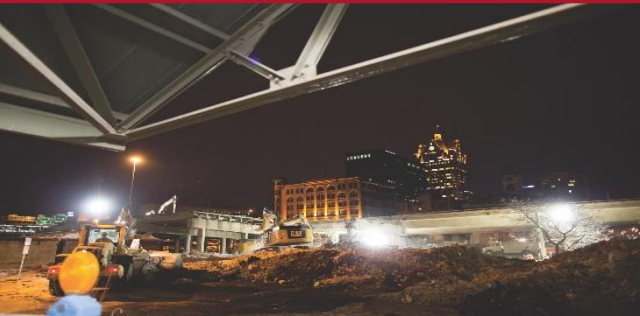




FAR Up Close
**FAR and DFARS Regulations and Clauses in
Manufacturing Contracts**

March 10, 2021



ABOUT WPI SUPPORTING THE MISSION

Celebrating 34 Years of
serving Wisconsin Business!



Assist businesses in creating, developing and growing their sales, revenue and jobs through Federal, State and Local Government contracts.

- **INDIVIDUAL COUNSELING** – At our offices, at client’s facility or via telephone/GoToMeeting
- **SMALL GROUP TRAINING** – Workshops and webinars
- **CONFERENCES** to include one on one or roundtable sessions

Last year WPI provided training at over 100 events and provided service to over 1,200 companies

WPI is a Procurement Technical Assistance Center (PTAC) funded in part by the Defense Logistics Agency (DLA), WEDC and other funding sources.

WPI OFFICE LOCATIONS

▪ MILWAUKEE

- *Technology Innovation Center*

▪ MADISON

- *FEED Kitchens*
- *Dane County Latino Chamber of Commerce*
- *Wisconsin Manufacturing Extension Partnership (WMEP)*
- *Madison Area Technical College (MATC)*

▪ CAMP DOUGLAS

- *Juneau County Economic Development Corporation (JCEDC)*

▪ STEVENS POINT

- *IDEA Center*

▪ APPLETON

- *Fox Valley Technical College*

▪ SUPERIOR

- *Small Business Dev Center; UW Superior*

▪ OSHKOSH

- *Fox Valley Technical College*
- *Greater Oshkosh Economic Development Corporation*

▪ EAU CLAIRE

- *Western Dairyland*

▪ MENOMONIE

- *Dunn County Economic Development Corporation*

▪ LADYSMITH

- *Indianhead Community Action Agency*

▪ RHINELANDER

- *Nicolet Area Technical College*

▪ ASHLAND

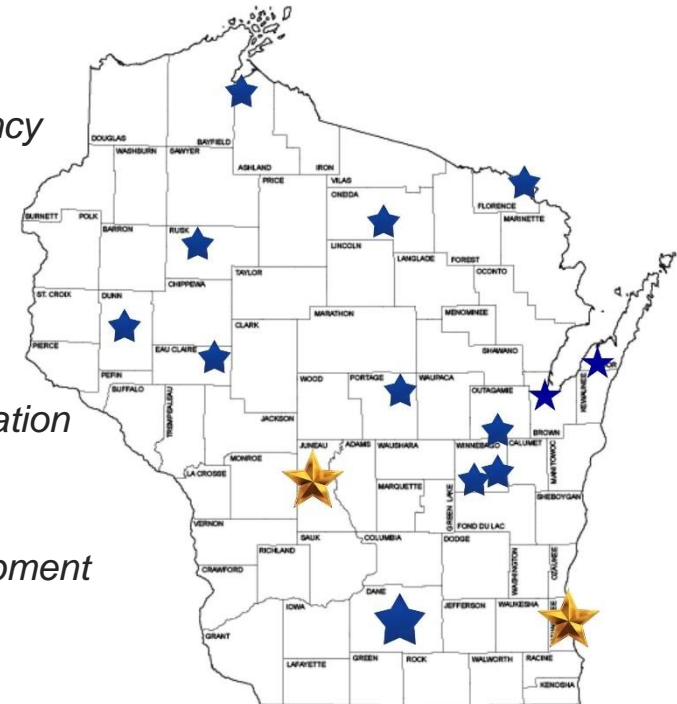
- *Ashland Area Development Corporation*

▪ FLORENCE

- *Florence County Economic Development*

▪ DOOR COUNTY

- *NE WI Technical College*
- *Door County Economic Development Corporation*





FAR & DFARS REGULATIONS AND CLAUSES IN MANUFACTURING CONTRACTS

Presented by Wisconsin Procurement Institute,
National Contract Management Association – Wisconsin Chapter

