of the lump sum bid and any associated unit price bids extended by the applicable number of units shown on the bid form). See Standard Form 1442, Solicitation, Offer, and Award and the provision entitled “Contract Award—Sealed Bidding.”

(b) A bid may be rejected as nonresponsive if the bid is materially unbalanced as to bid prices. A bid is unbalanced when the bid is based on prices significantly less than cost for some work and significantly overstated for other work.

(End of provision)

Alternate I (Apr 1985). If the solicitation includes a base bid and options, the Contracting Officer shall delete

paragraph (a) of the basic provision and insert paragraph (a) substantially as follows:

(a) The low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for (1) the base bid (consisting of the lump sum bid and any associated unit price bids extended by the applicable number of units shown on the bid form) plus (2) all options designated to be evaluated. The evaluation of options will not obligate the Government to exercise the options. See Standard Form 1442, Solicitation, Offer, and Award and the provision entitled “Contract Award—Sealed Bidding.”

Alternate II (Apr 1985). If the solicitation includes a base bid and alternates, the Contracting Officer shall delete paragraph (a) of the basic provision and insert paragraphs (a), (c), and (d) substantially as follows:

(a) The low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for (1) the base bid (consisting of the lump sum bid and any associated unit price bids extended by the applicable number of units shown on the bid form) plus (2) those alternates in the order of priority listed in the solicitation that provide the most features of work within the funds available at bid opening. See the provision entitled “Contract Award—Sealed Bidding.”

(c) Alternates will be added to the base bid in the order listed in the solicitation (see Standard Form 1442, Solicitation, Offer, and Award). If the addition of an alternate would make all bids exceed the funds available at bid opening, that alternate shall be skipped and the next subsequent alternate in a lower amount shall be added, provided that the aggregate of base bid and the selected alternates do not exceed the funds available at bid opening. For example, when the amount available is \$100,000 and a bidder’s base bid is \$85,000, with its separate bids on four successive alternates being \$10,000, \$8,000, \$6,000, and \$4,000, the aggregate amount of the bid for purposes of selecting the alternates would be \$99,000 (base bid plus the first and fourth alternates). The second and third alternates are skipped because each of them would cause the aggregate of the base bid and alternates to exceed the \$100,000 amount available when considered with the first alternate. All bids shall be evaluated on the basis of the same alternates.

(d) After the low bidder has been determined in accordance with paragraph (a), an award may be made to that low bidder on the base bid, plus any combination of alternates for which funds are available at the time of award, but only if the award amount does not exceed the amount offered by any other responsible bidder. If the base bid plus the proposed combination of alternates exceed the amount offered by any other responsible bidder for the same combination of alternates, the award cannot be made on that combination of alternates.

Alternate III (Apr 1985). If the solicitation includes a base bid, alternates, and options, the Contracting Officer shall delete paragraph (a) of the basic provision and insert paragraphs (a), (c), and (d) substantially as follows:

(a) The low bidder for purposes of award is the responsible bidder offering the lowest aggregate price for (1) the base bid (consisting of the lump sum bid and any associated unit price bids extended by the applicable number of units shown on the bid form) plus (2) those alternates in the order of priority listed in the solicitation that provide the most features of work within the funds available at bid opening plus (3) all options designated to be evaluated except those options associated with alternates which are skipped during the selection process outlined in paragraph (c) of this provision. The evaluation of options will not obligate the Government to exercise the options. See the provision entitled “Contract Award—Sealed Bidding.”

(c) Alternates will be added to the base bid in the order listed in the solicitation (see Standard Form 1442, Solicitation, Offer, or Award). If the addition of an alternate would make all bids exceed the funds available at bid opening, that alternate shall be skipped and the next subsequent alternate in a lower amount shall be added, provided that the aggregate of base bid and the selected alternates do not exceed the funds available at bid opening. For example, when the amount available is \$100,000 and a bidder’s base bid is \$85,000, with its separate bids on four successive alternates being \$10,000, \$8,000, \$6,000, and \$4,000, the aggregate amount of the bid for purposes of selecting the alternates would be \$99,000 (base bid plus the first and fourth alternates). The second and third alternates are skipped because each of them would cause the aggregate of the base bid and alternates to exceed the \$100,000 amount available when considered with the first alternate. All bids shall be evaluated on the basis of the same alternates.

(d) After the low bidder has been determined in accordance with paragraph (a), award may be made to that low bidder on the base bid and evaluated options plus any combination of alternates for which funds are available at the time of award, but only if that low bidder is still low on the sum thereof plus any previously unevaluated options designated to be evaluated which are associated with proposed alternates that were skipped during the selection under paragraph (c) of this provision. If that low bidder is not still low, award cannot be made on the proposed combination of alternates.

552.236-74 Working hours.

As prescribed in [536.570-5](#), insert the following clause:

WORKING HOURS (APR 1984)

(a) It is contemplated that all work will be performed during the customary working hours of the trades involved unless otherwise specified in this contract. Work performed by the Contractor at his own volition outside such customary working hours shall be at no additional expense to the Government.

(b) Any requests received by the Contractor from occupants of existing buildings to change the hours of work shall be referred to the Contracting Officer for determination.

(End of clause)

552.236-75 Use of Premises.

As prescribed in [536.570-6](#), insert the following clause:

USE OF PREMISES (APR 1984)

(a) If the premises are occupied, the Contractor, his subcontractors, and their employees shall comply with the regulations governing access to, operation of, and conduct while in or on the premises and shall perform the work required under this contract in such a manner as not to unreasonably interrupt or interfere with the conduct of Government business.

(b) Any request received by the Contractor from occupants of existing buildings to change the sequence of work shall be referred to the Contracting Officer for determination.

(c) If the premises are occupied, the Contractor, his subcontractors and their employees shall not have access to or be admitted into any building outside the scope of this contract except with official permission.

(End of clause)

552.236-76 Measurements.

As prescribed in [536.570-7](#), insert the following clause:

MEASUREMENTS (APR 1984)

All dimensions shown of existing work and all dimensions required for work that is to connect with work now in place, shall be verified by the Contractor by actual measurement of the existing work. Any discrepancies between the contract requirements and the existing conditions shall be referred to the Contracting Officer before any work affected thereby has been performed.

(End of clause)

552.236-77 Specifications and Drawings.

As prescribed in [536.570-8](#), insert the following clause:

SPECIFICATIONS AND DRAWINGS (SEP 1999)

The requirements of the clause entitled “Specifications and Drawings for Construction” at FAR 52.236-21, are supplemented as follows:

(a) In case of difference between small and large-scale drawings, the large-scale drawings shall govern. Schedules on any contract drawing shall take precedence over conflicting information on that or any other contract drawing. On any of the drawings where a portion of the work is detailed or drawn out and the remainder is shown in outline, the parts detailed or drawn out shall apply also to all other like portions of the work.

(b) Where the word “similar” occurs on the drawings, it shall have a general meaning and not be interpreted as being identical, and all details shall be worked out in relation to their location and their connection with other parts of the work.

(c) Standard Details or Specification Drawings are applicable when listed, bound with the specifications, noted on the drawings or referenced elsewhere in the specifications. Where

the notes on the drawings indicate modifications, such modifications shall govern.

(d) In case of difference between Standard Details or Specification Drawings and the specifications, the specifications will govern. In case of difference between the Standard Details or Specification Drawings and the drawings prepared specifically for this contract, the later shall govern.

(End of clause)

552.236-78 Shop Drawings, Coordination Drawings, and Schedules.

As prescribed in [536.570-9](#), insert the following clause:

SHOP DRAWINGS, COORDINATION DRAWINGS, AND
SCHEDULES (SEP 1999)

The requirements, of the clause entitled “Specifications and Drawings for Construction” at FAR 52.236-21, are supplemented as follows:

(a) The Contractor shall submit shop drawings, coordination drawings, and schedules for approval as required by the specifications or requested by the Contracting Officer as follows:

(b) Shop drawings shall include fabrication, erection and setting drawings, schedule drawings, manufacturers’ scale drawings, wiring and control diagrams, cuts or entire catalogs, pamphlets, descriptive literature, and performance and test data.

(c) Drawings and schedules, other than catalogs, pamphlets and similar printed material, shall be submitted in reproducible form with two prints made by a process approved by the Contracting Officer. Upon approval, the reproducible form will be returned to the Contractor who shall then furnish the number of additional prints, not to exceed 10, required by the specifications. The Contractor shall submit shop drawings in catalog, pamphlet and similar printed form in a minimum of four copies plus as many additional copies as the Contractor may desire or need for his use or use by subcontractors.

(d) Before submitting shop drawings on the mechanical and electrical work, the Contractor shall submit and obtain the Contracting Officer’s approval of such lists of mechanical and electrical equipment and materials as may be required by the specifications.

(e) Each shop drawing or coordination drawing shall have a blank area 5 by 5 inches, located adjacent to the title block. The title block shall display the following:

Number and title of drawing

Date of drawing or revision

Name of project building or facility

Name of Contractor and (if appropriate) name of subcontractor submitting drawing

Clear identity of contents and location on the work

Project title and contract number

(f) Unless otherwise provided in this contract, or otherwise directed by the Contracting Officer, shop drawings, coordination drawings and schedules shall be submitted to the Contracting Officer, with a letter in triplicate, sufficiently in advance of construction requirements to permit no less than 10 working days for checking and appropriate action.

(g) Approval of drawings and schedules will be general and shall not be construed as permitting any departure from the contract requirements, or as approving departures from full-size details furnished by the Contracting Officer.

(End of clause)

552.236-79 Samples.

As prescribed in [536.570-10](#), insert the following clause:

SAMPLES (APR 1984)

(a) After the award of the contract, the Contractor shall furnish for the approval of the Contracting Officer samples required by the specifications or by the Contracting Officer. Samples shall be delivered to the Contracting Officer or to the Architect as specified or as directed. The Contractor shall prepay all shipping charges on samples. Materials or equipment for which samples are required shall not be used in the work until approved in writing by the Contracting Officer.

(b) Each sample shall have a label indicating:

- (1) Name of project building or facility, project title and contract number.
- (2) Name of Contractor and, if appropriate, name of subcontractor.
- (3) Identification of material or equipment with specification requirement.
- (4) Place of origin.
- (5) Name of producer and brand (if any).

Samples of finished materials shall have additional markings that will identify them under the finish schedules.

(c) The Contractor shall mail under separate cover a letter in triplicate submitting each shipment of samples and containing the information required in paragraph (b) of this clause. He shall enclose a copy of this letter with the shipment and send a copy to the Government representative on the project. Approval of a sample shall be only for the characteristics or use named in such approval and shall not be construed to change or modify any contract requirement. Substitutions will not be permitted unless they are approved in writing by the Contracting Officer.

(d) Approved samples not destroyed in testing will be sent to the Government representative at the project. Approved samples of hardware in good condition will be marked for identification and may be used in the work. Materials and equipment, incorporated in the work shall match the approved samples. Other samples not destroyed in testing or not

approved will be returned to the Contractor at his expense if so requested at time of submission.

(e) Failure of any material to pass the specified tests will be sufficient cause for refusal to consider, under this contract, any further samples of the same brand or make of that material or equipment which previously has proved unsatisfactory in service.

(f) Samples of various materials or equipment delivered on the site or in place may be taken by the Government representative for testing. Samples failing to meet contract requirements will automatically void previous approvals of the items tested. The Contractor shall replace such materials or equipment found not to have met contract requirements, or there shall be a proper adjustment of the contract price as determined by the Contracting Officer.

(g) Unless otherwise specified, when tests are required only one test of each sample proposed for use will be made at the expense of the Government. Samples which do not meet specification requirements will be rejected. Testing of additional samples will be made by the Government at the expense of the Contractor.

(End of clause)

552.236-80 Heat.

As prescribed in [536.570-11](#), insert the following clause:

HEAT (APR 1984)

Unless otherwise specified or unless already provided by the Government the Contractor shall:

- (a) Provide heat, as necessary to protect all work, materials, and equipment against injury from dampness and cold;
- (b) Protect, cover and/or heat as may be necessary, to produce and maintain a temperature of not less than 50 degrees Fahrenheit (1) in the concrete during the placing, setting and curing of concrete, and (2) in the plaster during the application, setting and curing of plaster; and
- (c) Provide heat as necessary in the area where work is to be done to provide the minimum temperature recommended by the supplier or manufacturer of the material, but in no case less than 50 degrees Fahrenheit, for a period beginning 10 days before placing of interior finishes and finish materials and continuing until completion or beneficial occupancy of the area, whichever is earlier.

(End of clause)

552.236-81 Use of Equipment by the Government.

As prescribed in [536.570-12](#), insert the following clause:

USE OF EQUIPMENT BY THE GOVERNMENT (APR 1984)

(a) The Government may take over and operate, with Government employees, such equipment as is necessary for heat-

ing or cooling such areas of the building as require the service, as soon as the installation is sufficiently complete.

(b) The Contracting Officer will advise the Contractor by letter, prior to the use of equipment, which items of equipment will be operated, and the date and time such operation will begin.

(c) Government operation of equipment will not relieve the Contractor of the one-year guarantee on materials and workmanship elsewhere provided for in this contract.

(d) The guarantee period, elsewhere provided for in this contract, for each piece of equipment shall be in accordance with the “Guarantees” clause of this contract.

(End of clause)

552.236-82 Subcontracts.

As prescribed in [536.570-13](#), insert the following clause:

SUBCONTRACTS (APR 1984)

(a) Nothing contained in the contract shall be construed as creating any contractual relationship between any subcontractor and the Government. The divisions or sections of the specifications are not intended to control the Contractor in dividing the work among subcontractors, or to limit the work performed by any trade.

(b) The Contractor shall be responsible to the Government for acts and omissions of his own employees and of subcontractors and their employees. He shall also be responsible for the coordination of the work of the trades, subcontractors and suppliers.

(c) The Government will not undertake to settle any differences between or among the Contractor, subcontractors, or suppliers.

(End of clause)

552.236-83 Requirement for a Project Labor Agreement.

As prescribed in [536.570-14](#), insert a clause substantially the same as the following:

REQUIREMENT FOR A PROJECT LABOR AGREEMENT (SEP 1999)

(a) *Definition.* “Project Labor Agreement” (PLA) means an agreement between the contractor, subcontractors, and the union(s) representing workers. Under a PLA, the contractor and subcontractors on a project and the union(s) agree on terms and conditions of employment for the project, establishing a framework for labor-management cooperation to advance the Government’s procurement interest in cost, efficiency, and quality.

(b) The Contractor shall, after contract award, enter into a PLA for performance of *[Insert project or contract name]*. The PLA binds the Contractor and subcontractors of whatever

tier engaged in onsite construction work. The PLA shall include all the following terms:

(1) Guarantees against strikes, lockouts, and similar work disruptions.

(2) Effective, prompt and mutually binding procedures for resolving labor disputes arising during the project.

(3) Other mechanisms for labor-management cooperation on matters of mutual interest and concern, including productivity, quality of work, safety, and health.

(4) The PLA shall fully conform to all applicable statutes, regulations, and Executive Orders.

(c) Any PLA reached under this clause shall not change the terms of this contract or provide for any pricing adjustment by the Government.

(d) The Government shall not participate in the negotiations of any PLA.

(e) Nothing in this clause precludes contractors or subcontractors from competing for contracts or subcontracts on this project without discrimination based on union or non-union status.

(End of clause)

552.237-70 Qualifications of Offerors.

As prescribed in [537.110\(a\)](#), insert the following provision:

QUALIFICATIONS OF OFFERORS (MAY 1989)

(a) Offers will be considered only from responsible organizations or individuals now or recently engaged in the performance of building service contracts comparable to those described in this solicitation. In order to determine an Offeror’s qualifications, the Offeror may be requested to furnish a narrative statement listing comparable contracts which it has performed; a general history of its operating organization; and its complete experience. An Offeror may also be required to furnish a statement of its financial resources; show that it has the ability to maintain a staff of regular employees adequate to ensure continuous performance of the work; and, demonstrate that its equipment and/or plant capacity for the work contemplated is sufficient, adequate, and suitable.

(b) Competency in performing comparable building service contracts, demonstration of acceptable financial resources, personnel staffing, plant, equipment, and supply sources will be considered in determining whether an Offeror is responsible.

(c) Prospective Offerors are advised that in evaluating these areas involving any small business concern(s), any negative determinations are subject to the Certificate of Competency procedures set forth in the Federal Acquisition Regulation.

(End of provision)

552.237-71 Qualifications of Employees.

As prescribed in [537.110\(b\)](#), 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 shall 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 shall be fingerprinted.