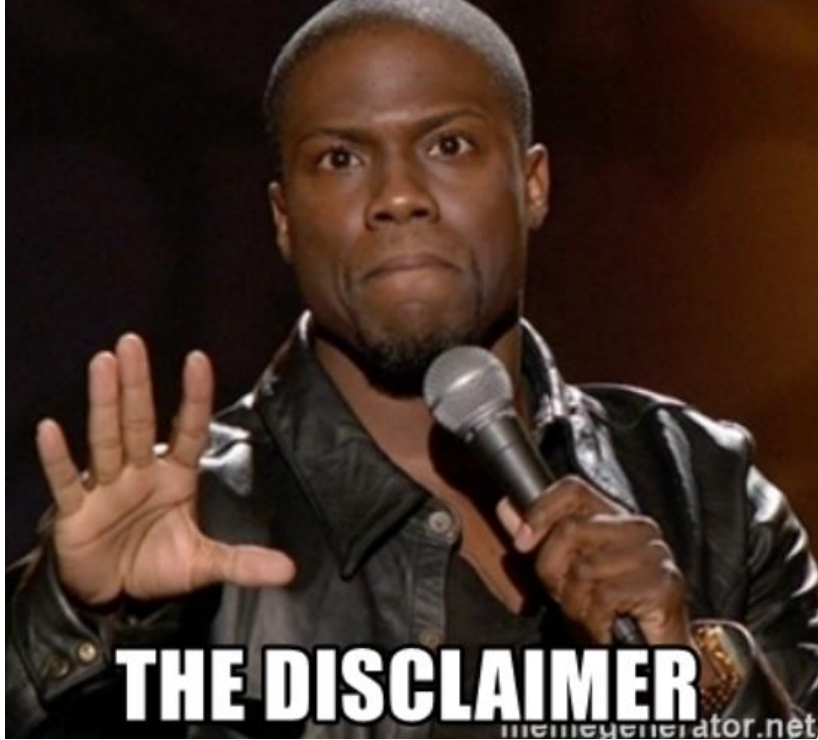
March 10, 2021

Today's topic leader



- Daryl Zahn, CFCM: Senior Manager, Contracts and Compliance, DRS Naval Power Systems, Inc., Milwaukee, WI (Menomonee Falls)
- A graduate of the University of Wisconsin-Whitewater in 1988 with a Bachelor's of Business Administration degree, Daryl began his working career in the contracting profession with Astronautics Corporation of America, a Milwaukee based avionics and electronics business working as Contract Administrator for Prime Contracts, Subcontract Administrator to Prime Customers, as well as Contract Administrator for commercial customers. In 1998, Daryl joined Eaton Navy Controls Division as Naval Projects Coordinator. Eaton Navy Controls was purchased by the DRS Corporation in 2002. At that time, Daryl was promoted to Senior Contract Administrator where he administered both prime and subcontracts for US Navy programs. Daryl was promoted Manager, Contracts and Compliance in 2011, and then to his current title of Senior Manger in 2019.
- Daryl received a Master's Certificate in Government Contracting from the George Washington University School of Business in May 2007, He earned the Certified Federal Contract Manager (CFCM) certification from the National Contract Management Association (NCMA) in April 2012.
- Daryl is an active member of the Wisconsin chapter of NCMA, having held executive board positions as Secretary, Vice President and President. Daryl remains on the NCMA-WI Chapter Board of Directors as Past President.

BEFORE WE GO ANY FURTHER



THE DISCLAIMER

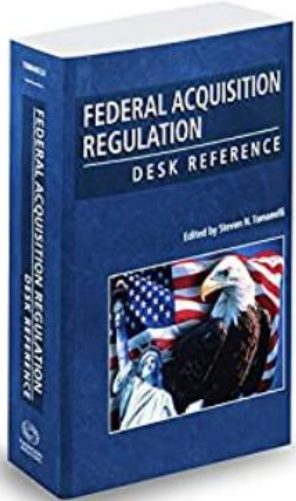
General Disclaimer for webinars like this

- The presentation is for informational purposes only and does not constitute legal advice. For legal advice on any issue, you should consult with an attorney.

About today's topic

- What are FAR and DFARS and why do we care as manufacturers
- How and where to find these in solicitations and contracts
- Some basic Federal Contracting baseline info
- Some of the FAR and DFARS clauses and some concepts that the presenter believes are important and interesting.
- What is not covered – ALL of the clauses and provisions that are important – they ALL are – but we have limited time together –

So without further ado...



What are FAR and DFARS



FAR = Federal Acquisition Regulation: Federal Acquisition Regulations System is established for the codification and publication of uniform policies and procedures for acquisition by all executive agencies. (FAR 1.101)

- The FAR applies to all acquisitions as defined in [Part 2](#) of the FAR, except where expressly excluded. (FAR 1.104)
- DFARS = Defense Acquisition Regulation Supplement: Per authority FAR 1.301 Agencies are authorized to issue regulation supplements. Per FAR 1.302, supplements are limited to those necessary to implement the FAR within the agency, and satisfy the specific agency needs. They cannot contradict the FAR.



Where can you find the FAR and DFARS

- [WWW.AQUISITION.GOV](https://www.acquisition.gov):
<https://www.acquisition.gov/content/regulations>

The screenshot shows the ACQUISITION.GOV website with a dark blue header. The header includes the logo, navigation links for 'Covid 19', 'Section 889', 'Regulations', 'Archives', and 'Policy Network', and a search icon. Below the header, the breadcrumb 'Home > Regulations' is visible. The main heading is 'Regulations'. The content is organized into a grid of 16 items, each with a circular icon and a text label:

.FAR	.SOFARS	.DOSAR	.HUDAR
Chapter 99 (CAS)	.TRANSFARS	.DTAR	.JAAR
.DFARS	.AGAR	.EDAR	.JAR
.DFARSPGI	.AIDAR	.EPAAR	.LIFAR
.AFARS	.CAR	.FEHBAR	.NFS
.AFFARS	.DEAR	.GSAM/R	.NRCAR
.DARS	.DIAR	.HHSAR	.TAR
.DLAD	.DOLAR	.HSAR	.VAAR
.NMCARS			

WHY WOULD WE CARE ABOUT FAR AND DFARS

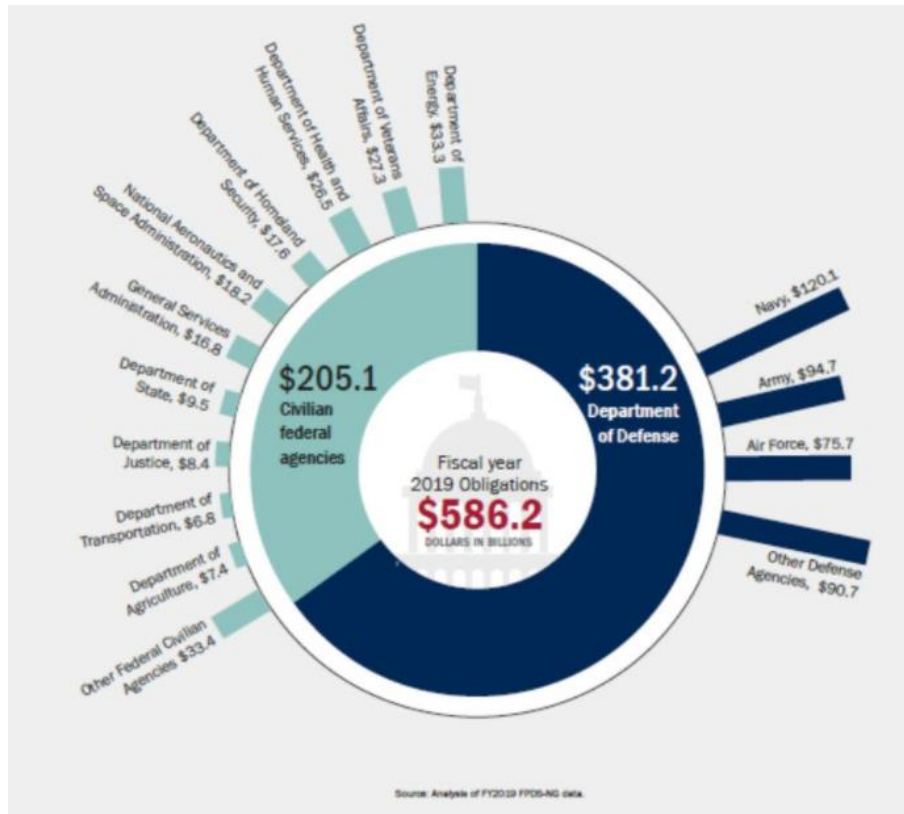
As manufacturing companies who want to sell products, it is good to know the market.

The US Federal Government is the largest buyer of supplies and services in the world.

DoD is largest spender within US Federal Government.

If you would like to be part of that market, there are regulations and requirements that need to be adhered to

2019 Fed Spend



Contracting 101 -

- Having a Contract indicates that 2 competent parties are agreeing to have the parties do agreeing to perform ‘stuff’ for consideration.
- All Government Contracts need to be in writing the contractor has signed up to do ALL the stuff – including the terms and conditions of the contract.

Government
Contracting
101

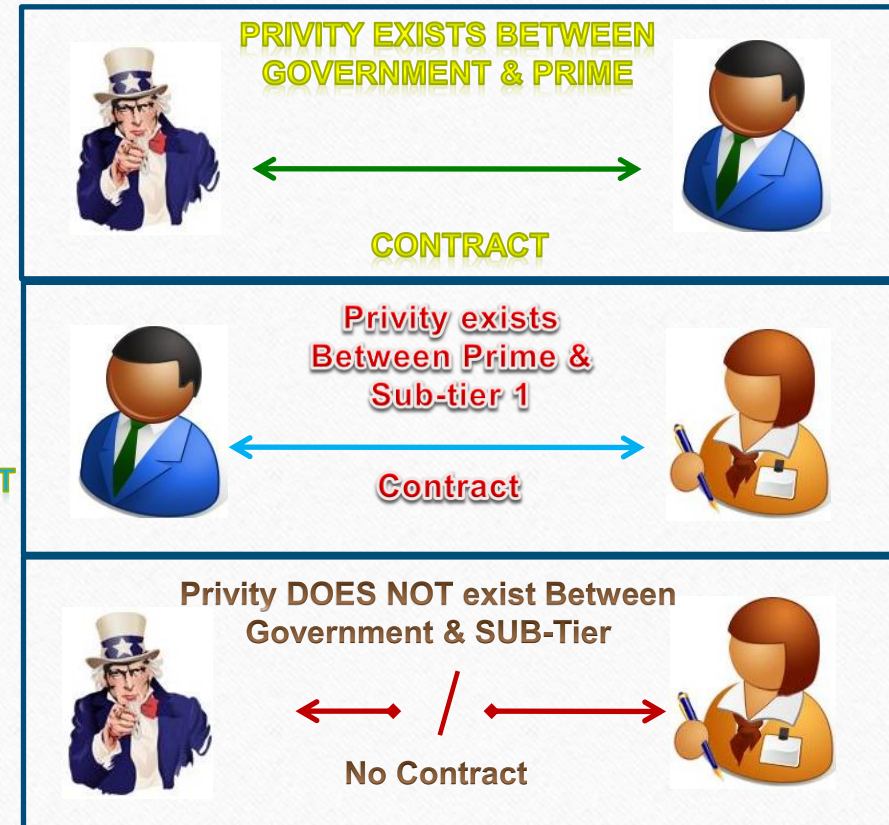
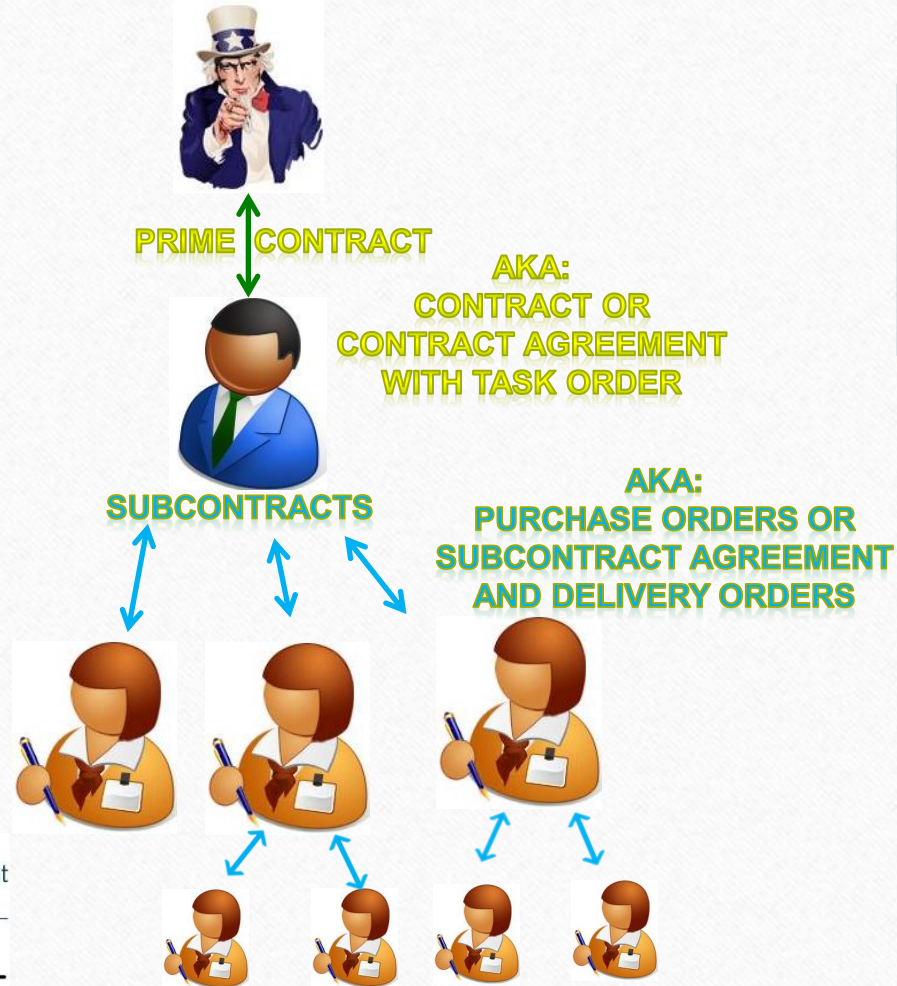
System for Award Management



- Basics - S.A.M. registration is almost always required to be able to do contracting direct with the US Federal Government.
 - Some Prime Contractors will only use sub-contractors registered in SAM
- CAGE Code is assigned to one location. If more than one facility is used, a company may need additional SAM registrations / CAGEs. Prime Contracts will list the main company CAGE as the company that is issued the award, but would list the Place of Performance CAGE if different.