(c) Each employee of the Contractor shall 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 Prohibition Regarding “Quasi-Military Armed Forces.”

As prescribed in [537.110\(c\)](#), insert the following clause:

PROHIBITION REGARDING “QUASI-MILITARY
ARMED FORCES” (SEP 1999)

The Contractor must not, during the term of this contract, offer for hire “Quasi-Military Armed Forces” within the meaning of the court decision in United States ex. rel. Weinberger v. Equifax, 557 F. 2d 456 (5th Cir., 1977).

(End of clause)

552.237-73 Restriction on Disclosure of Information.

As prescribed in [537.270](#), insert the following clause:

RESTRICTION ON DISCLOSURE OF INFORMATION
(SEP 1999)

(a) The Contractor shall, 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 shall 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 shall 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 shall immediately notify, in writing, the Contract-

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

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

(c) The Contractor shall 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)

552.238-70 Identification of Electronic Office Equipment Providing Accessibility for the Handicapped.

As prescribed in [538.273\(a\)\(1\)](#), insert the following clause:

IDENTIFICATION OF ELECTRONIC OFFICE EQUIPMENT
PROVIDING ACCESSIBILITY FOR THE HANDICAPPED
(SEP 1991)

(a) *Definitions.* “Electronic office equipment accessibility” means the application/configuration of electronic office equipment (includes hardware, software and firmware) in a manner that accommodates the functional limitations of individuals with disabilities (i.e., handicapped individuals) so as to promote productivity and provide access to work related and/or public information resources.

“Handicapped individuals” mean qualified individuals with impairments as cited in 29 CFR 1613.702(f) who can benefit from electronic office equipment accessibility.

“Special peripheral” means a special needs aid that provides access to electronic equipment that is otherwise inaccessible to a handicapped individual.

(b) The offeror is encouraged to identify in its offer, and include in any commercial catalogs and pricelists accepted by the Contracting Officer, office equipment, including any special peripheral, that will facilitate electronic office equipment accessibility for handicapped individuals. Identification should include the type of disability accommodated and how the users with that disability would be helped.

(End of clause)

552.238-71 Submission and Distribution of Authorized FSS Schedule Pricelists.

As prescribed in [538.273\(a\)\(2\)](#), insert the following clause:

SUBMISSION AND DISTRIBUTION OF AUTHORIZED FSS
SCHEDULE PRICELISTS (SEP 1999)

(a) *Definition.* For the purposes of this clause, the Mailing List is [*Contracting officer shall insert either: “the list of*

addressees provided to the Contractor by the Contracting Officer” or “the Contractor’s listing of its Federal Government customers”].

(b) The Contracting Officer will return one copy of the Authorized FSS Schedule Pricelist to the Contractor with the notification of contract award.

(1) The Contractor shall provide to the GSA Contracting Officer:

(i) Two paper copies of Authorized FSS Schedule Pricelist; and

(ii) The Authorized FSS Schedule Pricelist on a common-use electronic medium.

The Contracting Officer will provide detailed instructions for the electronic submission with the award notification. Some structured data entry in a prescribed format may be required.

(2) The Contractor shall provide to each addressee on the mailing list either:

(i) One paper copy of the Authorized FSS Schedule Price List; or

(ii) A self-addressed, postage-paid envelope or postcard to be returned by addressees that want to receive a paper copy of the pricelist. The Contractor shall distribute price lists within 20 calendar days after receipt of returned requests.

(3) The Contractor shall advise each addressee of the availability of pricelist information through the on-line Multiple Award Schedule electronic data base.

(c) The Contractor shall make all of the distributions required in paragraph (c) at least 15 calendar days before the beginning of the contract period, or within 30 calendar days after receipt of the Contracting Officer’s approval for printing, whichever is later.

(d) During the period of the contract, the Contractor shall provide one copy of its Authorized FSS Schedule Pricelist to any authorized schedule user, upon request. Use of the mailing list for any other purpose is not authorized.

(End of clause)

Alternate I (May 2003). As prescribed in [538.273\(a\)\(2\)](#), substitute the following paragraph (a) for paragraph (a) of the basic clause:

(a) *Definition.* For the purposes of this clause, the Mailing List is [Contracting officer shall insert either: “the list of addressees provided to the Contractor by the Contracting Officer” or “the Contractor’s listing of its ordering activity customers”].

552.238-72 Identification of Products that have Environmental Attributes.

As prescribed in [538.273\(a\)\(3\)](#), insert the following clause:

IDENTIFICATION OF PRODUCTS THAT HAVE ENVIRONMENTAL ATTRIBUTES (SEP 2003)

(a) Several laws, Executive orders, and Agency directives require Federal buyers to purchase products that are less harmful to the environment, when they are life cycle cost-effective (see FAR Subpart 23.7). The U.S. General Services Administration (GSA) requires contractors to highlight environmental products under Federal Supply Service schedule contracts in various communications media (e.g., publications and electronic formats).

(b) *Definitions.* As used in this clause—

“Energy-efficient product” means a product that—

(1) Meets Department of Energy and Environmental Protection Agency criteria for use of the ENERGY STAR® trademark label; or

(2) Is in the upper 25 percent of efficiency for all similar products as designated by the Department of Energy’s Federal Energy Management Program.

“GSA *Advantage!*” is an on-line shopping mall and ordering system that provides customers with access to products and services under GSA contracts.

“Other environmental attributes” refers to product characteristics that provide environmental benefits, excluding recovered materials and energy and water efficiency. Several examples of these characteristics are biodegradable, recyclable, reduced pollutants, ozone safe, and low volatile organic compounds (VOCs).

“Post-consumer material” means a material or finished product that has served its intended use and has been discarded for disposal or recovery, having completed its life as a consumer item. Post-consumer material is part of the broader category of “recovered material.” The Environmental Protection Agency (EPA) has developed a list of EPA-designated products in their Comprehensive Procurement Guidelines (CPGs) to provide Federal agencies with purchasing recommendations on specific products in a Recovered Materials Advisory Notice (RMAN). The RMAN contains recommended recovered and post-consumer material content levels for the specific products designated by EPA (40 CFR part 247 and <http://www.epa.gov/cpg/>).

“Recovered materials” means waste materials and by-products recovered or diverted from solid waste, but the term does not include those materials and by-products generated from, and commonly reused within, an original manufacturing process (Executive Order 13101 and 42 U.S.C. 6903(19) and <http://www.epa.gov/cpg/>). For paper and paper products, see the definition at FAR 11.301 (42 U.S.C. 6962(h)).

“Remanufactured” means factory rebuilt to original specifications.

“Renewable energy” means energy produced by solar, wind, geothermal, and biomass power.

“Renewable energy technology” means—

(1) Technologies that use renewable energy to provide light, heat, cooling, or mechanical or electrical energy for use in facilities or other activities; or

(2) The use of integrated whole-building designs that rely upon renewable energy resources, including passive solar design.

(c) (1) The offeror must identify products that—

(i) Are compliant with the recovered and post-consumer material content levels recommended in the Recovered Materials Advisory Notices (RMANs) for EPA-designated products in the CPG program (<http://www.epa.gov/cpg/>);

(ii) Contain recovered materials that either do not meet the recommended levels in the RMANs or are not EPA-designated products in the CPG program (see FAR 23.401 and <http://www.epa.gov/cpg/>);

(iii) Are energy-efficient, as defined by either ENERGY STAR® and/or FEMP’s designated top 25th percentile levels (see ENERGY STAR® at <http://www.energystar.gov/> and FEMP at <http://www.eere.energy.gov/femp/procurement/>);

(iv) Are water-efficient;

(v) Use renewable energy technology;

(vi) Are remanufactured; and

(vii) Have other environmental attributes.

(2) These identifications must be made in each of the offeror’s following mediums:

(i) The offer itself.

(ii) Printed commercial catalogs, brochures, and pricelists.

(iii) Online product website.

(iv) Electronic data submission for GSA *Advantage!* submitted via GSA’s Schedules Input Program (SIP) software or the Electronic Data Inter-change (EDI). Offerors can use the SIP or EDI methods to indicate environmental and other attributes for each product that are translated into respective icons in GSA *Advantage!*.

(d) An offeror, in identifying an item with an environmental attribute, must possess evidence or rely on a reasonable basis to substantiate the claim (see 16 CFR part 260, Guides for the Use of Environmental Marketing Claims). The Government will accept an offeror’s claim of an item’s environmental attribute on the basis of—

(1) Participation in a Federal agency sponsored program (e.g., the EPA and DOE ENERGY STAR® product labeling program);

(2) Verification by an independent organization that specializes in certifying such claims; or

(3) Possession of competent and reliable evidence. For any test, analysis, research, study, or other evidence to be “competent and reliable,” it must have been conducted and evaluated in an objective manner by persons qualified to do so, using procedures generally accepted in the profession to yield accurate and reliable results.

(End of clause)

552.238-73 Cancellation

As prescribed in [538.273\(a\)\(4\)](#), insert the following clause:

CANCELLATION (SEP 1999)

Either party may cancel this contract in whole or in part by providing written notice. The cancellation will take effect 30 calendar days after the other party receives the notice of cancellation. If the Contractor elects to cancel this contract, the Government will not reimburse the minimum guarantee.

(End of clause)

552.238-74 Industrial Funding Fee and Sales Reporting.

As prescribed in [538.273\(b\)\(1\)](#), insert the following clause:

INDUSTRIAL FUNDING FEE AND SALES REPORTING
(JUL 2003)

(a) *Reporting of Federal Supply Schedule Sales.* The Contractor shall report all contract sales under this contract as follows:

(1) The Contractor shall accurately report the dollar value, in U.S. dollars and rounded to the nearest whole dollar, of all sales under this contract by calendar quarter (January 1–March 31, April 1–June 30, July 1–September 30, and October 1–December 31). The dollar value of a sale is the price paid by the Schedule user for products and services on a Schedule task or delivery order. The reported contract sales value shall include the Industrial Funding Fee (IFF). The Contractor shall maintain a consistent accounting method of sales reporting, based on the Contractor’s established commercial accounting practice. The acceptable points at which sales may be reported include—

(i) Receipt of order;

(ii) Shipment or delivery, as applicable;

(iii) Issuance of an invoice; or

(iv) Payment.

(2) Contract sales shall be reported to FSS within 30 calendar days following the completion of each reporting quarter. The Contractor shall continue to furnish quarterly reports, including “zero” sales, through physical completion of the last outstanding task order or delivery order of the contract.

(3) Reportable sales under the contract are those resulting from sales of contract items to authorized users unless the purchase was conducted pursuant to a separate contracting authority such as a Governmentwide Acquisition Contract (GWAC); a separately awarded FAR Part 12, FAR Part 13, FAR Part 14, or FAR Part 15 procurement; or a non-FAR contract. Sales made to state and local governments under Cooperative Purchasing authority shall be counted as reportable sales for IFF purposes.

(4) The Contractor shall electronically report the quarterly dollar value of sales, including “zero” sales, by utilizing the automated reporting system at an Internet website designated by the General Services Administration (GSA)’s Federal Supply Service (FSS). Prior to using this automated system, the Contractor shall complete contract registration with the FSS Vendor Support Center (VSC). The website address, as well as registration instructions and reporting procedures, will be provided at the time of award. The Contractor shall report sales separately for each National Stock Number (NSN), Special Item Number (SIN), or sub-item.

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

(b) The Contractor shall remit the IFF at the rate set by GSA’s FSS.

(1) The Contractor shall remit the IFF to FSS in U.S. dollars within 30 calendar days after the end of the reporting quarter; final payment shall be remitted within 30 days after physical completion of the last outstanding task order or delivery order of the contract.

(2) The IFF represents a percentage of the total quarterly sales reported. This percentage is set at the discretion of GSA’s FSS. GSA’s FSS has the unilateral right to change the percentage at any time, but not more than once per year. FSS will provide reasonable notice prior to the effective date of the change. The IFF reimburses FSS for the costs of operating the Federal Supply Schedules Program and recoups its operating costs from ordering activities. Offerors must include the IFF in their prices. The fee is included in the award price(s) and reflected in the total amount charged to ordering activities. FSS will post notice of the current IFF at <http://72a.fss.gsa.gov/> or successor website as appropriate.

(c) Within 60 days of award, an FSS representative will provide the Contractor with specific written procedural instructions on remitting the IFF. FSS reserves the unilateral right to change such instructions from time to time, following notification to the Contractor.

(d) Failure to remit the full amount of the IFF within 30 calendar days after the end of the applicable reporting period constitutes a contract debt to the United States Government under the terms of FAR Subpart 32.6. The Government may exercise all rights under the Debt Collection Improve-

ment Act of 1996, including withholding or setting off payments and interest on the debt (see FAR clause 52.232-17, Interest). Should the Contractor fail to submit the required sales reports, falsify them, or fail to timely pay the IFF, this is sufficient cause for the Government to terminate the contract for cause.

(End of clause)

552.238-75 Price Reductions.

As prescribed in [538.273\(b\)\(2\)](#), insert the following clause:

PRICE REDUCTIONS (MAY 2004)

(a) Before award of a contract, the Contracting Officer and the Offeror will agree upon (1) the customer (or category of customers) which will be the basis of award, and (2) the Government’s price or discount relationship to the identified customer (or category of customers). This relationship shall be maintained throughout the contract period. Any change in the Contractor’s commercial pricing or discount arrangement applicable to the identified customer (or category of customers) which disturbs this relationship shall constitute a price reduction.

(b) During the contract period, the Contractor shall report to the Contracting Officer all price reductions to the customer (or category of customers) that was the basis of award. The Contractor’s report shall include an explanation of the conditions under which the reductions were made.

(c) (1) A price reduction shall apply to purchases under this contract if, after the date negotiations conclude, the Contractor—

(i) Revises the commercial catalog, pricelist, schedule or other document upon which contract award was predicated to reduce prices;

(ii) Grants more favorable discounts or terms and conditions than those contained in the commercial catalog, pricelist, schedule or other documents upon which contract award was predicated; or

(iii) Grants special discounts to the customer (or category of customers) that formed the basis of award, and the change disturbs the price/discount relationship of the Government to the customer (or category of customers) that was the basis of award.

(2) The Contractor shall offer the price reduction to the Government with the same effective date, and for the same time period, as extended to the commercial customer (or category of customers).

(d) There shall be no price reduction for sales—

(1) To commercial customers under firm, fixed-price definite quantity contracts with specified delivery in excess of the maximum order threshold specified in this contract;

(2) To Federal agencies;

(3) Made to State and local government entities when the order is placed under this contract (and the State and local government entity is the agreed upon customer or category of customer that is the basis of award); or

AMENDMENT 2007-01 FEBRUARY 1, 2007

552.238-76

GENERAL SERVICES ADMINISTRATION ACQUISITION MANUAL

(4) Caused by an error in quotation or billing, provided adequate documentation is furnished by the Contractor to the Contracting Officer.

(e) The Contractor may offer the Contracting Officer a voluntary Governmentwide price reduction at any time during the contract period.

(f) The Contractor shall notify the Contracting Officer of any price reduction subject to this clause as soon as possible, but not later than 15 calendar days after its effective date.

(g) The contract will be modified to reflect any price reduction which becomes applicable in accordance with this clause.

(End of clause)

Alternate I (May 2003). As prescribed in [538.273\(b\)\(2\)](#) substitute the following paragraph (c)(2) for paragraph (c)(2) of the basic clause, and substitute the following paragraph (d)(2) for paragraph (d)(2) of the basic clause.

(c)(2) The Contractor shall offer the price reduction to the eligible ordering activities with the same effective date, and for the same time period, as extended to the commercial customer (or category of customers).

(d)(2) To eligible ordering activities under this contract; or

552.238-76 Definition (Federal Supply Schedules)—Recovery Purchasing.

As prescribed in [538.7104\(a\)](#), insert the following clause:

DEFINITION (FEDERAL SUPPLY SCHEDULES)—RECOVERY PURCHASING (FEB 2007)

Ordering activity (also called “ordering agency” and “ordering office”) means an eligible ordering activity (see [552.238-78](#), Alternate I) authorized to place orders under Federal Supply Schedule contracts.

(End of clause)

552.238-77 Definition (Federal Supply Schedules).

As prescribed in [538.7004\(a\)](#), insert the following clause:

DEFINITION (FEDERAL SUPPLY SCHEDULES) (MAY 2003)

Ordering activity (also called “ordering agency” and “ordering office”) means an eligible ordering activity (see [552.238-78](#)) authorized to place orders under Federal Supply Schedule contracts.

(End of clause)

552.238-78 Scope of Contract (Eligible Ordering Activities).

As prescribed in [538.7004\(b\)](#) insert the following clause:

SCOPE OF CONTRACT (ELIGIBLE ORDERING ACTIVITIES) (MAY 2004)

(a) This solicitation is issued to establish contracts which may be used on a nonmandatory basis by the agencies and

activities named below, as a source of supply for the supplies or services described herein, for domestic and/or overseas delivery. For Special Item Number 132-53, Wireless Services ONLY, limited geographic coverage (consistent with the Offeror's commercial practice) may be proposed.

(1) Executive agencies (as defined in FAR Subpart 2.1) including nonappropriated fund activities as prescribed in 41 CFR 101-26.000;

(2) Government contractors authorized in writing by a Federal agency pursuant to FAR 51.1;

(3) Mixed ownership Government corporations (as defined in the Government Corporation Control Act);

(4) Federal Agencies, including establishments in the legislative or judicial branch of government (except the Senate, the House of Representatives and the Architect of the Capitol and any activities under the direction of the Architect of the Capitol).

(5) The District of Columbia;

(6) Tribal governments when authorized under 25 USC 450j(k);

(7) Qualified Nonprofit Agencies as authorized under 40 USC 502(b); and

(8) Organizations, other than those identified in paragraph (d) of this clause, authorized by GSA pursuant to statute or regulation to use GSA as a source of supply.

(b) *Definitions.* *Domestic delivery* is delivery within the 48 contiguous states, Alaska, Hawaii, Puerto Rico, Washington, DC, and U.S. territories. Domestic delivery also includes a port or consolidation point, within the aforementioned areas, for orders received from overseas activities.

Overseas delivery is delivery to points outside of the 48 contiguous states, Washington, DC, Alaska, Hawaii, Puerto Rico, and U.S. territories.

(c) Offerors are requested to check one of the following boxes:

Contractor will provide domestic and overseas delivery.

Contractor will provide overseas delivery only.

Contractor will provide domestic delivery only.

(d) The following activities may place orders against information technology schedule 70 contracts and Consolidated Products and Services Schedule contracts containing information technology special item numbers, on an optional basis; PROVIDED, the Contractor accepts order(s) from such activities: State and local government, includes any state, local, regional or tribal government or any instrumentality thereof (including any local educational agency or institution of higher learning).

(e) Articles or services may be ordered from time to time in such quantities as may be needed to fill any requirement, subject to the Order Limitations thresholds which will be specified in resultant contracts. Overseas activities may place orders directly with schedule contractors for delivery to CONUS port or consolidation point.

(f) (1) The Contractor is obligated to accept orders received from activities within the Executive branch of the Federal Government.

AMENDMENT 2007-01 FEBRUARY 1, 2007

(2) The Contractor is not obligated to accept orders received from activities outside the Executive branch; however, the Contractor is encouraged to accept such orders. If the Contractor elects to accept such orders, all provisions of the contract shall apply, including clause [552.232-79](#), Payment by Credit Card. If the Contractor is unwilling to accept such orders, and the proposed method of payment is not through the Credit Card, the Contractor shall return the order by mail or other means of delivery within 5 workdays from receipt. If the Contractor is unwilling to accept such orders, and the proposed method of payment is through the Credit Card, the Contractor must so advise the ordering activity within 24 hours of receipt of order. (Reference clause [552.232-79](#), Payment by Credit Card.) Failure to return an order or advise the ordering activity within the time frames of this paragraph shall constitute acceptance whereupon all provisions of the contract shall apply.

(g) The Government is obligated to purchase under each resultant contract a guaranteed minimum of \$2,500 (two thousand, five hundred dollars) during the contract term.

(End of clause)

Alternate I (FEB 2007). As prescribed in [538.7104\(b\)](#), substitute the following paragraphs (a) and (d) for paragraphs (a) and (d) of the basic clause:

(a) This solicitation is issued to establish contracts which may be used on a nonmandatory basis by the agencies and activities named below, as a source of supply for the supplies or services described herein, for domestic delivery.

(1) Executive agencies (as defined in Federal Acquisition Regulation Subpart 2.1) including nonappropriated fund activities as prescribed in 41 CFR 101-26.000;

(2) Government contractors authorized in writing by a Federal agency pursuant to Federal Acquisition Regulation Subpart 51.1;

(3) Mixed ownership Government corporations (as defined in the Government Corporation Control Act);

(4) Federal Agencies, including establishments in the legislative or judicial branch of government (except the Senate, the House of Representatives and the Architect of the Capitol and any activities under the direction of the Architect of the Capitol);

(5) The District of Columbia;

(6) Tribal governments when authorized under 25 U.S.C. 450j(k);

(7) Qualified Nonprofit Agencies as authorized under 40 U.S.C. 502(b); and

(8) Organizations, other than those identified in paragraph (d) of this clause, authorized by GSA pursuant to statute or regulation to use GSA as a source of supply.

(d) The following activities may place orders against Federal Supply Schedules for products and services determined by the Secretary of Homeland Security to facilitate recovery from major disasters, terrorism, or nuclear, biological, chem-

ical, or radiological attack, on an optional basis; PROVIDED, the Contractor accepts order(s) from such activities: State and local government entities, includes any state, local, regional or tribal government or any instrumentality thereof (including any local educational agency or institution of higher learning).

“State and local government entities”, means the states of the United States, counties, municipalities, cities, towns, townships, tribal governments, public authorities (including public or Indian housing agencies under the United States Housing Act of 1937), school districts, colleges and other institutions of higher education, council of governments (incorporated or not), regional or interstate government entities, or any agency or instrumentality of the preceding entities (including any local educational agency or institution of higher education), and including legislative and judicial departments. The term does not include contractors of, or grantees of, State or local governments.

(1) “Local educational agency” has the meaning given that term in section 8013 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713).

(2) “Institution of higher education” has the meaning given that term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(3) “Tribal government” means—

(i) The governing body of any Indian tribe, band, nation, or other organized group or community located in the continental United States (excluding the State of Alaska) that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; and

(ii) Any Alaska Native regional or village corporation established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 *et seq.*).

552.238-79 Use of Federal Supply Schedule Contracts by Certain Entities—Cooperative Purchasing.

As prescribed in [538.7004\(b\)](#), insert the following clause:

USE OF FEDERAL SUPPLY SCHEDULE CONTRACTS BY
CERTAIN ENTITIES—COOPERATIVE PURCHASING
(MAY 2004)

(a) If an entity identified in paragraph (d) of the clause at [552.238-78](#), Scope of Contract (Eligible Ordering Activities), elects to place an order under this contract, the entity agrees that the order shall be subject to the following conditions:

(1) When the Contractor accepts an order from such an entity, a separate contract is formed which incorporates by reference all the terms and conditions of the Schedule contract except the Disputes clause, the patent indemnity clause, and the portion of the Commercial Item Contract Terms and Conditions that specifies “Compliance with laws unique to Government contracts” (which applies only to contracts with entities of the Executive branch of the U.S. Government). The parties to this new contract which incorporates the terms and

conditions of the Schedule contract are the individual ordering activity and the Contractor. The U.S. Government shall not be liable for the performance or nonperformance of the new contract. Disputes which cannot be resolved by the parties to the new contract may be litigated in any State or Federal court with jurisdiction over the parties, applying Federal procurement law, including statutes, regulations and case law, and, if pertinent, the Uniform Commercial Code. To the extent authorized by law, parties to this new contract are encouraged to resolve disputes through Alternative Dispute Resolution. Likewise, a Blanket Purchase Agreement (BPA), although not a contract, is an agreement that may be entered into by the Contractor with such an entity and the Federal Government is not a party.

(2) Where contract clauses refer to action by a Contracting Officer or a Contracting Officer of GSA, that shall mean the individual responsible for placing the order for the ordering activity (e.g., FAR 52.212-4 at paragraph (f) and FSS clause I-FSS-249 B.)

(3) As a condition of using this contract, eligible ordering activities agree to abide by all terms and conditions of the Schedule contract, except for those deleted clauses or portions of clauses mentioned in paragraph (a)(1) of this clause. Ordering activities may include terms and conditions required by statute, ordinance, regulation, order, or as otherwise allowed by State and local government entities as a part of a statement of work (SOW) or statement of objective (SOO) to the extent that these terms and conditions do not conflict with the terms and conditions of the Schedule contract. The ordering activity and the Contractor expressly acknowledge that, in entering into an agreement for the ordering activity to purchase goods or services from the Contractor, neither the ordering activity nor the Contractor will look to, primarily or in any secondary capacity, or file any claim against the United States or any of its agencies with respect to any failure of performance by the other party.

(4) The ordering activity is responsible for all payments due the Contractor under the contract formed by acceptance of the ordering activity's order, without recourse to the agency of the U.S. Government, which awarded the Schedule contract.

(5) The Contractor is encouraged, but not obligated, to accept orders from such entities. The Contractor may, within 5 days of receipt of the order, decline to accept any order, for any reason. The Contractor shall fulfill orders placed by such entities, which are not declined within the 5-day period.

(6) The supplies or services purchased will be used for governmental purposes only and will not be resold for personal use. Disposal of property acquired will be in accordance with the established procedures of the ordering activity for the disposal of personal property.

(b) If the Schedule Contractor accepts an order from an entity identified in paragraph (d) of the clause at [552.238-78](#), Scope of Contract (Eligible Ordering Activities), the Contractor agrees to the following conditions:

(1) The ordering activity is responsible for all payments due the Contractor for the contract formed by acceptance of

the order, without recourse to the agency of the U.S. Government, which awarded the Schedule contract.

(2) The Contractor is encouraged, but not obligated, to accept orders from such entities. The Contractor may, within 5 days of receipt of the order, decline to accept any order, for any reason. The Contractor shall decline the order using the same means as those used to place the order. The Contractor shall fulfill orders placed by such entities, which are not declined within the 5-day period.

(c) In accordance with clause [552.238-74](#), Industrial Funding Fee and Sales Reporting, the Contractor must report the quarterly dollar value of all sales under this contract. When submitting sales reports, the Contractor must report two dollar values for each Special Item Number:

(1) The dollar value for sales to entities identified in paragraph (a) of the clause at [552.238-78](#), Scope of Contract (Eligible Ordering Activities), and

(2) The dollar value for sales to entities identified in paragraph (d) of clause [552.238-78](#).

(End of clause)

552.238-80 Use of Federal Supply Schedule Contracts by Certain Entities—Recovery Purchasing.

As prescribed in [538.7104\(c\)](#), insert the following clause:

USE OF FEDERAL SUPPLY SCHEDULE CONTRACTS BY
CERTAIN ENTITIES—RECOVERY PURCHASING (FEB 2007)

(a) If an entity identified in paragraph (d) of the clause at [552.238-78](#), Scope of Contract (Eligible Ordering Activities)—Alternate I, elects to place an order under this contract, the entity agrees that the order shall be subject to the following conditions:

(1) When the Contractor accepts an order from such an entity, a separate contract is formed which incorporates by reference all the terms and conditions of the Schedule contract except the Disputes clause, the patent indemnity clause, and the portion of the Commercial Item Contract Terms and Conditions that specifies "Compliance with laws unique to Government contracts" (which applies only to contracts with entities of the Executive branch of the U.S. Government). The parties to this new contract which incorporates the terms and conditions of the Schedule contract are the individual ordering activity and the Contractor. The U.S. Government shall not be liable for the performance or nonperformance of the new contract. Disputes which cannot be resolved by the parties to the new contract may be litigated in any State or Federal court with jurisdiction over the parties, applying Federal procurement law, including statutes, regulations and case law, and, if pertinent, the Uniform Commercial Code. To the extent authorized by law, parties to this new contract are encouraged to resolve disputes through Alternative Dispute Resolution. Likewise, a Blanket Purchase Agreement (BPA), although not a contract, is an agreement that may be entered

AMENDMENT 2007-01 FEBRUARY 1, 2007

into by the Contractor with such an entity and the Federal Government is not a party.

(2) Where contract clauses refer to action by a Contracting Officer or a Contracting Officer of GSA, that shall mean the individual responsible for placing the order for the ordering activity (e.g., Federal Acquisition Regulation 52.212-4 at paragraph (f) and FSS clause I-FSS-249 B).

(3) As a condition of using this contract, eligible ordering activities agree to abide by all terms and conditions of the Schedule contract, except for those deleted clauses or portions of clauses mentioned in paragraph (a)(1) of this clause. Ordering activities may include terms and conditions required by statute, ordinance, regulation, order, or as otherwise allowed by State and local government entities as a part of a statement of work (SOW) or statement of objective (SOO) to the extent that these terms and conditions do not conflict with the terms and conditions of the Schedule contract. The ordering activity and the Contractor expressly acknowledge that, in entering into an agreement for the ordering activity to purchase goods or services from the Contractor, neither the ordering activity nor the Contractor will look to, primarily or in any secondary capacity, or file any claim against the United States or any of its agencies with respect to any failure of performance by the other party.

(4) The ordering activity is responsible for all payments due the Contractor under the contract formed by acceptance of the ordering activity's order, without recourse to the agency of the U.S. Government, which awarded the Schedule contract.

(5) The Contractor is encouraged, but not obligated, to accept orders from such entities. The Contractor may, within 5 days of receipt of the order, decline to accept any order, for any reason. The Contractor shall fulfill orders placed by such entities, which are not declined within the 5-day period.

(6) The supplies or services purchased will be used for governmental purposes only and will not be resold for personal use. Disposal of property acquired will be in accordance with the established procedures of the ordering activity for the disposal of personal property.

(7) The state or local government ordering activity will be responsible for purchasing products or services to be used to facilitate recovery from a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*) or to facilitate recovery from terrorism or nuclear, biological, chemical, or radiological attack.

(b) If the Schedule Contractor accepts an order from an entity identified in paragraph (d) of the clause at [552.238-78](#), Scope of Contract (Eligible Ordering Activities)—Alternate I, the Contractor agrees to the following conditions—

(1) The ordering activity is responsible for all payments due the Contractor for the contract formed by acceptance of the order, without recourse to the agency of the U.S. Government, which awarded the Schedule contract.

(2) The Contractor is encouraged, but not obligated, to accept orders from such entities. The Contractor may, within 5 days of receipt of the order, decline to accept any order, for any reason. The Contractor shall decline the order using the same means as those used to place the order. The Contractor shall fulfill orders placed by such entities, which are not declined within the 5-day period.

(c) In accordance with clause [552.238-74](#), Industrial Funding Fee and Sales Reporting, the Contractor must report the quarterly dollar value of all sales under this contract. When submitting sales reports, the Contractor must report two dollar values for each Special Item Number—

(1) The dollar value for sales to entities identified in paragraph (a) of the clause at [552.238-78](#), Scope of Contract (Eligible Ordering Activities)—Alternate I; and

(2) The dollar value for sales to entities identified in paragraph (d) of clause [552.238-78](#), Alternate I.

(d) A listing of the Federal Supply Schedule contracts for the products and services available for disaster recovery purchasing is accessible in GSA's Schedules e-Library at web site <http://www.gsaelibrary.gsa.gov>. Click on the link, "Disaster Recovery Purchasing, State and Local." The participating Contractors and the products and services available for disaster recovery purchasing will be labeled with the Disaster Recovery Purchasing icon.

(End of clause)

552.242-70 Status Report of Orders and Shipments.

As prescribed in [542.1107](#), insert the following clause:

STATUS REPORT OF ORDERS AND SHIPMENTS (APR 1992)

(a) The Contractor shall furnish to the Administrative Contracting Officer (ACO) a report covering orders received and shipments made during each calendar month of contract performance. The information required by the Government shall be reported on GSA Form 1678, Status Report of Orders and Shipments, in accordance with instructions on the form. The information required by the GSA Form 1678 may also be submitted in an automated printout form if authorized by the ACO. Alternatively, the required information may be reported by electronic data interchange using ANSI standards. For further information, contact GSA, Contract Administration Division [*Insert appropriate telephone number of FQC*]. Reports shall be forwarded to the ACO no later than the seventh workday of the succeeding month.

(b) An initial supply of GSA Form 1678 will be forwarded to the Contractor with the contract. Additional copies of the

form, if needed, may be obtained from the ACO, or reproduced by the Contractor.

(End of clause)

552.243-70 Pricing of Adjustments.

As prescribed in [543.205\(a\)\(1\)](#), insert the following clause:

PRICING OF ADJUSTMENTS (APR 1989)

When costs are a factor in any determination of a contract price adjustment, such costs shall be in accordance with the contract cost principles and procedures in Part 31 of the Federal Acquisition Regulation (48 CFR Part 31) in effect on the date of this contract.

(End of clause)

552.243-71 Equitable Adjustments.