Federal Contracting Supply Chain

Privity Of Contract

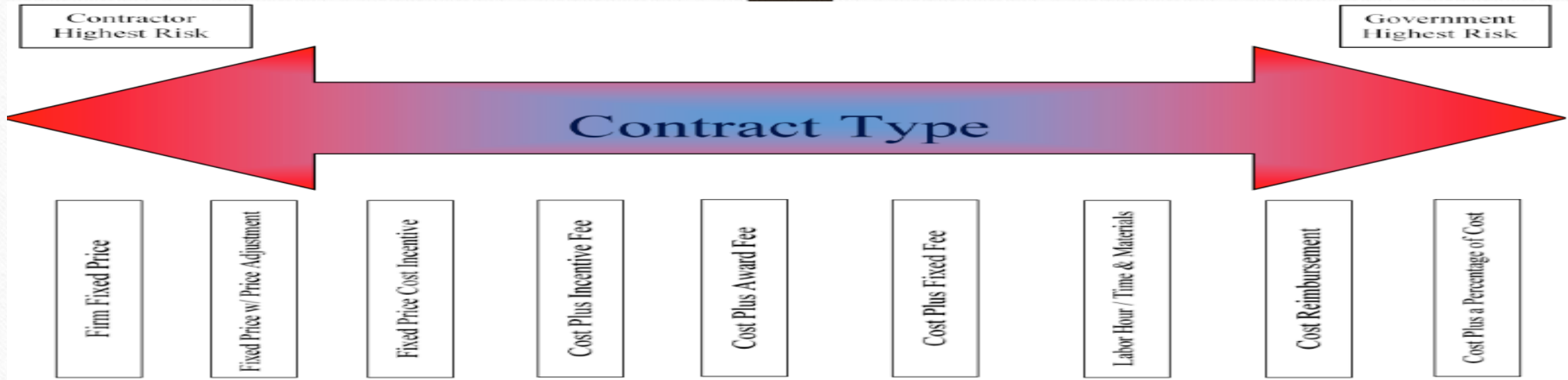


Many Companies operate as a PRIME on some contracts & as a SUB Vendor on other contracts

Flowdown of Clauses and Requirement

- Within the supply chain of Prime to Sub to the various lower levels of subcontracting. Be aware of the need to understand that if you need to procure items from vendors to perform your actions, the contract that you have signed probably has requirements to ensure that you require certain actions, and conditions from your vendor
 - FAR Up Close Session 2 covered 'Flowdown' requirements very well – hope you were able to be part of that.





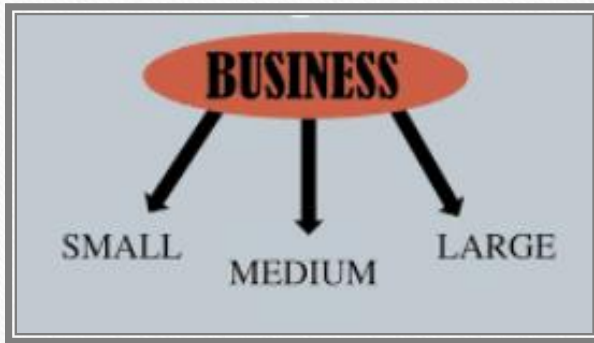
- Contract Type – It is Very Important to know what Contract you are under. There are nuances in each of these.
- FAR Part 16 describes the Contract types the Fed Govt can use
 - Fixed Price (FFP, FPIF, FPAF)
 - Cost Reimbursable (Cost, CPFF, CPIF, CPAF)
 - Time & Material
- Firm Fixed Price is the most preferred by the Fed. Govt.

Locating applicable FAR & DFAR Requirements

7. NAME AND ADDRESS OF CONTRACTOR (No. street, city, county, state and zip code) DRS SYSTEMS, INC. ROBERT RUSSO 8 SYLVAN WAY PARSONS PARKWAY NJ 07654-3818			8. DELIVERY <input checked="" type="checkbox"/> FOB ORIGIN <input type="checkbox"/> OTHER (See below)		
9. DISCOUNT FOR PROMPT PAYMENT			10. SUBMIT INVOICES (If copies and/or otherwise specified) TO THE ADDRESS SHOWN IN:		
CODE 1V3E4 FACILITY CODE 1V3E4			ITEM		
11. SHIP TO/MARK FOR CODE		12. PAYMENT WILL BE MADE BY DFAS COLUMBUS CENTER, NORTH ENTITLEMENT P.O. BOX 18224 COLUMBUS OH 43219-2284		CODE H0037	
See Schedule					
13. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input checked="" type="checkbox"/> 10 U.S.C. 2304(c)(1) <input type="checkbox"/> 41 U.S.C. 253(c)()			14. ACCOUNTING AND APPROPRIATION DATA See Schedule		
15A. ITEM NO.	15B. SUPPLIES/SERVICES	15C. QUANTITY	15D. UNIT	15E. UNIT PRICE	15F. AMOUNT
SEE SCHEDULE					
15G. TOTAL AMOUNT OF CONTRACT					\$2,385,000.00
16. TABLE OF CONTENTS					
(X) SEC.	DESCRIPTION	PAGE(S)	(X) SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE			PART II - CONTRACT CLAUSES		
X	A SOLICITATION/ CONTRACT FORM	1	X	I CONTRACT CLAUSES	25 - 44
X	B SUPPLIES OR SERVICES AND PRICES/ COSTS	2 - 5	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACHMENTS		
X	C DESCRIPTION/ SPECS/ WORK STATEMENT	6 - 13	X	J LIST OF ATTACHMENTS	45
X	D PACKAGING AND MARKING	14 - 15	PART IV - REPRESENTATIONS AND INSTRUCTIONS		
X	E INSPECTION AND ACCEPTANCE	16 - 17	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
X	F DELIVERIES OR PERFORMANCE	18		I. INSTRS. CONDS. AND NOTICES TO OFFERORS	
X	G CONTRACT ADMINISTRATION DATA	19 - 22			

- When receiving a solicitation from a Federal Government buying agency via one of their buying locations, within the solicitation will be an area noting terms & conditions of the contract.
- Within standard documented solicitations, the Uniform Contract Format will have Contract Clauses listed in Section I. “Provisions” (reps and certs) of the solicitation are listed in section K.

Small business / Medium / Large



- Business Size
 - Small Business socioeconomic preferences
 - Preferences are NOT a guarantee of business, just some additional opportunities.
 - If your company qualifies, looking for the set aside opportunities can be a good thing.
- Accounting System Requirements – as you get bigger, are your systems keeping up.
 - CAS / Modified CAS
 - Without Approved Accounting system, Smaller Businesses Generally work in Firm Fixed Price Contract type

Need to know: Who is the customer – how do they procure?



- Defense Logistics Agency
 - Often solicitations are done Electronic Methods
 - Master Solicitation: **DLA Master Solicitation** for Automated Simplified Acquisitions, is used with the request for quotations (RFQ), and the awards of purchase orders and basic contracts for automated EProcurement acquisitions valued up to the simplified acquisition threshold (SAT).
 - The DLA Master Solicitation for Automated Simplified Acquisitions is referenced in all automated RFQs that are located on the DLA Internet Bid Board System (DIBBS). Each RFQ contains a web link to this master solicitation. Suppliers are required to read PARTs I and II of this master solicitation to understand the automated solicitation, evaluation and award process for the automated simplified acquisitions. Suppliers shall comply with the master solicitation in effect at time of award. The master solicitation will be updated to reflect changes in law, regulation and acquisition policies and procedures.
- Naval Sea Systems Command – Acquire Naval warships and new technology for future vessels – Mostly FAR 15 Negotiated proposals. Still hard copy RFPs, requiring multiple technical, management, pricing volumes.
- Other Agencies – everything in between – Electronic online to the sealed bidding IFB (FAR 14) to FAR 15 Negotiated proposals.
- **BOTTOM LINE:** Read and follow the instructions to bid as necessary for each requirement.