As prescribed in [543.205\(a\)\(2\)](#), insert the following clause:

EQUITABLE ADJUSTMENTS (APR 1984)

(a) The provisions of the “Changes” clause prescribed by FAR 52.243-4 are supplemented as follows:

(1) Upon written request, the Contractor shall submit a proposal, in accordance with the requirements and limitations set forth in the “Equitable Adjustments” clause, for work involving contemplated changes covered by the request. The proposal shall be submitted within the time limit indicated in the request or any extension of such time limit as may be subsequently granted. The Contractor’s written statement of the monetary extent of a claim for equitable adjustment shall be submitted in the following form:

(i) Proposals totaling \$5,000 or less shall be submitted in the form of a lump sum proposal with supporting information to clearly relate elements of cost with specific items of work involved to the satisfaction of the Contracting Officer, or his/her authorized representative.

(ii) For proposals in excess of \$5,000, the claim for equitable adjustment shall be submitted in the form of a lump sum proposal supported with an itemized breakdown of all increases and decreases in the contract in at least the following detail:

Direct Costs

Material quantities by trades and unit costs (Manufacturing burden associated with material fabrication performed will be considered to be part of the material costs of the fabricated item delivered to the job site)

Labor breakdown by trades and unit costs (Identified with specific item of material to be placed or operation to be performed)

Construction equipment exclusively necessary for the change

Costs of preparation and/or revision to shop drawings resulting from the change

Workers’ Compensation and Public Liability Insurance

Employment taxes under FICA and FUTA

Bond Costs—when size of change warrants revision

Overhead, Profit and Commission

(2) The allowable overhead shall be determined in accordance with the contract cost principles and procedures in Part 31 of the Federal Acquisition Regulation (48 CFR Part 31) in effect on the date of this contract. The percentages for profit and commission shall be negotiated and may vary according to the nature, extent and complexity of the work involved, but in no case shall exceed the following unless the Contractor demonstrates entitlement to a higher percentage:

To:	Overhead	Profit	Commission
Contractor on work performed by other than his own forces	—	—	10%
First-tier subcontractor on work performed by his subcontractors	—	—	10%
Contractor and/or the subcontractors for that portion of the work performed with their respective forces	To be negotiated	10%	

Not more than four percentages will be allowed regardless of the number of tier subcontractors. The Contractor shall not be allowed a commission on the commission received by a first tier subcontractor. Equitable adjustments for deleted work shall include credits for overhead, profit and commission. On proposals covering both increases and decreases in the amount of the contract, the application of overhead and profit shall be on the net change in direct costs for the Contractor or subcontractor performing the work.

(3) The Contractor shall submit with the proposal his request for time extension (if any), and shall include sufficient information and dates to demonstrate whether and to what extent the change will delay the contract in its entirety.

(4) In considering a proposal, the Government shall make check estimates in detail, utilizing unit prices where specified or agreed upon, with a view to arriving at an equitable adjustment.

(5) After receipt of a proposal the Contracting Officer shall act thereon, within 30 days; provided however, that when the necessity to proceed with a change does not allow time properly to check a proposal or in the event of failure to reach an agreement on a proposal, the Government may order the Contractor to proceed on the basis of price to be deter-

mined at the earliest practicable date. Such price shall not be more than the increase or less than the decrease proposed.

(6) If a mutually acceptable agreement cannot be reached, the Contracting Officer may determine the price unilaterally.

(b) The provisions of the “Differing Site Conditions” clause prescribed by FAR 52.236-2 are supplemented as follows: The Contractor shall submit all claims for equitable adjustment in accordance with, and subject to the requirements and limitations set out in paragraph (a) of this “Equitable Adjustments” clause.

(End of clause)

552.243-72 Modifications (Multiple Award Schedule).

As prescribed in [543.205\(b\)](#), insert the following clause:

MODIFICATIONS (MULTIPLE AWARD SCHEDULE) (JUL 2000)

(a) *General.* The Contractor may request a contract modification by submitting a request to the Contracting Officer for approval, except as noted in paragraph (d) of this clause. At a minimum, every request shall describe the proposed change(s) and provide the rationale for the requested change(s).

(b) *Types of Modifications.*—(1) *Additional items/additional SINs.* When requesting additions, the following information must be submitted:

(i) Information requested in paragraphs (1) and (2) of the Commercial Sales Practice Format to add SINs.

(ii) Discount information for the new item(s) or new SIN(s). Specifically, submit the information requested in paragraphs 3 through 5 of the Commercial Sales Practice Format. If this information is the same as the initial award, a statement to that effect may be submitted instead.

(iii) Information about the new item(s) or the item(s) under the new SIN(s) as described in [552.212-70](#), Preparation of Offer (Multiple Award Schedule) is required.

(iv) Delivery time(s) for the new item(s) or the items under the new SIN(s) must be submitted in accordance with [552.211-78](#), Commercial Delivery Schedule (Multiple Award Schedule).

(v) Production point(s) for the new item(s) or the item(s) under the new SIN(s) must be submitted if required by 52.215-6, Place of Performance.

(vi) Hazardous material information (if applicable) must be submitted as required by 52.223-3 (ALT I), Hazardous Material Identification and Material Safety Data.

(vii) Any information requested by 52.212-3(f), Off-eror Representations and Certifications—Commercial Items, that may be necessary to assure compliance with FAR 52.225-1, Buy American Act—Balance of Payments Program—Supplies.

(2) *Deletions.* The Contractor shall provide an explanation for the deletion. The Government reserves the right to reject any subsequent offer of the same item or a substantially equal item at a higher price during the same contract period, if the contracting officer finds the higher price to be unreasonable when compared with the deleted item.

(3) *Price Reduction.* The Contractor shall indicate whether the price reduction falls under item (i), (ii), or (iii) of paragraph (c)(1) of the Price Reductions clause at [552.238-75](#). If the price reduction falls under item (i), the Contractor shall submit a copy of the dated commercial price list. If the price reduction falls under item (ii) or (iii), the Contractor shall submit a copy of the applicable price list(s), bulletins or letters or customer agreements which outline the effective date, duration, terms and conditions of the price reduction.

(c) *Effective Dates.* The effective date of any modification is the date specified in the modification, except as otherwise provided in the Price Reductions clause at [552.238-75](#).

(d) *Electronic File Updates.* The Contractor shall update electronic file submissions to reflect all modifications. For additional items or SINs, the Contractor shall obtain the contracting officer’s approval before transmitting changes. Contract modifications will not be made effective until the Government receives the electronic file updates. The Contractor may transmit price reductions, item deletions, and corrections without prior approval. However, the Contractor shall notify the contracting officer as set forth in the Price Reductions clause at [552.238-75](#).

(e) *Amendments to Paper Federal Supply Schedule Price Lists.* (1) The Contractor must provide supplements to its paper price lists, reflecting the most current changes. The Contractor may either:

(i) Distribute a supplemental paper Federal Supply Schedule Price List within 15 workdays after the effective date of each modification.

(ii) Distribute quarterly cumulative supplements. The period covered by a cumulative supplement is at the discretion of the Contractor, but may not exceed three calendar months from the effective date of the earliest modification. For example, if the first modification occurs in February, the quarterly supplement must cover February—April, and every 3 month period after. The Contractor must distribute each quarterly cumulative supplement within 15 workdays from the last day of the calendar quarter.

(2) At a minimum, the Contractor shall distribute each supplement to those ordering activities that previously received the basic document. In addition, the Contractor shall submit two copies of each supplement to the contracting officer, and one copy to the FSS Schedule Information Center.

(End of clause)

Alternate I (Sep 1999). As prescribed in [543.205\(b\)](#), substitute the following paragraph (d) for paragraph (d) of the basic clause:

(d) *Electronic File Updates.* The Contractor shall update electronic file submissions to reflect all modifications. For additional items or SINs, the Contractor shall obtain the contracting officer's approval before transmitting changes. Contract modifications will not be made effective until the Government receives the electronic file updates. The Contractor may transmit price reductions and corrections without prior approval. However, the Contractor shall notify the contracting officer as set forth in the Price Reductions clause at [552.238-75](#).

552.246-17 Warranty of Supplies of a Noncomplex

Nature

As prescribed in [546.710\(d\)](#), insert the following clause:

WARRANTY OF SUPPLIES OF A NONCOMPLEX NATURE
(DEC 1990) (DEVIATION FAR 52.246-17)

(a) *Definitions.* "Acceptance," as used in this clause, means the act of an authorized representative of the Government by which the Government assumes for itself, or as an agent of another, ownership of existing supplies, or approves specific services as partial or complete performance of the contract.

"Correction," as used in this clause, means the elimination of a defect.

"Supplies," as used in this clause, means the end item furnished by the Contractor and related services required under the contract. The word does not include "data."

(b) *Contractor's obligations.* (1) Notwithstanding inspection and acceptance by the Government of supplies furnished under this contract, or any condition of this contract concerning the conclusiveness thereof, the Contractor warrants that for *

(i) All supplies furnished under this contract will be free from defects in material or workmanship and will conform with the requirements of this contract; and

(ii) The preservation, packaging, packing, and marking, and the preparation for, and method of, shipment of such supplies will conform with the requirements of this contract.

(2) When return, correction, or replacement is required, the Contractor shall be responsible for all costs attendant to the return, correction or replacement of the nonconforming supplies. Any removal in connection with the above shall be done by the Contractor at its expense. However, the Contractor's liability for the transportation charges shall not exceed an amount equal to the cost of transportation by the usual commercial method of shipment between the place of delivery specified in the contract and the Contractor's plant, and return.

(3) Any supplies or parts thereof, corrected or furnished in replacement under this clause, shall also be subject to the terms of this clause to the same extent as supplies initially delivered. The warranty, with respect to supplies or parts thereof, shall be equal in duration to that in paragraph (a)(1) of this clause and shall run from the date of delivery of the corrected or replaced supplies.

(4) All implied warranties of merchantability and "fitness for a particular purpose" are excluded from any obligation contained in this contract.

(c) *Remedies available to the Government.* (1) The Contracting Officer shall give written notice to the Contractor of any breach of warranties in paragraph (a)(1) of this clause within **. This notice shall contain information concerning the deficiencies found, the location of the nonconforming supplies, and the quantity involved.

(2) Within a reasonable time after the notice, the Contracting Officer may either—

(i) Require, by written notice, the prompt correction or replacement of any supplies or parts thereof (including preservation, packaging, packing, and marking) that do not conform with the requirements of this contract within the meaning of paragraph (a)(1) of this clause; or

(ii) Retain such supplies and reduce the contract price by an amount equitable under the circumstances. When the nature of the defect in the nonconforming item is such that the defect affects an entire batch or lot of material, then the equitable price adjustment shall apply to the entire batch or lot of material from which the nonconforming item was taken.

(3) (i) If the contract provides for inspection of supplies by sampling procedures, conformance of supplies or components subject to warranty action shall be determined by the applicable sampling procedures in the contract. The Contracting Officer—

(A) May, for sampling purposes, group any supplies delivered under this contract;

(B) Shall require the size of the sample to be that required by sampling procedures specified in the contract for the quantity of supplies on which warranty action is proposed;

(C) May project warranty sampling results over supplies in the same shipment or other supplies contained in other shipments even though all of such supplies are not present at the point of reinspection; provided, that the supplies remaining are reasonably representative of the quantity on which warranty action is proposed; and

(D) Need not use the same lot size as on original inspection or reconstitute the original inspection lots.

(ii) Within a reasonable time after notice of any breach of the warranties specified in paragraph (a)(1) of this clause, the Contracting Officer may exercise one or more of the following options:

(A) Require an equitable adjustment in the contract price for any group of supplies.

(B) Screen the supplies grouped for warranty action under this clause at the Contractor's expense and return all nonconforming supplies to the Contractor for correction or replacement.

(C) Require the Contractor to screen the supplies at locations designated by the Government within the continental United States and to correct or replace all nonconforming supplies.

(D) Return the supplies grouped for warranty action under this clause to the Contractor (irrespective of the f.o.b. point or the point of acceptance) for screening and correction or replacement. All costs incurred by the Government in returning the nonconforming supplies, including costs to the freight carrier resulting from the Contractor's refusal to accept their return, shall be for the Contractor's account.

(4) (i) The Contracting Officer may, by contract or otherwise, correct or replace the nonconforming supplies with similar supplies from another source and charge to the Contractor the cost occasioned to the Government thereby if the Contractor—

(A) Fails to make redelivery of the corrected or replaced supplies within the time established for their return; or

(B) Fails either to accept return of the nonconforming supplies or fails to make progress after their return to correct or replace them so as to endanger performance of the delivery schedule, and in either of these circumstances does not cure such failure within a period of 10 days (or such longer period as the Contracting Office may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.

(ii) Instead of correction or replacement by the Government, the Contracting Officer may require an equitable adjustment of the contract price for all nonconforming supplies, including batch or lot materials which either have been consumed or other disposition has been made. In addition, if the Contractor fails to furnish timely disposition instructions, the Contracting Officer may return the supplies for screening and correction or replacement under paragraph (c)(3)(ii)(D) of this clause; store the nonconforming supplies for the Contractor's account; sell the nonconforming supplies to the highest bidder on the open market and apply the proceeds against the accumulated storage and other costs, including the cost of the sale; or otherwise dispose of the nonconforming supplies for the Contractor's account in a reasonable manner. The Government is entitled to reimbursement from the Contractor, or from the proceeds of such disposal, for the reasonable expenses of the care and disposition of the nonconforming supplies, as well as for excess costs incurred or to be incurred.

(5) The rights and remedies of the Government provided in this clause are in addition to and do not limit any rights afforded to the Government by any other clause of this contract.

(6) Unless otherwise provided, this warranty is applicable both within and outside the continental limits of the United States.

(7) In addition to other marking requirements of this contract, the Contractor shall stamp or mark the supplies delivered or otherwise furnish notice with the supplies of the existence of the warranty. The marking should briefly include (i) a statement that the warranty exists, (ii) the substance of the warranty, (iii) its duration, and (iv) whom to notify if the supplies are found to be defective.

(End of clause)

**State the specific period of time after delivery or the specified event whose occurrence will terminate the warranty period; e.g., the number of miles or hours of use, or combination of any applicable event or periods of time.*

***Insert specific period of time; e.g., "45 days from the last delivery under this contract," or "45 days after discovery of the defect." The number of days specified shall be no less than 30.*

Alternate I (Dec 1990). As prescribed in [546.710\(a\)\(1\)](#), substitute the following for paragraph (b)(1) of the basic clause and delete paragraph (b)(4) of the basic clause.

(1) Notwithstanding inspection and acceptance by the Government of supplies furnished under this contract, or any condition of this contract concerning the conclusiveness thereof, the Contractor warrants that for ___* all supplies furnished—

(i) Are of a quality to pass without objection in the trade under the contract description;

(ii) Are fit for the ordinary purposes for which the supplies are used;

(iii) Are within the variations permitted by the contract, and are of an even kind, quality, and quantity within each unit and among all units;

(iv) Are adequately contained, packaged, and marked as the contract may require; and

(v) Conform to the promises or affirmations of fact made on the container.

Alternate II (Dec 1990). As prescribed in [546.710\(a\)\(2\)](#), substitute the following paragraph for paragraph (b)(1) of the basic clause:

(1) Notwithstanding inspection and acceptance by the Government of supplies furnished under this contract, or any condition of this contract concerning the conclusiveness thereof, the Contractor warrants that for ___* all supplies furnished—

(i) Conform to the specifications except that in the case of solvent systems, the viscosity may exceed the specified maximum by 10 Krieb Units, unless otherwise specified elsewhere in this contract; and

(ii) Are suitable for their intended purpose as stated in this contract.

Alternate III (Dec 1990). As prescribed in [546.710\(a\)\(3\)](#), substitute the following for paragraph (b)(1) of the basic clause, redesignate paragraph (c) of the basic clause as paragraph (d), and add the following as paragraph (c) in the basic clause:

(1) Notwithstanding inspection and acceptance by the Government of supplies furnished under this contract, or any condition of this contract concerning the conclusiveness thereof, the Contractor warrants that for ___*, beginning with the first day of the first full month following the month of manufacture marked on the container, all supplies furnished retain their original characteristics to the extent that the supplies remain suitable for the intended use as stated in this contract (i) under actual application conditions or (ii) when tested in accordance with requirements stated elsewhere in this contract.

(c) *Government surveillance and testing.* (1) During this period, surveillance will be maintained on supplies warehoused in Government facilities; and the supplies will be tested periodically to determine their suitability for intended use. Sampling for surveillance testing will be in accordance with Military Standard No. 105, and such testing will be made after NORMAL MIXING, STIRRING, OR SHAKING, in accordance with directions either furnished with the supplies or as shown in the applicable specifications.