TO THE CLAUSES>>>

- REITERATION: This presentation Covers SOME of the interesting and important clauses.
- We are touching on them in a high level to provide awareness. This will not Master's level discussion on each of these, and some could certainly be a session on their own.
- After we complete today, and you have a specific FAR that you think there needs to be a specific training session on, whether one that is touched on in the upcoming slides or another you are aware of – note that to WPI and they can review for putting together future training.

Note on Contract Clauses in FAR 52 & DFARS 252

- FAR/DFARS requirements are written into contracts as ‘clauses’ beginning with “52.2xx” (FAR) and “252.2xx”(DFARS).
 - The Clauses represent the contractual obligations of the contractor.
 - Background on why an individual clause is required and what the Contracting Officers/agency is required pertaining to it can be found by looking up the Clause in the FAR, DFARS hardcopy or Acquisition.gov and under the clause number and heading, look for the wording “As prescribed in XX.xxx(x), insert the following clause”

52.216-22 Indefinite Quantity.

As prescribed in [16.506\(e\)](#), insert the following clause:

Being a Responsible Contractor (FAR 9)

- 9.103(a) Purchases shall be made from, and contracts shall be awarded to, responsible prospective contractors
 - (a) Have adequate financial resources to perform the contract, or the ability to obtain them (see [9.104-3\(a\)](#));
 - (b) Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and governmental business commitments;
 - (c) Have a satisfactory performance record (see [9.104-3\(b\)](#) and [Subpart 42.15](#)). A prospective contractor shall not be determined responsible or nonresponsible solely on the basis of a lack of relevant performance history, except as provided in [9.104-2](#);
 - (d) Have a satisfactory record of integrity and business ethics (for example, see [Subpart 42.15](#));
 - (e) Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them (including, as appropriate, such elements as production control procedures, property control systems, quality assurance measures, and safety programs applicable to materials to be produced or services to be performed by the prospective contractor and subcontractors). (See [9.104-3 \(a\)](#).)
 - (f) Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them (see [9.104-3\(a\)](#)); and
 - (g) Be otherwise qualified and eligible to receive an award under applicable laws and regulations (see also inverted domestic corporation prohibition at 9.108).

52.209-3 First Article test



- Ensures the contractor can furnish a product that conforms to all contract requirements for acceptance. Before requiring testing and approval, the contracting officer shall consider the
 - Impact on cost or time of delivery
 - Risk to the Government of foregoing such test, and
 - Availability of other, less costly, methods of ensuring the desired quality.
- Testing and approval may be appropriate when
 - The contractor has not previously furnished the product to the Government
 - The contractor has previously furnished the product, but
 - There have been changes in processes or specifications
 - Production has been discontinued for an extended period of time, or
 - The product acquired under a previous contract developed a problem
- The product is described by a performance specification
- It is essential to have an approved first article to serve as a manufacturing standard

52.211-15 Defense Priority and Allocation Requirements.



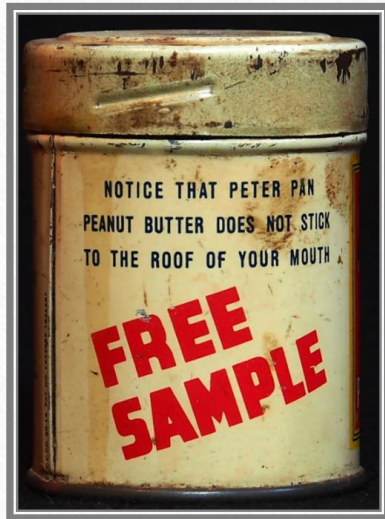
DPAS



FAR Up Close

- 52.211-14 (Provision – bid): 52.211-15 (Clause – in Contract)
 - Defense Priority and Allocation System (DPAS) rating is used to prioritize national defense-related contracts/orders throughout the U.S. supply chain in order to support military, energy, homeland security, emergency preparedness, and critical infrastructure requirements.
 - DX, DO, or non DPAS rated. DX rating take presidency over DO rating which is over non-DPAS rated.
 - Ratings will have suffix to note the program type being ordered
 - DO-A3 (ship use), DO-A7 (defense electronic programs)
 - Requires timely acknowledgement of award with confirmation of delivery schedule and ensuring to let customer know of issues that impact schedule

52.214-20 Bid Samples (Part 14 Sealed Bids)



- (a) "Bid sample" means a product sample required to be submitted by a bidder to show those characteristics of the offered products that cannot adequately be described by specifications, purchase descriptions, or the invitation for bid (e.g., balance, facility of use, or pattern).
- (b) Bidders must furnish bid samples as part of the bid. The Government must receive the bid samples by the time specified in the invitation for bids. If the bidder fails to submit samples on time, the Government will reject the bid, except that the Contracting Officer will consider a late sample sent by mail under the Late Submissions, Modifications, and Withdrawals of Bids provision of this solicitation.
- (c) The Government will test or evaluate bid samples to determine compliance with all the characteristics listed for examination in this solicitation. The Government will reject the bid when the sample fails to conform to the required characteristics. Products delivered under any resulting contract must conform to-
 - (1) The approved sample for the characteristics listed for test or evaluation; and
 - (2) The specifications for all other characteristics.
- (d) Unless otherwise specified in the solicitation, bid samples shall be-
 - (1) Submitted at no expense to the Government; and
 - (2) Returned at the bidder's request and expense, unless they are destroyed during preaward testing.

52.216-22 Indefinite Quantity



FAR Up Close

- (a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.
- (b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."
- (c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.
- (d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after _____

52.225-1 Buy American-Supplies



- (b) [41 U.S.C. chapter 83](#), Buy American, provides a preference for domestic end products for supplies acquired for use in the United States. In accordance with [41 U.S.C. 1907](#), the domestic content test of the Buy American statute is waived for an end product that is a COTS item (see [12.505\(a\)\(1\)](#)), except that for an end product that consists wholly or predominantly of iron or steel or a combination of both, the domestic content test is applied only to the iron and steel content of the end product, excluding COTS fasteners.
- (c) Offerors may obtain from the Contracting Officer a list of foreign articles that the Contracting Officer will treat as domestic for this contract.
- (d) The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the solicitation entitled "Buy American Certificate."