(2) Surveillance testing will be based on storage stability requirements set forth in the contract specification, or purchase description on the basis of salient characteristics (e.g., viscosity or sag flow, curing time, strip adhesion or tensile shear, etc.) established by GSA as appropriate to determine suitability for intended use. In the case of brand name items not covered by detailed purchase descriptions, surveillance testing may be based on salient characteristics included in the manufacturer's data sheets. If storage stability requirements showing allowable variations are not included in applicable specifications or elsewhere in the contract, material will be considered suitable for intended use if the salient characteristics vary not more than 20 percent from the originally specified values (i.e., those applicable to acceptance testing of the supplies) for noncritical end-use items, and not more than 10 percent for critical end-use items.

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 (SEP 1999)

(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 shall be maintained throughout the contract period and shall 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 (ANSI/ASQC Q 91) (Quality Systems—Model for Quality Assurance in Design/Development, Production, Installation and Servicing), or ISO Standard 9002 (ANSI/ASQC Q 92) (Quality Systems—Model for Quality Assurance in Production and Installation). The ISO 9000 family of standards is a set of worldwide standards used to document, implement and demonstrate quality assurance systems. When using the ISO option the Contractor's quality system must be registered by a third party registrar accredited by either the Registrar Accreditation Board (RAB) or an organization recognized as equivalent. A written description of the inspection system shall be made available to the Government before contract award. The Contractor shall immediately notify the Contracting Officer and the designated GSA quality assurance office 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 shall arrange delivery of the items from a plant or warehouse located in the United States (including Puerto Rico and the Virgin Islands) equipped to perform all inspections and tests required by the contract or specifications to evidence conformance therewith, or shall 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 or ISO 9002 records shall include the date when 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) Within 10 calendar days after receipt of the written notice of award, the Contractor shall provide the Administrative Contracting Officer with the name of the individual and an alternate that will be responsible for inspecting each shipment under this contract.

(b) *Inspection and receiving reports.* (1) For each shipment released, one of the officials named by the Contractor

under paragraph (a)(4) above shall sign a Quality Approved Manufacturer Certificate certifying that supplies have been inspected and found to comply with contract requirements. The certification shall read as follows:

“I certify that all items in this shipment have been listed herein, and have been inspected and found to comply with all requirements of the contract.”

Signature of Certifying Official

(2) For shipments made to military facilities, the Contractor shall prepare and distribute the DD Form 250, Material Inspection and Receiving Report, or computer formatted equivalent of the form not later than the close of business the workday following shipment. The certification above shall be placed in block 16 on this form. The Contractor will be provided a supply of the DD Form 250 with complete instructions for preparation and distribution.

(3) For shipments made to civilian facilities only, the Contractor shall prepare and distribute not later than the close of business the workday following shipment a certification of inspection and conformance for the identified items, in accordance with instructions furnished at the time of award. The Contractor may furnish the requisite information on the DD Form 250 or computer formatted equivalent, company letterhead, or invoice document.

(c) *Inspection by Government personnel.* (1) Although the Government will normally rely upon the Contractor’s certification 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 shall 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 shall not be made until inspection by the Government is completed and shipment is authorized by 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.

(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 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.

(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 Government may authorize in writing) after receipt of notice to replace or correct. The Contractor shall remove, at its 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 amount equitable 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) If supplies in process, shipped, or awaiting shipment to fill Government orders are found not to comply with contract requirements, or if deficiencies in either plant quality or process controls are found, the Contractor may be issued a Quality Deficiency Notice (QDN). Upon receipt of a QDN, the Contractor shall take immediate corrective action and shall suspend shipment of the supplies covered by the QDN until such time as corrective action has been completed. The Contractor shall notify the GSA quality assurance office, within 5 workdays, of corrective action taken or to be taken to permit onsite verification by a Government representative. Shipments of nonconforming supplies will be returned at the Contractor’s expense and may constitute cause for termination. Delays due to the issuance of a QDN do not constitute excusable delay under the Default clause. Failure to complete corrective action in a timely manner may result in termination of this 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 which do not meet the requirements of the specification are being shipped, or there is failure 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 shall 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.

(g) *Subcontracting requirements.* The Contractor shall 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 shall 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.

(End of 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 Supply Service or a designee.

552.246-71 Source Inspection by Government.

As prescribed in [546.302-71](#), insert the following clause:

SOURCE INSPECTION BY GOVERNMENT (SEP 1999)

(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 shall notify or arrange for subcontractors to notify the designated GSA quality assurance office 7 work-days before the date when supplies will be ready for inspection. Shipment shall 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 shall 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 shall 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 shall deliver the items specified in this contract from a plant or warehouse located within the United States (including Puerto Rico and the Virgin Islands)

that is equipped to perform all inspections and tests required by this contract or specifications to evidence conformance therewith, or shall 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 shall 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 shall 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 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 FAR 52.246-2(h) pursuant to the Contracting Officer's instructions, the Contractor shall 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.

(End of clause)

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

552.246-72 Final Inspection and Tests.

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

FINAL INSPECTION AND TESTS (SEP 1999)

The Contractor shall 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)

552.246-73 Warranty—Multiple Award Schedule.

As prescribed in [546.710\(b\)](#), insert the following clause:

WARRANTY—MULTIPLE AWARD SCHEDULE (MAR 2000)

(a) *Applicable to domestic locations.* Unless specified otherwise in this contract, the Contractor's standard commercial warranty as stated in the Contractor's commercial price list applies to this contract.

(b) *Applicable to overseas destinations.* Unless specified otherwise in this contract, the Contractor's standard commercial warranty as stated in the commercial price list applies to this contract, except as follows:

(1) The Contractor must provide, at a minimum, a warranty on all non-consumable parts for a period of 90 days from the date that the Government accepts the product.

(2) The Contractor must supply parts and labor required under the warranty provisions free of charge.

(3) The Contractor must bear the transportation costs of returning the products to and from the repair facility, or the costs involved with Contractor personnel traveling to the Government facility for the purpose of repairing the product onsite, during the 90-day warranty period.

(End of clause)

Alternate I (May 2003). As prescribed in [546.710\(b\)](#), substitute the following paragraphs (b)(1) and (b)(3) for paragraphs (b)(1) and (b)(3) of the basic clause:

(b)(1) The Contractor must provide, at a minimum, a warranty on all non-consumable parts for a period of 90 days from the date that the ordering activity accepts the product.

(b)(3) The Contractor must bear the transportation costs of returning the products to and from the repair facility, or the costs involved with Contractor personnel traveling to the ordering activity facility for the purpose of repairing the product onsite, during the 90-day warranty period.

552.246-74 [Reserved]

552.246-75 Guarantees.

As prescribed in [546.710\(c\)](#), insert the following clause:

GUARANTEES (MAY 1989)

(a) Unless otherwise provided in the specifications, the Contractor guarantees all work to be in accordance with contract requirements and free from defective or inferior materials, equipment, and workmanship for 1 year after the date of final acceptance or the date the equipment or work was placed in use by the Government, whichever occurs first.

(b) (1) If, within any guarantee period, the Contracting Officer finds that guaranteed work requires repair or change because of defective or inferior materials, equipment, or workmanship or is not in accordance with contract requirements, the Contracting Officer shall notify the Contractor in writing. The Contractor shall promptly, and without additional expense to the Government, correct:

(i) All guaranteed work;

(ii) All damage to equipment, the site, the building or its contents resulting from the unsatisfactory guaranteed work; and

(iii) Any work, materials, and equipment that are disturbed in fulfilling the guarantee, including any disturbed work, materials, and equipment that may have been guaranteed under another contract.

(2) If the Contractor fails to proceed promptly in accordance with the guarantee, the Government may have such work performed at the expense of the Contractor.

(c) Any special guarantees that may be required under the contract will be subject to paragraphs (a) and (b), insofar as they do not conflict with special guarantees.

(d) The Contractor shall furnish to the Government:

(1) Each transferable guarantee or warranty of equipment, materials, or installation furnished by any manufacturer, supplier, or installer in the ordinary course of business;

(2) All information required to make such guarantee or warranty legally binding and effective; and

(3) The information and the guarantee or warranty in sufficient time to permit the Government to meet any time

limit specified in the guarantee or warranty or, if no time limit is specified, prior to completion and acceptance of all work under this contract.

(End of clause)

552.246-76 Warranty of Pesticides.

As prescribed in [546.710\(d\)](#), insert the following clause:

WARRANTY OF PESTICIDES (MAY 1989)

(a) Notwithstanding acceptance of pesticides by the Government, the Contractor warrants that for 1 year after the date of shipment, all pesticides furnished under this contract shall meet the requirements of Pub. L. 92-516, as amended, and shall be registered with the Environmental Protection Agency (EPA).

(b) If EPA takes action to stop sale, stop use, remove, seize, or cancel registration of a pesticide within 1 year after date of shipment, the Contractor shall immediately notify the Contracting Officer. The notification will include:

(1) Contract number;

(2) Identification of the pesticide;

(3) Reason for the EPA action against the pesticide; and

(4) List of Government agencies and addresses to which it was delivered.

(End of clause)

552.247-70 Placarding Railcar Shipments.

As prescribed in [547.305\(a\)](#), insert the following clause:

PLACARDING RAILCAR SHIPMENTS (MAY 1989)

When a railcar is loaded in such a manner that it can be or should be unloaded from only one side, the Contractor shall place on the appropriate railcar door a placard reading "UNLOAD FROM THIS SIDE" and on the opposite door a placard reading "UNLOAD FROM OTHER SIDE."

(End of clause)

552.247-71 Diversion of Shipment Under f.o.b.

Destination Contracts.

As prescribed in [547.305\(b\)](#), insert the following clause:

DIVERSION OF SHIPMENT UNDER F.O.B. DESTINATION CONTRACTS (MAR 2000)

(a) Notwithstanding paragraph (c) of the clause in this contract titled 52.212-4, Contract Terms and Conditions—Commercial Items, the Government has the unilateral right to make changes at any time within the general scope of this contract in either the:

(1) Method of shipment or packing.

(2) Place of delivery.

(b) If any such change causes an increase or decrease in the cost of this contract, the Contracting Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both. The Contractor must assert its right to an adjustment under this clause within 30 days from the date of receipt of a delivery order.

(c) The Government shall make no adjustment when supplies are identically priced for delivery regionally or nationally and the place of delivery is changed within the area to which the identical price applies. In all other cases, adjustments for changes in transportation costs under this clause shall be determined as follows:

(1) If the contractor ships by contract or common carrier, price adjustments shall be determined by comparing the cost of shipments to the new destination(s), as evidenced by copy of paid freight bills supplied by the Contractor with the invoice, to one of the following:

(i) The cost of shipments to the standard contract destination, as evidenced by copy of appropriate paid freight bills supplied by the Contractor.

(ii) If no shipments have been made to the standard contract destination, the cost as evidenced by the applicable rates of a common or contract carrier. If carrier rates are not publicly filed with a regulatory body (e.g., interstate shipments moving by rail piggyback service), the Contractor shall provide a copy of the contract, letter agreement, or other written communication from the carrier(s) quoting the rates/charges that would have applied for shipments to the standard contract destination.

(2) If (i) shipments to the new destination are made by the Contractor's owned or leased trucks or (ii) shipments to the original destination were or would have been made by the Contractor's owned or leased trucks, the Government shall determine the adjustment by substituting a rate equal to 70 percent of the lowest applicable rate published in common carrier rates as of the date of shipment for the Contractor's actual rate or contemplated transportation costs.

(d) If the copies of paid freight bills for a diverted shipment do not show, or make readily available, each of the following items, the Contractor shall supply a written statement showing the item(s):

- (1) Full name of each carrier in the routing.
- (2) Number of containers.
- (3) Gross shipping weight.
- (4) Actual date of shipping.

(5) Freight description for the supplies as indicated in the "National Motor Freight Classification" or the "Uniform Freight Classification" (Rail).

(End of clause)

552.249-70 Termination for Convenience of the Government (Fixed Price) (Short Form).

As prescribed in [549.502\(a\)](#) insert the following clause:

TERMINATION FOR CONVENIENCE OF THE GOVERNMENT
(FIXED-PRICE) (SHORT FORM) (MAY 1988)
(DEVIATION FAR 52.249-1 AND 52.249-2)

(a) If the Government terminates this contract for convenience, the rights of the Government and the Contractor shall be determined under paragraph (b) unless there is a termination liability schedule, in which case the rights of the parties shall be determined under paragraph (c).

(b) The clause at [*Contracting Officer inserts 52.249-1 or 52.249-2, as applicable*] of the FAR shall apply to the supply portion of the contract and the clause at 52.249-4 of the FAR shall apply to the service portion of the contract.

(c) If the Contractor specifies a schedule of termination liability charges that would be incurred by the Government if the Government terminates this lease contract without taking title to the equipment, the payment of such charges shall be the only responsibility of the Government to compensate the Contractor for such termination; except that, there shall be no termination liability for equipment installed after termination of this contract.

(End of clause)

552.249-71 Submission of Termination Liability Schedule.

As prescribed in [549.502\(b\)](#), insert the following clause:

SUBMISSION OF TERMINATION LIABILITY SCHEDULE
(MAY 1989)

(a) An offeror may submit, as part of its proposal, a termination liability schedule to be applied if any resultant contract is terminated by the Government for reasons other than default. The offeror shall provide and explain the amount and method of computation of the termination liability charge(s).

(b) If submitted, the termination liability schedule will be incorporated into Part I, Section B of the contract document. If a termination liability schedule is not submitted and the Government terminates any resultant contract for its convenience, the rights of the parties shall be determined under paragraph (b) of the GSAR Termination for Convenience of the Government clause at [552.249-70](#).

(c) Any termination liability charges existing at the end of the evaluated contract period will be considered in the evaluation of offers.

(End of clause)

552.252-5 Authorized Deviations in Provisions.

As prescribed in [552.107-70\(a\)](#), insert the following provision:

AUTHORIZED DEVIATIONS IN PROVISIONS
(DEVIATION FAR 52.252-5) (SEP 1999)

(a) *Deviations to FAR provisions.* (1) This solicitation indicates any authorized deviation to a Federal Acquisition Regulation (48 CFR Chapter 1) provision by the addition of “(DEVIATION)” after the date of the provision, if the provision is not published in the General Services Administration Acquisition Regulation (48 CFR Chapter 5).

(2) This solicitation indicates any authorized deviation to a Federal Acquisition Regulation (FAR) provision that is published in the General Services Administration Acquisition Regulation by the addition of “(DEVIATION (FAR provision no.))” after the date of the provision.

(b) *Deviations to GSAR provisions.* This solicitation indicates any authorized deviation to a General Services Administration Acquisition Regulation 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
(DEVIATION FAR 52.252-6) (SEP 1999)

(a) *Deviations to FAR clauses.* (1) This solicitation or contract indicates any authorized deviation to a Federal Acquisition Regulation (48 CFR Chapter 1) clause by the addition of “(DEVIATION)” after the date of the clause, if the clause is not published in the General Services Administration Acquisition Regulation (48 CFR Chapter 5).

(2) This solicitation indicates any authorized deviation to a Federal Acquisition Regulation (FAR) clause that is published in the General Services Administration Acquisition Regulation by the addition of “(DEVIATION (FAR clause no.))” after the date of the clause.

(b) *Deviations to GSAR clauses.* This solicitation indicates any authorized deviation to a General Services Administration Acquisition Regulation 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)

552.270-1 Instructions to Offerors—Acquisition of Leasehold Interests in Real Property.

As prescribed in [570.602](#), insert the following provision:

INSTRUCTIONS TO OFFERORS—ACQUISITION OF
LEASEHOLD INTERESTS IN REAL PROPERTY (MAR 1998)

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

“Discussions” are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer’s discretion, result in the offeror being allowed to revise its proposal.

“In writing” or “written” means any worded or numbered expression which can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

“Proposal modification” is a change made to a proposal before the solicitation’s closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award.

“Proposal revision” is a change to a proposal made after the solicitation closing date, at the request of or as allowed by a Contracting Officer as the result of negotiations.

“Time,” if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

(b) *Amendments to solicitations.* If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) *Submission, modification, revision, and withdrawal of proposals.* (1) Unless other methods (e.g., electronic commerce or facsimile) are permitted in the solicitation, proposals and modifications to proposals shall be submitted in paper media in sealed envelopes or packages. Offers must be:

(i) Submitted on the forms prescribed and furnished by the Government as a part of this solicitation or on copies of those forms, and

(ii) Signed. The person signing an offer must initial each erasure or change appearing on any offer form. If the offeror is a partnership, the names of the partners composing the firm must be included with the offer.

(2) *Late proposals and revisions.* (i) The Government will not consider any proposal received at the office designated in the solicitation after the exact time specified for receipt of offers unless it is received before the Government makes award and it meets at least one of the following conditions:

(A) It was sent by registered or certified mail not later than the 5th calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a

solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th).

(B) It was sent by mail (or telegram or facsimile, if authorized) or hand-carried (including delivery by a commercial carrier) if it is determined by the Government that the late receipt was due primarily to Government mishandling after receipt at the Government installation.

(C) It was sent by U.S. Postal Service Express Mail Next Day Service-Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term “working days” excludes weekends and U.S. Federal holidays.

(D) It was transmitted through an electronic commerce method authorized by the solicitation and was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals.

(E) There is acceptable evidence to establish that it was received at the activity designated for receipt of offers and was under the Government’s control prior to the time set for receipt of offers, and the Contracting Officer determines that accepting the late offer would not unduly delay the procurement.

(F) It is the only proposal received.

(ii) Any modification or revision of a proposal or response to request for information, including any final proposal revision, is subject to the same conditions as in paragraphs (c)(2)(i)(A) through (c)(2)(i)(E) of this provision.

(iii) The only acceptable evidence to establish the date of mailing of a late proposal or modification or revision sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the proposal, response to a request for information, or modification or revision shall be processed as if mailed late. “Postmark” means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors or respondents should request the postal clerk to place a legible hand cancellation bull’s eye postmark on both the receipt and the envelope or wrapper.

(iv) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(v) The only acceptable evidence to establish the date of mailing of a late offer, modification or revision, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office

receiving clerk on the “Express Mail Next Day Service-Post Office to Addressee” label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. “Postmark” has the same meaning as defined in paragraph (c)(2)(iii) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors or respondents should request the postal clerk to place a legible hand cancellation bull’s eye postmark on both the receipt and the envelope or wrapper.

(vi) Notwithstanding paragraph (c)(2)(i) of this provision, a late modification or revision of an otherwise successful proposal that makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.

(vii) An offeror may withdraw its proposal by written notice or telegram (including mailgram) received at any time before award. If the solicitation authorizes facsimile proposals, an offeror may withdraw its proposal via facsimile received at any time before award, subject to the conditions specified in the provision entitled “Facsimile Proposals.” Proposals may be withdrawn in person by an offeror or an authorized representative, if the representative’s identity is made known and the representative signs a receipt for the proposal before award.

(viii) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation or other notice of an extension of the closing date, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office.

(3) Any information given to a prospective offeror concerning this solicitation will be furnished promptly to all other prospective offerors, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offeror.

(4) Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.

(5) Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.

(6) The Government will construe an offer to be in full and complete compliance with this solicitation unless the offer describes any deviation in the offer.

(7) Offerors may submit proposals that depart from stated requirements. Such a proposal shall clearly identify why the acceptance of the proposal would be advantageous to

the Government. The proposal must clearly identify and explicitly define any deviations from the terms and conditions of the solicitation, as well as the comparative advantage to the Government. The Government reserves the right to amend the solicitation to allow all offerors an opportunity to submit revised proposals based on the revised requirements.

(d) *Restriction on disclosure and use of data.* An offeror that includes in its proposal data that it does not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, must meet both of the following conditions:

(1) Mark the title page with the following legend:

This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed—in whole or in part—for any purpose other than to evaluate this proposal. If, however, a lease is awarded to this offeror as a result of—or in connection with—the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [*insert numbers or other identification of sheets*].

(2) Mark each sheet of data it wishes to restrict with the following legend:

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

(e) *Lease award.* (1) The Government intends to award a lease resulting from this solicitation to the responsible offeror whose proposal represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.

(2) The Government may reject any or all proposals if such action is in the Government's interest.

(3) The Government may waive informalities and minor irregularities in proposals received.

(4) The Government intends to evaluate proposals and award a lease after conducting discussions with offerors whose proposals have been determined to be within the competitive range. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. Therefore, the offeror's initial proposal should contain the offeror's best terms from a price and technical standpoint.

(5) Exchanges with offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.

(6) The Government may determine that a proposal is unacceptable if the prices proposed are materially unbalanced

between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the Government.

(7) The unconditional written acceptance of an offer establishes a valid contract.

(8) The Government may disclose the following information in postaward debriefings to other offerors:

(i) The overall evaluated cost or price and technical rating of the successful offeror;

(ii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection; and

(iii) A summary of the rationale for award.

(End of provision)

Alternate I (Mar 1998). As prescribed in [570.602](#), substitute the following paragraph for paragraph (c)(2)(i) of the basic provision:

(i) Any offer received at the office designated in the solicitation after the exact time specified for receipt of final proposal revisions will not be considered unless it is received before award is made and it meets one of the following conditions—

Alternate II (Mar 1998). As prescribed in [570.602](#), substitute the following paragraph for paragraph (e)(4) of the basic provision:

(4) The Government intends to evaluate proposals and award a lease without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.

552.270-2 Historic Preference.

As prescribed in [570.602](#), insert the following provision:

HISTORIC PREFERENCE (SEPT 2004)

(a) The Government will give preference to offers of space in historic properties following this hierarchy of consideration:

(1) Historic properties within historic districts.

(2) Non-historic developed and non-historic undeveloped sites within historic districts.

(3) Historic properties outside of historic districts.

(b) *Definitions.* (1) “Determination of eligibility” means a decision by the Department of the Interior that a district, site, building, structure or object meets the National Register criteria for evaluation although the property is not formally listed in the National Register (36 CFR 60.3(c)).

(2) “Historic district” means a geographically definable area, urban or rural, possessing a significant concentration, linkage, or continuity of sites, buildings, structures, or objects united by past events or aesthetically by plan or physical development. A district may also comprise individual elements separated geographically but linked by association or history (36 CFR 60.3(d)). The historic district must be included in or be determined eligible for inclusion in the National Register of Historic Places.

(3) “Historic property” means any pre-historic or historic district, site, building, structure, or object included in or been determined eligible for inclusion in the National Register of Historic Places maintained by the Secretary of the Interior (36 CFR 800.16(l)).

(4) “National Register of Historic Places” means the National Register of districts, sites, buildings, structures and objects significant in American history, architecture, archeology, engineering and culture that the Secretary of the Interior is authorized to expand and maintain under the National Historic Preservation Act (36 CFR 60.1).

(c) The offer of space must meet the terms and conditions of this solicitation. The Contracting Officer has discretion to accept alternatives to certain architectural characteristics and safety features defined elsewhere in this solicitation to maintain the historical integrity of an historic building, such as high ceilings and wooden floors, or to maintain the integrity of an historic district, such as setbacks, floor-to-ceiling heights, and location and appearance of parking.

(d) When award will be based on the lowest price technically acceptable source selection process, the Government will give a price evaluation preference, based on the total annual square foot (ANSI/BOMA Office Area) cost to the Government, to historic properties as follows:

(1) First to suitable historic properties within historic districts, a 10 percent price preference.

(2) If no suitable historic property within an historic district is offered, or the 10 percent preference does not result in such property being the lowest price technically acceptable offer, the Government will give a 2.5 percent price preference to suitable non-historic developed or undeveloped sites within historic districts.

(3) If no suitable non-historic developed or undeveloped site within an historic district is offered, or the 2.5 percent preference does not result in such property being the

lowest price technically acceptable offer, the Government will give a 10 percent price preference to suitable historic properties outside of historic districts.

(4) Finally, if no suitable historic property outside of historic districts is offered, no historic price preference will be given to any property offered.

(e) When award will be based on the best value tradeoff source selection process, which permits tradeoffs among price and non-price factors, the Government will give a price evaluation preference, based on the total annual square foot (ANSI/BOMA Office Area) cost to the Government, to historic properties as follows:

(1) First to suitable historic properties within historic districts, a 10 percent price preference.

(2) If no suitable historic property within a historic district is offered or remains in the competition, the Government will give a 2.5 percent price preference to suitable non-historic developed or undeveloped sites within historic districts.

(3) If no suitable non-historic developed or undeveloped site within an historic district is offered or remains in the competition, the Government will give a 10 percent price preference to suitable historic properties outside of historic districts.

(4) Finally, if no suitable historic property outside of historic districts is offered, no historic price preference will be given to any property offered.

(f) The Government will compute price evaluation preferences by reducing the price(s) of the offerors qualifying for a price evaluation preference by the applicable percentage provided in this provision. The price evaluation preference will be used for price evaluation purposes only. The Government will award a contract in the amount of the actual price(s) proposed by the successful offeror and accepted by the Government.

(g) To qualify for a price evaluation preference, offerors must provide satisfactory documentation in their offer that their property qualifies as one of the following:

(1) An historic property within an historic district.

(2) A non-historic developed or undeveloped site within an historic district.

(3) An historic property outside of an historic district..

(End of provision)

552.270-3 Parties to Execute Lease.

As prescribed in [570.602](#), insert the following provision:

PARTIES TO EXECUTE LEASE (SEP 1999)

(a) If the lease is executed by an attorney, agent, or trustee on behalf of the Lessor, an authenticated copy of his power of attorney, or other evidence to act on behalf of the Lessor, shall accompany the lease.

(b) If the Lessor is a partnership, the lease shall be signed with the partnership name, followed by the name of the legally authorized partner signing the same, and, if requested by the Government, a copy of either the partnership agreement or current Certificate of Limited Partnership shall accompany the lease.

(c) If the Lessor is a corporation, the lease shall be signed with the corporate name, followed by the signature and title of the officer or other person signing the lease on its behalf, duly attested, and, if requested by the Government, evidence of this authority to so act shall be furnished.

(End of provision)

552.270-4 Definitions.

As prescribed in [570.603](#), insert the following clause:

DEFINITIONS (SEP 1999)

The following terms and phrases (except as otherwise expressly provided or unless the context otherwise requires) for all purposes of this lease shall have the respective meanings hereinafter specified:

- (a) "Commencement Date" means the first day of the term.
- (b) "Contract" and "Contractor" means "Lease" and "Lessor," respectively.
- (c) "Contracting Officer" means a person with the authority to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority as delegated by the Contracting Officer.
- (d) "Delivery Date" means the date specified in or determined pursuant to the provisions of this lease for delivery of the premises to the Government, improved in accordance with the provisions of this lease and substantially complete, as such date may be modified in accordance with the provisions of this lease.
- (e) "Delivery Time" means the number of days provided by this lease for delivery of the premises to the Government, as such number may be modified in accordance with the provisions of this lease.
- (f) "Excusable Delays" mean delays arising without the fault or negligence of Lessor and Lessor's subcontractors and suppliers at any tier, and shall include, without limitation:
 - (1) acts of God or of the public enemy,
 - (2) acts of the United States of America in either its sovereign or contractual capacity,
 - (3) acts of another contractor in the performance of a contract with the Government,
 - (4) fires,
 - (5) floods,

- (6) epidemics,
- (7) quarantine restrictions,
- (8) strikes,
- (9) freight embargoes,
- (10) unusually severe weather, or
- (11) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the control and without the fault or negligence of both the Lessor and any such subcontractor or supplier.

(g) "Lessor" means the sub-lessor if this lease is a sub-lease.

(h) "Lessor shall provide" means the Lessor shall furnish and install at Lessor's expense.

(i) "Notice" means written notice sent by certified or registered mail, Express Mail or Comparable service, or delivered by hand. Notice shall be effective on the date delivery is accepted or refused.

(j) "Premises" means the space described in this lease.

(k) "Substantially complete" and "substantial completion" means that the work, the common and other areas of the building, and all other things necessary for the Government's access to the premises and occupancy, possession, use and enjoyment thereof, as provided in this lease, have been completed or obtained, excepting only such minor matters as do not interfere with or materially diminish such access, occupancy, possession, use or enjoyment.

(l) "Usable square feet" means the ANSI/BOMA Z65.1-1996 definition for BOMA usable office area, which means "The area where a tenant normally houses personnel and/or furniture, for which a measurement is to be computed."

(m) "Work" means all alterations, improvements, modifications, and other things required for the preparation or continued occupancy of the premises by the Government as specified in this lease.

(End of clause)

552.270-5 Subletting and Assignment.

As prescribed in [570.603](#), insert the following clause:

SUBLETTING AND ASSIGNMENT (SEP 1999)

The Government may sublet any part of the premises but shall not be relieved from any obligations under this lease by reason of any such subletting. The Government may at any time assign this lease, and be relieved from all obligations to Lessor under this lease excepting only unpaid rent and other liabilities, if any, that have accrued to the date of said assignment. Any assignment shall be subject to prior written consent of Lessor, which shall not be unreasonably withheld.

(End of clause)

552.270-6 Maintenance of Building and Premises—Right of Entry.

As prescribed in [570.603](#), insert the following clause:

MAINTENANCE OF BUILDING AND PREMISES—
RIGHT OF ENTRY (SEP 1999)

Except in case of damage arising out of the willful act or negligence of a Government employee, Lessor shall maintain the premises, including the building and all equipment, fixtures, and appurtenances furnished by the lessor under this lease, in good repair and condition so that they are suitable in appearance and capable of supplying such heat, air conditioning, light, ventilation, access and other things to the premises, without reasonably preventable or recurring disruption, as is required for the Government's access to, occupancy, possession, use and enjoyment of the premises as provided in this lease. For the purpose of so maintaining the premises, the Lessor may at reasonable times enter the premises with the approval of the authorized Government representative in charge.

(End of clause)

552.270-7 Fire and Casualty Damage.

As prescribed in [570.603](#), insert the following clause:

FIRE AND CASUALTY DAMAGE (SEP 1999)

If the entire premises are destroyed by fire or other casualty, this lease will immediately terminate. In case of partial destruction or damage, so as to render the premises untenable, as determined by the Government, the Government may terminate the lease by giving written notice to the Lessor within 15 calendar days of the fire or other casualty; if so terminated, no rent will accrue to the Lessor after such partial destruction or damage; and if not so terminated, the rent will be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage. Nothing in this lease shall be construed as relieving Lessor from liability for damage to or destruction of property of the United States of America caused by the willful or negligent act or omission of Lessor.

(End of clause)

552.270-8 Compliance with Applicable Law.

As prescribed in [570.603](#), insert the following clause:

COMPLIANCE WITH APPLICABLE LAW (SEP 1999)

Lessor shall comply with all Federal, state and local laws applicable to the Lessor as owner or lessor, or both, of the building or premises, including, without limitation, laws applicable to the construction, ownership, alteration or operation of both or either thereof, and will obtain all necessary permits, licenses and similar items at Lessor's expense. The

Government will comply with all Federal, state and local laws applicable to and enforceable against it as a tenant under this lease; provided that nothing in this lease shall be construed as a waiver of any sovereign immunity of the Government. This lease shall be governed by Federal law.

(End of clause)

552.270-9 Inspection—Right of Entry.

As prescribed in [570.603](#), insert the following clause:

INSPECTION—RIGHT OF ENTRY (SEP 1999)

(a) At any time and from time to time after receipt of an offer (until the same has been duly withdrawn or rejected), after acceptance thereof and during the term, the agents, employees and contractors of the Government may, upon reasonable prior notice to Offeror or Lessor, enter upon the offered premises or the premises, and all other areas of the building access to which is necessary to accomplish the purposes of entry, to determine the potential or actual compliance by the Offeror or Lessor with the requirements of the solicitation or this lease, which purposes shall include, but not be limited to:

(1) Inspecting, sampling and analyzing suspected asbestos-containing materials and air monitoring for asbestos fibers;

(2) Inspecting the heating, ventilation and air conditioning system, maintenance records, and mechanical rooms for the offered premises or the premises;

(3) Inspecting for any leaks, spills, or other potentially hazardous conditions which may involve tenant exposure to hazardous or toxic substances; and

(4) Inspecting for any current or past hazardous waste operations, to ensure that appropriate mitigative actions were taken to alleviate any environmentally unsound activities in accordance with Federal, State and local law.

(b) Nothing in this clause shall be construed to create a Government duty to inspect for toxic materials or to impose a higher standard of care on the Government than on other lessees. The purpose of this clause is to promote the ease with which the Government may inspect the building. Nothing in this clause shall act to relieve the Lessor of any duty to inspect or liability which might arise as a result of Lessor's failure to inspect for or correct a hazardous condition.

(End of clause)

552.270-10 Failure in Performance.