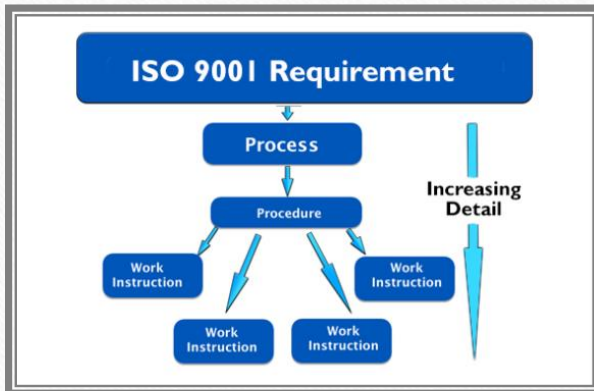
52.225-5 Trade Agreements.

(also 52.225-3 Israeli Trade Act)



- (b) Delivery of end products. The Contracting Officer has determined that the WTO GPA and FTAs apply to this acquisition. Unless otherwise specified, these trade agreements apply to all items in the Schedule. The Contractor shall deliver under this contract only U.S.-made **or** designated country end products except to the extent that, in its offer, it specified delivery of other end products in the provision entitled "Trade Agreements Certificate."

- 52.246-11 higher quality level



- (a) The Contractor shall comply with the higher-level quality standard(s) listed below.
- _____ [Contracting Officer insert the title, number (if any), date, and tailoring (if any) of the higher-level quality standards.]
- (b) The Contractor shall include applicable requirements of the higher-level quality standard(s) listed in paragraph (a) of this clause and the requirement to flow down such standards, as applicable, to lower-tier subcontracts, in-
 - (1) Any subcontract for critical and complex items (see 46.203(b) and (c)); or
 - (2) When the technical requirements of a subcontract require-
 - (i) Control of such things as design, work operations, in-process control, testing, and inspection;
 - or
 - (ii) Attention to such factors as organization, planning, work instructions, documentation control, and advanced metrology.
- EXAMPLES: ISO 9001, ASQ/ANSI E4, ASME NQA-1, SAE AS9100, SAE AS9003, and ISO/TS 16949, and product or process specific quality standards such as SAE AS5553

• 52.246 Inspection of supplies

- 52.246-2 Fixed Price [note the Alternate I for FPIF and 52.246-3 for Cost Reimbursement



- 52.246-2 (b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering supplies under this contract and shall tender to the Government for acceptance only supplies that have been inspected in accordance with the inspection system and have been found by the Contractor to be in conformity with contract requirements. As part of the system, the Contractor shall prepare records evidencing all inspections made under the system and the outcome. These records shall be kept complete and made available to the Government during contract performance and for as long afterwards as the contract requires. The Government may perform reviews and evaluations as reasonably necessary to ascertain compliance with this paragraph. These reviews and evaluations shall be conducted in a manner that will not unduly delay the contract work. The right of review, whether exercised or not, does not relieve the Contractor of the obligations under the contract.
- (c) The Government has the right to inspect and test all supplies called for by the contract, to the extent practicable, at all places and times, including the period of manufacture, and in any event before acceptance. The Government shall perform inspections and tests in a manner that will not unduly delay the work. The Government assumes no contractual obligation to perform any inspection and test for the benefit of the Contractor unless specifically set forth elsewhere in this contract.
- (d) If the Government performs inspection or test on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of these duties. Except as otherwise provided in the contract, the Government shall bear the expense of Government inspections or tests made at other than the Contractor's or subcontractor's premises; provided, that in case of rejection, the Government shall not be liable for any reduction in the value of inspection or test samples.
- (e) → (l) more info. Including cost that come back to the contractor for not being ready or for rejections.

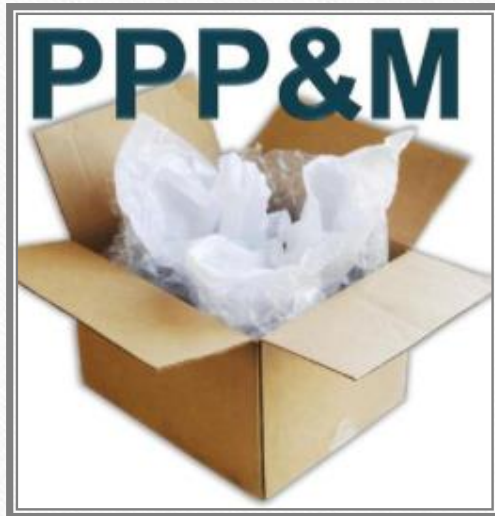
52.247-29 → 34 FOB: Free of Expense to what location?



FAR Up Close

- **52.247-29 F.o.b. Origin.**
- 52.247-30 F.o.b. Origin, Contractor's Facility.
- 52.247-31 F.o.b. Origin, Freight Allowed
- 52.247-32 F.o.b. Origin, Freight Prepaid
- 52.247-33 F.o.b. Origin, with Differentials.
- **52.247-34 F.o.b. Destination**
- 52.247-35 F.o.b. Destination, Within Consignee's Premises
- 52.247-36 F.a.s. Vessel, Port of Shipment
- **52.247-37 F.o.b. Vessel, Port of Shipment**
- 52.247-38 F.o.b. Inland Carrier, Point of Exportation
- 52.247-39 F.o.b. Inland Point, Country of Importation
- 52.247-38 F.o.b. Inland Carrier, Point of Exportation
- 52.247-39 F.o.b. Inland Point, Country of Importation
- 52.247-40 Ex Dock, Pier, or Warehouse, Port of Importation
- 52.247-41 C.& f. Destination.
- 52.247-42 C.i.f. Destination
- 52.247-43 F.o.b. Designated Air Carrier's Terminal, Point of Exportation
- 52.247-44 F.o.b. Designated Air Carrier's Terminal, Point of Importation
- 52.247-45 F.o.b. Origin and/or F.o.b. Destination Evaluation
- 52.247-46 Shipping Point(s) Used in Evaluation of F.o.b. Origin Offers

Beyond the CLAUSES: PPP&M



- As a manufacturer – we know our product, but do you know Preservation, Packing, Packaging and Marking requirements?
 - Prime Contracts – Look in section D. Subcontracts- know what the requirements are.
 - Different ‘levels’ of PPP&M can significantly increase the cost of the contract requirements beyond the manufacture of the part.
 - Confirm any Specification requirements during any BID/PROPOSALS

252.225-7001 Buy American and Balance of Payments Program



- (b) This clause implements 41 U.S.C chapter 83, Buy American. In accordance with 41 U.S.C. 1907, the component test of the Buy American statute is waived for an end product that is a COTS item (see section 12.505(a)(1) of the Federal Acquisition Regulation). Unless otherwise specified, this clause applies to all line items in the contract.
- (c) The Contractor shall deliver only domestic end products unless, in its offer, it specified delivery of other end products in the Buy American—Balance of Payments Program Certificate provision of the solicitation. If the Contractor certified in its offer that it will deliver a qualifying country end product, the Contractor shall deliver a qualifying country end product or, at the Contractor's option, a domestic end product.
- (d) The contract price does not include duty for end products or components for which the Contractor will claim duty-free entry.
 - The **countries** that are currently designated as **qualifying countries** are Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Israel, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, Turkey and the United Kingdom