As prescribed in [570.603](#), insert the following clause:

FAILURE IN PERFORMANCE (SEP 1999)

The covenant to pay rent and the covenant to provide any service, utility, maintenance, or repair required under this lease are interdependent. In the event of any failure by the

Lessor to provide any service, utility, maintenance, repair or replacement required under this lease the Government may, by contract or otherwise, perform the requirement and deduct from any payment or payments under this lease, then or thereafter due, the resulting cost to the Government, including all administrative costs. If the Government elects to perform any such requirement, the Government and each of its contractors shall be entitled to access to any and all areas of the building, access to which is necessary to perform any such requirement, and the Lessor shall afford and facilitate such access. Alternatively, the Government may deduct from any payment under this lease, then or thereafter due, an amount which reflects the reduced value of the contract requirement not performed. No deduction from rent pursuant to this clause shall constitute a default by the Government under this lease. These remedies are not exclusive and are in addition to any other remedies which may be available under this lease or at law.

(End of clause)

552.270-11 Successors Bound.

As prescribed in [570.603](#), insert the following clause:

SUCCESSORS BOUND (SEP 1999)

This lease shall bind, and inure to the benefit of, the parties and their respective heirs, executors, administrators, successors and assigns.

(End of clause)

552.270-12 Alterations.

As prescribed in [570.603](#), insert the following clause:

ALTERATIONS (SEP 1999)

The Government shall have the right during the existence of this lease to make alterations, attach fixtures, and erect structures or signs in or upon the premises hereby leased, which fixtures, additions or structures so placed in, on, upon, or attached to the said premises shall be and remain the property of the Government and may be removed or otherwise disposed of by the Government. If the lease contemplates that the Government is the sole occupant of the building, for purposes of this clause, the leased premises include the land on which the building is sited and the building itself. Otherwise, the Government shall have the right to tie into or make any physical connection with any structure located on the property as is reasonably necessary for appropriate utilization of the leased space.

(End of clause)

552.270-13 Proposals for Adjustment.

As prescribed in [570.603](#), insert the following clause:

PROPOSALS FOR ADJUSTMENT (SEP 1999)

(a) The Contracting Officer may, from time to time during the term of this lease, require changes to be made in the work or services to be performed and in the terms or conditions of this lease. Such changes will be required under the Changes clause.

(b) If the Contracting Officer makes a change within the general scope of the lease, the Lessor shall submit, in a timely manner, an itemized cost proposal for the work to be accomplished or services to be performed when the cost exceeds \$100,000. The proposal, including all subcontractor work, will contain at least the following detail—

- (1) Material quantities and unit costs;
- (2) Labor costs (identified with specific item or material to be placed or operation to be performed);
- (3) Equipment costs;
- (4) Worker's compensation and public liability insurance;
- (5) Overhead;
- (6) Profit; and
- (7) Employment taxes under FICA and FUTA.

(c) The following Federal Acquisition Regulation (FAR) provisions also apply to all proposals exceeding \$500,000 in cost—

- (1) The Lessor shall provide cost or pricing data including subcontractor cost or pricing data (48 CFR 15.403-4); and
- (2) The Lessor's representative, all Contractors, and subcontractors whose portion of the work exceeds \$500,000 must sign and return the "Certificate of Current Cost or Pricing Data" (48 CFR 15.406-2).

(d) Lessors shall also refer to 48 CFR Part 31, Contract Cost Principles, for information on which costs are allowable, reasonable, and allocable in Government work.

(End of clause)

552.270-14 Changes.

As prescribed in [570.603](#), insert the following clause:

CHANGES (SEP 1999)

(a) The Contracting Officer may at any time, by written order, make changes within the general scope of this lease in any one or more of the following:

- (1) Specifications (including drawings and designs).
- (2) Work or services.
- (3) Facilities or space layout.
- (4) Amount of space, provided the Lessor consents to the change.

(b) If any such change causes an increase or decrease in Lessor's cost of or the time required for performance under this lease, whether or not changed by the order, the Contract-

ing Officer shall modify this lease to provide for one or more of the following:

- (1) A modification of the delivery date.
- (2) An equitable adjustment in the rental rate.
- (3) A lump sum equitable adjustment.
- (4) An equitable adjustment of the annual operating costs per usable square foot specified in this lease.

(c) The Lessor must assert its right to an adjustment under this clause within 30 days from the date of receipt of the change order and must submit a proposal for adjustment. Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause excuses the lessor from proceeding with the change as directed.

(d) Absent such written change order, the Government is not liable to Lessor under this clause.

(End of clause)

552.270-15 Liquidated Damages.

As prescribed in [570.603](#), insert the following clause:

LIVIDATED DAMAGES (SEP 1999)

In case of failure on the part of the Lessor to complete the work within the time fixed in the lease contract or letter of award, the Lessor shall pay the Government as fixed and agreed liquidated damages, pursuant to this clause, the sum of \$ _____ for each and every calendar day that the delivery is delayed beyond the date specified for delivery of all of the space ready for occupancy by the Government. This remedy is not exclusive and is in addition to any other remedies which may be available under this lease or at law.

(End of clause)

552.270-16 Adjustment for Vacant Premises.

As prescribed in [570.603](#), insert the following clause:

ADJUSTMENT FOR VACANT PREMISES (SEP 1999)

(a) If the Government fails to occupy any portion of the leased premises or vacates the premises in whole or in part before the lease term expires, the rental rate will be reduced.

(b) The rental rate will be reduced by that portion of the costs per usable square foot of operating expenses not required to maintain the space. The reduction takes effect 30 calendar days after the Government gives notice to the Lessor, and continues in effect until the Government occupies the premises or the lease expires or is terminated.

(End of clause)

552.270-17 Delivery and Condition.

As prescribed in [570.603](#), insert the following clause:

DELIVERY AND CONDITION (SEP 1999)

(a) Unless the Government elects to have the space occupied in increments, the space must be delivered ready for occupancy as a complete unit. The Government reserves the right to determine when the space is substantially complete.

(b) If the premises do not in every respect comply with the provisions of this lease the Contracting Officer may, in accordance with the Failure in Performance clause of this lease, elect to reduce the rent payments.

(End of clause)

552.270-18 Default in Delivery—Time Extensions.

As prescribed in [570.603](#), insert the following clause:

DEFAULT IN DELIVERY—TIME EXTENSIONS (SEP 1999)

(a) With respect to Lessor's obligation to deliver the premises substantially complete by the delivery date, time is of the essence. If the Lessor fails to work diligently to ensure its substantial completion by the delivery date or fails to substantially complete the work by such date, the Government may by notice to the Lessor terminate this lease. Such termination is effective when received by Lessor. The Lessor and the Lessor's sureties, if any, are jointly and severally liable for any damages to the Government resulting from such termination, as provided in this clause. The Government is entitled to the following damages:

(1) The Government's aggregate rent, estimated real estate tax, and operating cost adjustments for the firm term and all option terms of its replacement lease or leases, in excess of the aggregate rent and estimated real estate tax and operating cost adjustments for the term. If the Government procures replacement premises for a term (including all option terms) in excess of this lease term, the Lessor is not liable for excess Government rent or adjustments during such excess lease term.

(2) All administrative and other costs the Government incurs in procuring a replacement lease or leases.

(3) Other, additional relief provided for in this lease, at law, or in equity.

(b) Damages to which the Government is entitled to under this clause are due and payable thirty (30) days following the date Lessor receives notice from the Contracting Officer specifying such damages.

(c) Delivery by Lessor of less than the minimum usable square footage required by this lease shall in no event be construed as substantial completion, except as the Contracting Officer permits.

(d) The Government shall not terminate this lease under this clause nor charge the Lessor with damages under this clause, if (1) the delay in substantially completing the work

arises from excusable delays, and (2) the Lessor within 10 days from the beginning of any such delay (unless extended in writing by the Contracting Officer) provides notice to the Contracting Officer of the causes of delay. The Contracting Officer shall ascertain the facts and the extent of delay. If the facts warrant, the Contracting Officer shall extend the delivery date, to the extent of such delay at no additional costs to the Government. A time extension is the sole remedy of the Lessor.

(End of clause)

552.270-19 Progressive Occupancy.

As prescribed in [570.603](#), insert the following clause:

PROGRESSIVE OCCUPANCY (SEP 1999)

The Government shall have the right to elect to occupy the space in partial increments prior to the substantial completion of the entire leased premises, and the Lessor agrees to schedule its work so as to deliver the space incrementally as elected by the Government. The Government shall pay rent commencing with the first business day following substantial completion of the entire leased premise unless the Government has elected to occupy the leased premises incrementally. In case of incremental occupancy, the Government shall pay rent pro rata upon the first business day following substantial completion of each incremental unit. Rental payments shall become due on the first workday of the month following the month in which an increment of space is substantially complete, except that should an increment of space be substantially completed after the fifteenth day of the month, the payment due date will be the first workday of the second month following the month in which it was substantially complete. The commencement date of the firm lease term will be a composite determined from all rent commencement dates.

(End of clause)

552.270-20 Payment.

As prescribed in [570.603](#), insert the following clause:

PAYMENT (SEP 1999)

(a) When space is offered and accepted, usable square footage delivered will be confirmed by either:

(1) The Government's measurement of plans submitted by the successful offeror as approved by the Government, and an inspection of the space to verify that the delivered space conforms with such plans.

(2) A mutual on-site measurement of the space if the Contracting Officer determines it necessary.

(b) The Government will not pay for space in excess of the amount of usable square footage stated in the lease.

(c) If the amount of usable square footage delivered is less than the amount agreed to in the lease, the lease will be modified to reflect the amount of usable space delivered and the annual rental will be adjusted as follows:

Usable square feet (USF) not delivered multiplied by one plus the common area factor (CAF), multiplied by the rate per rentable square foot (RSF). That is:

$$\text{USF} \times (1 + \text{CAF}) \times \text{Rate per RSF} = \text{Reduction in Annual Rent}$$

(End of clause)

552.270-21 Effect of Acceptance and Occupancy.

As prescribed in [570.603](#), insert the following clause:

EFFECT OF ACCEPTANCE AND OCCUPANCY (SEP 1999)

Neither the Government's acceptance of the premises for occupancy, nor the Government's occupancy thereof, shall be construed as a waiver of any requirement of or right of the Government under this Lease, or as otherwise prejudicing the Government with respect to any such requirement or right.

(End of clause)

552.270-22 Default by Lessor During the Term.

As prescribed in [570.603](#), insert the following clause:

DEFAULT BY LESSOR DURING THE TERM (SEP 1999)

(a) Each of the following shall constitute a default by Lessor under this lease:

(1) Failure to maintain, repair, operate or service the premises as and when specified in this lease, or failure to perform any other requirement of this lease as and when required provided any such failure shall remain uncured for a period of thirty (30) days next following Lessor's receipt of notice thereof from the Contracting Officer or an authorized representative.

(2) Repeated and unexcused failure by Lessor to comply with one or more requirements of this lease shall constitute a default notwithstanding that one or all such failures shall have been timely cured pursuant to this clause.

(b) If a default occurs, the Government may, by notice to Lessor, terminate this lease for default and if so terminated, the Government shall be entitled to the damages specified in the Default in Delivery-Time Extensions clause.

(End of clause)

552.270-23 Subordination, Nondisturbance and**Attornment.**

As prescribed in [570.603](#), insert the following clause:

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT
(SEP 1999)

(a) Lessor warrants that it holds such title to or other interest in the premises and other property as is necessary to the Government's access to the premises and full use and enjoyment thereof in accordance with the provisions of this lease. Government agrees, in consideration of the warranties and conditions set forth in this clause, that this lease is subject and subordinate to any and all recorded mortgages, deeds of trust and other liens now or hereafter existing or imposed upon the premises, and to any renewal, modification or extension thereof. It is the intention of the parties that this provision shall be self-operative and that no further instrument shall be required to effect the present or subsequent subordination of this lease. Government agrees, however, within twenty (20) business days next following the Contracting Officer's receipt of a written demand, to execute such instruments as Lessor may reasonably request to evidence further the subordination of this lease to any existing or future mortgage, deed of trust or other security interest pertaining to the premises, and to any water, sewer or access easement necessary or desirable to serve the premises or adjoining property owned in whole or in part by Lessor if such easement does not interfere with the full enjoyment of any right granted the Government under this lease.

(b) No such subordination, to either existing or future mortgages, deeds of trust or other lien or security instrument shall operate to affect adversely any right of the Government under this lease so long as the Government is not in default under this lease. Lessor will include in any future mortgage, deed of trust or other security instrument to which this lease becomes subordinate, or in a separate nondisturbance agreement, a provision to the foregoing effect. Lessor warrants that the holders of all notes or other obligations secured by existing mortgages, deeds of trust or other security instruments have consented to the provisions of this clause, and agrees to provide true copies of all such consents to the Contracting Officer promptly upon demand.

(c) In the event of any sale of the premises or any portion thereof by foreclosure of the lien of any such mortgage, deed of trust or other security instrument, or the giving of a deed in lieu of foreclosure, the Government will be deemed to have attorned to any purchaser, purchasers, transferee or transferees of the premises or any portion thereof and its or their successors and assigns, and any such purchasers and transferees

will be deemed to have assumed all obligations of the Lessor under this lease, so as to establish direct privity of estate and contract between Government and such purchasers or transferees, with the same force, effect and relative priority in time and right as if the lease had initially been entered into between such purchasers or transferees and the Government; provided, further, that the Contracting Officer and such purchasers or transferees shall, with reasonable promptness following any such sale or deed delivery in lieu of foreclosure, execute all such revisions to this lease, or other writings, as shall be necessary to document the foregoing relationship.

(d) None of the foregoing provisions may be deemed or construed to imply a waiver of the Government's rights as a sovereign.

(End of clause)

552.270-24 Statement of Lease.

As prescribed in [570.603](#), insert the following clause:

STATEMENT OF LEASE (SEP 1999)

(a) The Contracting Officer will, within thirty (30) days next following the Contracting Officer's receipt of a joint written request from Lessor and a prospective lender or purchaser of the building, execute and deliver to Lessor a letter stating that the same is issued subject to the conditions stated in this clause and, if such is the case, that (1) the lease is in full force and effect; (2) the date to which the rent and other charges have been paid in advance, if any; and (3) whether any notice of default has been issued.

(b) Letters issued pursuant to this clause are subject to the following conditions:

(1) That they are based solely upon a reasonably diligent review of the Contracting Officer's lease file as of the date of issuance;

(2) That the Government shall not be held liable because of any defect in or condition of the premises or building;

(3) That the Contracting Officer does not warrant or represent that the premises or building comply with applicable Federal, State and local law; and

(4) That the Lessor, and each prospective lender and purchaser are deemed to have constructive notice of such facts as would be ascertainable by reasonable prepurchase and precommitment inspection of the Premises and Building and by inquiry to appropriate Federal, State and local Government officials.

(End of clause)

552.270-25 Substitution of Tenant Agency.

As prescribed in [570.603](#), insert the following clause:

SUBSTITUTION OF TENANT AGENCY (SEP 1999)

The Government may, at any time and from time to time, substitute any Government agency or agencies for the Government agency or agencies, if any, named in the lease.

(End of clause)

552.270-26 No Waiver.

As prescribed in [570.603](#), insert the following clause:

NO WAIVER (SEP 1999)

No failure by either party to insist upon the strict performance of any provision of this lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial rent or other performance by either party during the continuance of any such breach shall constitute a waiver of any such breach of such provision.

(End of clause)

552.270-27 Integrated Agreement.

As prescribed in [570.603](#), insert the following clause:

INTEGRATED AGREEMENT (SEP 1999)

This Lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, express or implied, shall be admissible to contradict the provisions of the Lease.

(End of clause)

552.270-28 Mutuality of Obligation.

As prescribed in [570.603](#), insert the following clause:

MUTUALITY OF OBLIGATION (SEP 1999)

The obligations and covenants of the Lessor, and the Government's obligation to pay rent and other Government obligations and covenants, arising under or related to this Lease, are interdependent. The Government may, upon issuance of and delivery to Lessor of a final decision asserting a claim against Lessor, set off such claim, in whole or in part, as against any payment or payments then or thereafter due the Lessor under this lease. No setoff pursuant to this clause shall constitute a breach by the Government of this lease.

(End of clause)

552.270-29 Acceptance of Space.

As prescribed in [570.603](#), insert the following clause:

ACCEPTANCE OF SPACE (SEP 1999)

(a) When the lessor has completed all alterations, improvements, and repairs necessary to meet the requirements of the lease, the lessor shall notify the Contracting Officer. The Contracting Officer or designated representative shall promptly inspect the space.

(b) The Government will accept the space and the lease term will begin after determining that the space is substantially complete and contains the required usable square footage as indicated in Paragraph 1.1, Amount and Type of Space, of this solicitation.

(End of clause)

**Subpart 552.3—Provision and Clause
Matrixes**

552.300 Scope of subpart.

This subpart consists of a series of matrixes:

(a) One matrix each for supply, service, construction, architect-engineer and simplified acquisition contracts which lists the applicable GSAR provisions and clauses.

(b) One matrix each for utility contracts (sole supplier-regulated rates) and leases of real property which list the applicable FAR and GSAR provisions and clauses.

This page intentionally left blank.

MATRIX OF PROVISIONS AND CLAUSES

KEY: Sup = Supply
 Serv = Service Contract (excluding construction and A-E services)
 Const = Construction Services
 A-E = Architect-Engineer Services
 SAT = Acquisitions at or under the simplified acquisition threshold
 Util = Utility services, sole supplier-regulated rate

Leas = Acquisitions of leasehold interests in real property
 P = Provision
 C = Clause
 R = Required
 WR = When required
 O = Optional

P/C	Number	Reference.	Title	Sup	Serv	Const	A-E	SAT	Util	Leas
C	552.203-5	503.404	Covenant Against Contingent Fees							WR
C	552.203-70	503.104-9	Price Adjustment for Illegal or Improper Activity							WR
C	552.203-71	503.570-2	Restriction on Advertising	R	R	R	R			R
C	552.209-70	509.206-2	Product Removal from Qualified Products List	WR				WR		
P	552.209-71	509.306	Waiver of First Article Testing and Approval Requirements	WR				WR		
C	552.209-72	509.308-1	Supplemental Requirements for First Article Approval—Contractor Testing	WR				WR		
C	552.209-73	509.308-2	Supplemental Requirements for First Article Approval—Government Testing	WR				WR		
C	552.211-8	511.404	Time of Delivery	WR				WR		
C	552.211-71	511.204(a)	Standard References			WR				
C	552.211-72	511.204(b)	Reference to Specifications in Drawings	WR	WR	WR		WR		
C	552.211-73	511.204(c)(1)	Marking	WR						
C	552.211-74	511.204(c)(2)	Charges for Marking	WR						
C	552.211-75	511.204(c)(3)	Preservation, Packaging and Packing	WR				O		
C	552.211-76	511.204(c)(4)	Charges for Packaging and Packing	WR				WR		
C	552.211-77	511.204(d)	Packing List	WR				WR		
C	552.211-78	511.404(a)(2)	Commercial Delivery Schedule (Multiple Award Schedule)	WR						
C	552.211-79	511.404(a)(3)(i)	Acceptable Age of Supplies	WR				WR		
C	552.211-80	511.404(a)(3)(ii)	Age on Delivery	WR				WR		
C	552.211-81	511.404(a)(4)	Time of Shipment	WR				WR		
C	552.211-82	511.404(a)(5)	Notice of Shipment	WR				WR		
C	552.211-83	511.404(a)(6)	Availability for Inspection, Testing, and Shipment/Delivery	WR				WR		
C	552.211-84	511.404(b)	Non-Compliance with Contract Requirements			R				
C	552.212-70	512.301(a)(1)	Preparation of Offer (Multiple Award Schedule)	WR	WR					
C	552.212-71	512.301(a)(2)	Contract Terms and Conditions Applicable to GSA Acquisition of Commercial Items	WR	WR			WR		
C	552.212-72	512.301(a)(3)	Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to GSA Acquisition of Commercial Items	WR	WR			WR		
P	552.212-73	512.301(a)(4)	Evaluation—Commercial Items (Multiple Award Schedule)	WR	WR					
P	552.214-70	514.201-6	"All or None" Offers	WR	WR			WR		
C	552.214-71	514.201-7(a)	Progressive Awards and Monthly Quantity Allocations	WR						
P	552.214-72	514.202-4(a)(3)	Bid Sample Requirements	WR	WR			WR		
C	552.215-70	514.201-7(a)(1) 515.209-70(a)	Examination of Records by GSA	WR	WR	WR	WR			WR
C	552.215-71	515.209-70(c)	Examination of Records by GSA (Multiple Award Schedule)	WR	WR					

AMENDMENT 2007-01 FEBRUARY 1, 2007

552.300

GENERAL SERVICES ADMINISTRATION ACQUISITION MANUAL

P/C	Number	Reference.	Title	Sup	Serv	Const	A-E	SAT	Util	Leas
C	552.215-72	515.408(d)	Price Adjustment—Failure to Provide Accurate Information	WR	WR					
C	552.216-70	516.203-4(a)	Economic Price Adjustment—FSS Multiple Award Schedule Contracts	WR	WR					
C	552.216-71	516.203-4(b)	Economic Price Adjustment—Stock and Special Order Program Contracts	WR				WR		
C	552.216-72	516.506(a)	Placement of Orders	WR				WR		
P	552.216-73	516.506(e)	Ordering Information	WR	WR			WR		
P	552.217-70	517.208(a)	Evaluation of Options	WR				WR		
P	552.217-71	517.208(b)	Notice Regarding Option(s)	WR	WR	WR	WR	WR		
C	552.219-70	519.508	Allocation of Orders—Partially Set-aside Items	WR						
P	552.219-71	519.708-70(a)	Notice to Offerors of Subcontracting Plan Requirements	WR	WR	WR	WR			WR
P	552.219-72	519.708-70(b)	Preparation, Submission, and Negotiation of Subcontracting Plans	WR	WR	WR	WR			WR
P	552.219-73	519.708-70(c)	Goals for Subcontracting Plan	WR	WR	WR	WR			WR
C	552.219-74	519.870-8(a)	Section 8(a) Direct Award	WR	WR	WR	WR	WR		WR
C	552.223-70	523.303(a)	Hazardous Substances	WR				WR		
C	552.223-71	523.303(b)	Nonconforming Hazardous Materials	WR				WR		
P	552.223-72	523.370	Hazardous Material Information	WR				WR		
C	552.225-70	525.109	Notice of Procurement Restriction—Hand or Measuring Tools or Stainless Steel Flatware	WR						
C	552.227-70	527.409(a)	Government Rights (Unlimited)				WR			
C	552.227-71	527.409(b)	Drawings and Other Data to Become Property of Government				WR			
C	552.228-70	528.310	Workers' Compensation Laws		WR	WR				
C	552.229-70	529.401-70	Federal, State, and Local Taxes		WR	WR	WR	R		
C	552.229-71	529.401-71	Federal Excise Tax—DC Government	WR	WR			WR		
C	552.232-71	532.7103(a)	Payments		WR					
C	552.232-8	532.206	Discounts for Prompt Payment	WR	WR					
C	552.232-23	532.806	Assignment of Claims	WR	WR					
C	552.232-25	532.908(a)(2)	Prompt Payment	WR	WR			WR		
C	552.232-70	532.111(a)	Invoice Requirements	WR	WR	WR	WR	WR	WR	WR
C	552.232-71	532.111(b)	Adjusting Payments		WR					
C	552.232-72	532.111(c)	Final Payment		WR					
C	552.232-73	532.705-1	Availability of Funds		WR			WR		
C	552.232-74	532.908(a)(1)	Invoice Payments	WR	WR			WR		
C	552.232-75	532.908(b)(1)	Prompt Payment							R
C	552.232-76	532.908(b)(2)	Electronic Funds Transfer Payment							WR
C	552.232-77	532.7003	Payment By Governmentwide Commercial Purchase Card	WR	WR			WR		
C	552.232-78	532.908(c)	Payment Information	R	R	R	R	R	R	R
C	552.232-79	532.7003(c)	Payment by Credit Card	WR	WR					
C	552.232-81	532.206(b)	Payments by Non-Federal Ordering Activities	WR	WR					
C	552.232-82	532.206(c)	Contractor's Remittance (Payment) Address	WR	WR					
C	552.232-83	532.206(d)	Contractor's Billing Responsibilities	WR	WR					
P	552.233-70	533.103-72	Protests Filed Directly with the General Services Administration	R	R	R	R			R
C	552.233-71	533.215	Disputes (Utility Contracts)						WR	
C	552.236-70	536.570-1	Definitions			WR	WR	WR		
C	552.236-71	536.570-2	Authorities and Limitations			WR	WR			

AMENDMENT 2007-01 FEBRUARY 1, 2007

P/C	Number	Reference.	Title	Sup	Serv	Const	A-E	SAT	Util	Leas
C	552.236-72	536.570-3	Specialist			WR		WR		
P	552.236-73	536.570-4	Basis of Award—Construction Contract			WR				
C	552.236-74	536.570-5	Working Hours			R				
C	552.236-75	536.570-6	Use of Premises			R		WR		
C	552.236-76	536.570-7	Measurements			R		WR		
C	552.236-77	536.570-8	Specifications and Drawings			R				
C	552.236-78	536.570-9	Shop Drawings, Coordination Drawings, and Schedules			R				
C	552.236-79	536.570-10	Samples			WR		WR		
C	552.236-80	536.570-11	Heat			R		WR		
C	552.236-81	536.570-12	Use of Equipment by the Government			WR		WR		
C	552.236-82	536.570-13	Subcontracts			R				
C	552.236-83	536.570-14	Requirement for a Project Labor Agreement			WR				
P	552.237-70	537.110(a)	Qualifications of Offerors		WR					
C	552.237-71	537.110(b)	Qualifications of Employees		WR					
C	552.237-72	537.110(b)	Prohibition Regarding "Quasi-Military Armed Forces"		WR			WR		
C	552.237-73	537.110(c)	Restriction on Disclosure of Information		WR			WR		
C	552.238-70	538.273(a)(1)	Identification of Electronic Office Equipment Providing Accessibility for the Handicapped	WR						
C	552.238-71	538.273(a)(2)	Submission and Distribution of Authorized FSS Schedule Pricelists	WR	WR					
C	552.238-72	538.273(a)(3)	Identification of Products That Have Environmental Attributes	WR	WR					
C	552.238-73	538.273(a)(4)	Cancellation	WR	WR					
C	552.238-74	538.273(b)(1)	Industrial Funding Fee and Sales Reporting	WR	WR					
C	552.238-75	538.273(b)(2)	Price Reductions	WR	WR					
C	552.238-76	538.7104(a)	Definition (Federal Supply Schedules)—Recovery Purchasing	WR	WR					
C	552.238-77	538.7004(a)	Definition (Federal Supply Schedules)	WR	WR					
C	552.238-78	538.7004(Scope of Contract (Eligible Ordering Activities)	WR	WR					
C	552.238-79	538.7004(b)	Use of Federal Supply Schedule Contracts by Certain Entities—Cooperative Purchasing	WR	WR					
C	552.238-80	538.7104(c)	Use of Federal Supply Schedule Contracts by Certain Entities—Recovery Purchasing	WR	WR					
C	552.242-70	542.1107	Status Report of Orders and Shipments	WR				WR		
C	552.243-70	543.205(a)(1)	Pricing of Adjustments			WR				
C	552.243-71	543.205(a)(2)	Equitable Adjustments			WR				
C	552.243-72	543.205(b)	Modifications (Multiple Award Schedule)	WR	WR					
C	552.246-17	546.710(a)	Warranty of Supplies of a Noncomplex Nature	WR				WR		
C	552.246-70	546.302-70	Source Inspection by Quality Approved Manufacturer	WR				WR		
C	552.246-71	546.302-71	Source Inspection by Government	WR				WR		
C	552.246-72	546.312	Final Inspection and Tests			WR		O		
C	552.246-73	546.710(b)	Warranty—Multiple Award Schedule	WR	WR					
C	552.246-75	546.710(c)	Guarantees			WR				
C	552.246-76	546.710(d)	Warranty of Pesticides	WR				WR		
C	552.247-70	547.305(a)	Placarding Railcar Shipments	WR				WR		
C	552.247-71	547.305(b)	Diversion of Shipment Under f.o.b. Destination Contracts	WR				WR		
C	552.249-70	549.502(a)	Termination for Convenience of the Government (Fixed Price) (Short Form)	WR				WR		
C	552.249-71	549.502(b)	Submission of Termination Liability Schedule	WR				WR		

P/C	Number	Reference.	Title	Sup	Serv	Const	A-E	SAT	Util	Leas
P	552.252-5	552.107-70(a)	Authorized Deviations in Provisions	WR	WR	WR	WR	WR	WR	
C	552.252-6	552.107-70(b)	Authorized Deviations in Clauses	WR	WR	WR	WR	WR	WR	
P	552.270-1	570.602	Instructions to Offerors—Acquisition of Leasehold Interests in Real Property							R
P	552.270-2	570.602	Historic Preference							R
P	552.270-3	570.602	Parties to Execute Lease							R
C	552.270-4	570.603	Definitions							R*
C	552.270-5	570.603	Subletting and Assignment							R
C	552.270-6	570.603	Maintenance of Building and Premises—Right of Entry							R
C	552.270-7	570.603	Fire and Casualty Damage							R
C	552.270-8	570.603	Compliance with Applicable Law							R
C	552.270-9	570.603	Inspection—Right of Entry							R
C	552.270-10	570.603	Failure in Performance							R
C	552.270-11	570.603	Successors Bound							R
C	552.270-12	570.603	Alterations							R
C	552.270-13	570.603	Proposals for Adjustment							R
C	552.270-14	570.603	Changes							R
C	552.270-15	570.603	Liquidated Damages							R
C	552.270-16	570.603	Adjustment for Vacant Premises							R
C	552.270-17	570.603	Delivery and Condition							R
C	552.270-18	570.603	Default in Delivery—Time Extensions							R
C	552.270-19	570.603	Progressive Occupancy							R
C	552.270-20	570.603	Payment							R
C	552.270-21	570.603	Effect of Acceptance and Occupancy							R
C	552.270-22	570.603	Default by Lessor During the Term							R
C	552.270-23	570.603	Subordination, Nondisturbance and Attornment							R
C	552.270-24	570.603	Statement of Lease							R
C	552.270-25	570.603	Substitution of Tenant Agency							R
C	552.270-26	570.603	No Waiver							R
C	552.270-27	570.603	Integrated Agreement							R
C	552.270-28	570.603	Mutuality of Obligation							R
C	552.270-29	570.603	Acceptance of Space							R
P	52.203-2	570.601(e)	Certificate of Independent Price Determination							WR
C	52.203-7	570.601(e)	Anti-Kickback Procedures							WR
P	52.203-11	570.601(d)	Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions							WR
P	52.204-3	570.601(a)	Taxpayer Identification							WR
P	52.209-5	570.601(e)	Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters							WR
C	52.209-6	570.601(e)	Protecting the Government's Interest when Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment							WR
C	52.215-2	570.601(e)	Audit and Records—Negotiation							WR
P	52.215-5	570.601(j)	Facsimile Proposals							WR
C	52.215-10	570.601(i)	Price Reduction for Defective Cost or Pricing Data							WR
C	52.215-12	570.601(i)	Subcontractor Cost or Pricing Data							WR
P	52.219-1	570.601(a)	Small Business Program Representations							WR
C	52.219-8	570.601(e)	Utilization of Small Business Concerns							WR
C	52.219-9	570.601(f)	Small Business Subcontracting Plan,							WR

P/C	Number	Reference.	Title	Sup	Serv	Const	A-E	SAT	Util	Leas
C	52.219-16	570.601(f)	Liquidated Damages—Subcontracting Plan							WR
P	52.219-24	570.601(g)	Small Disadvantaged Business Participation Program—Targets							WR
C	52.219-25	570.601(g)	Small Disadvantaged Business Participation Program—Disadvantaged Status and Reporting							WR
C	52.219-26	570.601(k)	Small Disadvantaged Business Participation Program—Incentive Subcontracting							WR
P	52.222-21	570.601(b)	Prohibition of Segregated Facilities							WR
P	52.222-22	570.601(b)	Previous Contracts and Compliance Reports							WR
P	52.222-24	570.601(h)	Preaward On-site Equal Opportunity Compliance Review							WR
P	52.222-25	570.601(b)	Affirmative Action Compliance							WR
C	52.222-26	570.601(b)	Equal Opportunity							WR
C	52.222-35	570.601(b)	Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era							WR
C	52.222-36	570.601(a)	Affirmative Action for Workers with Disabilities							WR
C	52.222-37	570.601(b)	Employment Reports on Disabled Veterans and Veterans of the Vietnam Era							WR
C	52.223-6	570.601(e)	Drug-Free Workplace							WR
C	52.232-23	570.601(a)	Assignment of Claims							WR
C	52.233-1	570.601(a)	Disputes							WR
P	52.233-2	570.601(e)	Service of Protest							WR

* Clauses prescribed in GSAR [570.603](#) are optional for acquisitions that do not exceed the simplified lease acquisition threshold.

This page intentionally left blank.