- 252.225-7021 Trade Agreements
[and Alternate]

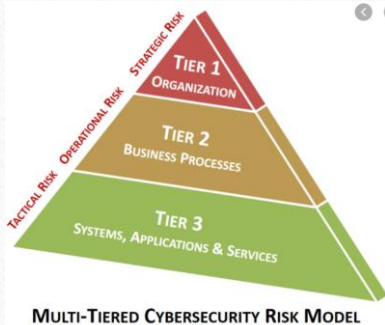
- (c) The Contractor shall deliver under this contract only U.S.-made, qualifying country, or designated country end products unless—
 - (1) In its offer, the Contractor specified delivery of other nondesignated country end products in the Trade Agreements Certificate provision of the solicitation; and
 - (2)(i) Offers of U.S.-made, qualifying country, or designated country end products from responsive, responsible offerors are either not received or are insufficient to fill the Government's requirements; or
 - (ii) A national interest waiver has been granted.
- (d) The contract price does not include duty for end products or components for which the Contractor will claim duty-free entry.

252.225-7016 Restriction on Acquisition of Ball and Roller Bearings



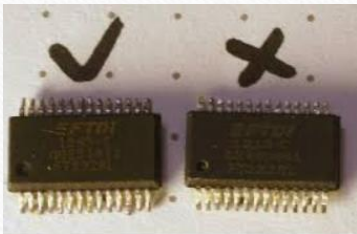
- (b) Except as provided in paragraph (c) of this clause—
 - (1) Each ball and roller bearing delivered under this contract shall be manufactured in the United States, its outlying areas, or Canada; and
 - (2) For each ball or roller bearing, the cost of the bearing components manufactured in the United States, its outlying areas, or Canada shall exceed 50 percent of the total cost of the bearing components of that ball or roller bearing.
- (c) The restriction in paragraph (b) of this clause does not apply to ball or roller bearings that are acquired as—
 - (1) Commercial components of a noncommercial end product; or
 - (2) Commercial or noncommercial components of a commercial component of a noncommercial end product.
- (d) The restriction in paragraph (b) of this clause may be waived upon request from the Contractor in accordance with subsection 225.7009-4 of the Defense Federal Acquisition Regulation Supplement.
- (e) If this contract includes DFARS clause 252.225-7009 , Restriction on Acquisition of Certain Articles Containing Specialty Metals, all bearings that contain specialty metals, as defined in that clause, must meet the requirements of that clause.
- (f) The Contractor shall insert the substance of this clause, including this paragraph (f), in all subcontracts, except those for—
 - (1) Commercial items; or
 - (2) Items that do not contain ball or roller bearings

252.239-7018 Supply Chain Risk



- (a) Definitions. As used in this clause—“Information technology” (see 40 U.S.C 11101(6)) means, in lieu of the definition at FAR 2.1, any equipment, or interconnected system(s) or subsystem(s) of equipment, that is used in the automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the agency.
 - (1) For purposes of this definition, equipment is used by an agency if the equipment is used by the agency directly or is used by a contractor under a contract with the agency that requires—
 - (i) Its use; or
 - (ii) To a significant extent, its use in the performance of a service or the furnishing of a product.
 - (2) The term “information technology” includes computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including support services), and related resources.
 - (3) The term “information technology” does not include any equipment acquired by a contractor incidental to a contract.
 - “Supply chain risk,” means the risk that an adversary may sabotage, maliciously introduce unwanted function, or otherwise subvert the design, integrity, manufacturing, production, distribution, installation, operation, or maintenance of a covered system so as to surveil, deny, disrupt, or otherwise degrade the function, use, or operation of such system (see 10 U.S.C. 2339a).
- (b) The Contractor shall mitigate supply chain risk in the provision of supplies and services to the Government.
- (c) In order to manage supply chain risk, the Government may use the authorities provided by 10 U.S.C. 2339a. In exercising these authorities, the Government may consider information, public and non-public, including all-source intelligence, relating to a Contractor’s supply chain.
- (d) If the Government exercises the authority provided in 10 U.S.C. 2339a to limit disclosure of information, no action undertaken by the Government under such authority shall be subject to review in a bid protest before the Government Accountability Office or in any Federal court.

252.246-7007 Contractor Counterfeit Electronic Part Detection and Avoidance System



- (b) Acceptable counterfeit electronic part detection and avoidance system. The Contractor shall establish and maintain an acceptable counterfeit electronic part detection and avoidance system. ...
- (c) System criteria. A counterfeit electronic part detection and avoidance system shall include risk-based policies and procedures that address, at a minimum, the following areas:
 - (1) The training of personnel;
 - (2) The inspection and testing of electronic parts, including criteria for acceptance and rejection.;
 - (3) Processes to abolish counterfeit parts proliferation;
 - (4) Risk-based processes that enable tracking of electronic parts ...;
 - (5) Use of suppliers in accordance with the clause at 252.246-7008 .; (6) Reporting and quarantining of counterfeit electronic parts and suspect counterfeit electronic parts
 - (7) Methodologies to identify suspect counterfeit parts...;
 - (8) Design, operation, and maintenance of systems to detect and avoid counterfeit electronic parts...;
 - (9) Flow down of counterfeit detection and avoidance requirements...
 - (10) Process for keeping continually informed of current counterfeiting information and trends...
 - (11) Process for screening GIDEP reports...
 - (12) Control of obsolete electronic parts in order to maximize the availability and use of authentic, originally designed, and qualified electronic parts throughout the product's life cycle.
- (d) Government review and evaluation of the Contractor's policies and procedures will be accomplished as part of the evaluation of the CPSR...
- (e) The Contractor shall include the substance of this clause, ...in subcontracts, including subcontracts for commercial items, for electronic parts or assemblies containing electronic parts.

252.247-7023 Transportation of Supplies by Sea



- (b) The Contractor shall use U.S.-flag vessels when transporting any supplies by sea under this contract.
- (c) The Contractor and its subcontractors may request that the Contracting Officer authorize shipment in foreign-flag vessels, or designate available U.S.-flag vessels, [in noted situations]
- (d) The Contractor must submit any request for use of foreign-flag vessels in writing to the Contracting Officer at least 45 days prior to the sailing date necessary to meet its delivery schedules....

252.232-7006 Wide Area WorkFlow Payment Instructions



- Located within the 'Procurement Integrated Enterprise Environment' (PIEE), the Wide Area WorkFlow (WAWF) is the directed method for having items inspected, accepted and invoices submitted for payment.
- {Formerly known as iRAPT, it is back to the original name}



FAR Up Close

252.211-7003 Item Unique Identification and Valuation



- “Item unique identification (IUID)” means a system of assigning, reporting, and marking DoD property with unique item identifiers that have machine-readable data elements to distinguish an item from all other like and unlike items.
- **Item:** “Item” means a single hardware article or a single unit formed by a grouping of subassemblies, components, or constituent parts.
- The **IUID Registry** is the central repository for **IUID** information and serves as an acquisition gateway to identify: What the item is. How and when it was acquired. The initial value of the item. Current custody (government or contractor) {LOCATED IN PIEE}

Cyber Security and NIST 800-171 (Controlled unclassified Information)

- 252.204-7012 Safeguarding covered defense information and cyber incident reporting
 - Requires contractors at all levels of the supply chain to have security in place to protect covered defense information and to report any compromises.
- 252.204-7018 Prohibition on the Acquisition of Covered Defense Telecommunications Equipment or Services
- 252.204-7019 Notice of NIST SP 800-171 DoD Assessment Requirements
 - (b) *Requirement.* In order to be considered for award, if the Offeror is required to implement NIST SP 800-171, the Offeror shall have a current assessment (i.e., not more than 3 years old unless a lesser time is specified in the solicitation) (see 252.204-7020) for each covered contractor information system that is relevant to the offer



FAR Up Close

HUGE topic in today's world – specifically in DoD environment.

TAKE ADVANTAGE OF WPI CYBER FRIDAYS EVENTS

Thank
You For
Your
Attention



Questions?????



Go forth and be a great
Contractor!

UPCOMING TRAINING - EVENTS

CYBER FRIDAY LIVE WEBINAR SERIES

Mar 19, 2021 Managing Vendor Risk

April 16, 2021 Your Cyber Plan Cannot Be Static – Here’s Why!

April 30, 2021 Testing and Strengthening Your Cyber-Defenses Using Exercises

May 14, 2021 Corporate Acquisition, Insider threats, or Strategic Investments
– All Threats to Consider

May 28, 2021 The Cybersecurity Plan Looks Great

Register at: <https://www.wispro.org/faqs/what-is-wpis-current-cyber-friday-webinar-schedule/>

PRESENTED BY



A Procurement Technical Assistance Center (PTAC)



TECHNOLOGY
INNOVATION CENTER
— at RESEARCH PARK



ACQUISITION HOUR LIVE WEBINAR SERIES

▪ March 10, 2021

Acquisition Hour: Using Data to Develop Your Federal Business Strategic Plan

[CLICK HERE](#) for additional information

Presented by Marc Violante, Wisconsin Procurement Institute

▪ March 23, 2021

The SBA 8(a) Certification Program and Small Disadvantaged Businesses (SDB)

[CLICK HERE](#) for additional information

Presented by Shane Mahaffy, U.S. Small Business Administration

▪ March 16, 2021

Acquisition Hour: The HUBZone Program – Certification Benefits and Regulations

[CLICK HERE](#) for additional information

Presented by Shane Mahaffy, U.S. Small Business Administration

▪ March 24, 2021

Acquisition Hour: Using the New FPDS and Desktop Tools to Analyze Federal Procurement Data

[CLICK HERE](#) for additional information

Presented by Marc Violante, Wisconsin Procurement Institute

▪ March 17, 2021

Acquisition Hour: Responding to Sources Sought Request and Capabilities Statements

[CLICK HERE](#) for additional information

Presented by Helen Henningsen and Mark Dennis, Wisconsin Procurement Institute

▪ April 6, 2021

Acquisition Hour: Intellectual Property for Government Contractors & Subcontractors & the STTR/SBIR Stakeholder

[CLICK HERE](#) for additional information

Presented by Laura Grebe, Husch Blackwell

8th Annual FAR Evening Study Sessions

Presented by the National Contract Management Association (NCMA Wisconsin) and WPI

February 2, 2021 Intro & FAR Part 16

March 2, 2021 FAR Parts 19-29

February 9, 2021 FAR Parts 1-4

March 9, 2021 FAR Parts 30-33

February 16, 2021 FAR Parts 5-12

March 16, 2021 FAR Parts 34-41

February 23, 2021 FAR Parts 13-18

March 23, 2021 FAR Parts 42-53

Register at: <https://www.wispro.org/wpis-2021-far-evening-study-sessions-schedule/>



2021 FAR Up Close Series

February 10, 2021	Overview of the FAR
February 17, 2021	FAR Regulations and Clauses on Subcontracting
March 3, 2021	FAR Regulations and Clauses in Commercial Items
March 10, 2021	FAR and DFARS Regulations and Clauses in Manufacturing Contracts
March 17, 2021	FAR Regulations and Clauses in Federal Service Contracts
April 7, 2021	FAR Clauses in Federal Construction Services
April 14, 2021	FAR Regulations for Procurement of Architect Engineer Services

CYBERSECURITY – UPDATE – DECEMBER 2020

- CMMC -
 - Implementation continues
 - Pathfinder contracts to be announced soon – article, Dec 1, 2020
 - CMMC requirements will be included
 - Full implementation expected by Oct 2025
- New clauses and requirements –
 - DFARS 252.204-7019
 - DFARS 252.204-7020 – applies to contracts subject to 252.204-7012
 - With few exceptions, these requirements apply to all Primes and Subcontractors
 - Consistent with philosophy shift of self-attest to verifiable
 - Three levels – Base – self-performed , Medium & High - DCMA

252.204-7020 – BASIC ASSESSMENT

- Requires
 - System Security Plan(SSP)
 - Plan of Action – with dates for outstanding items
 - Basic Assessment
- Six elements uploaded to Supplier Performance Risk System (SPRS)
 1. System Security Plan name (if more than one system is involved)
 2. Brief description of Plan Architecture
 3. CAGE code associated with SSP
 4. Date Assessment performed
 5. Summary Score
 6. Date a score of 110 to be achieved

CURRENT CYBER REQUIREMENTS

- FAR 52.204-21 – Federal Contract Information
- DFARS 252.204-7012
- Requirements cited in solicitation/contract

Need assistance – please contact Marc Violante from WPI at marcv@wispro.org or 920-456-9990

CONTINUING PROFESSIONAL EDUCATION



CPE Certificate available, please contact:

Benjamin Blanc

benjaminb@wispro.org

PRESENTED BY

Wisconsin Procurement Institute (WPI)

www.wispro.org

Daryl Zahn

DRS Naval Power Systems, Inc

darylgzahn@drs.com | 414-875-2938

10437 Innovation Drive, Suite 320
Milwaukee, WI 53226