

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS <i>OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30</i>				1. REQUISITION NUMBER REQ-2400-16-0149		PAGE OF 1 59	
2. CONTRACT NO. GS-06F-1182Z		3. AWARD/EFFECTIVE DATE 09/15/2016	4. ORDER NUMBER CPSC-F-16-0088		5. SOLICITATION NUMBER CPSC-Q-16-0095		8. SOLICITATION ISSUE DATE 08/25/2016
7. FOR SOLICITATION INFORMATION CALL:		a. NAME Rudi Johnson		b. TELEPHONE NUMBER (No collect calls) 301-504-7028		8. OFFER DUE DATE/LOCAL TIME	
9. ISSUED BY CONSUMER PRODUCT SAFETY COMMISSION DIV OF PROCUREMENT SERVICES 4330 EAST WEST HWY ROOM 523 BETHESDA MD 20814			CODE FMPS	10. THIS ACQUISITION IS <input type="checkbox"/> UNRESTRICTED OR <input checked="" type="checkbox"/> SET ASIDE % FOR:			
				<input type="checkbox"/> SMALL BUSINESS		WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM	
				<input type="checkbox"/> HUBZONE SMALL BUSINESS		EDWOSB NAICS	
				<input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS		<input checked="" type="checkbox"/> 8(A) SIZE STANDARD:	
11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE		12. DISCOUNT TERMS SB/Net 30		<input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		13b. RATING	
						14. METHOD OF SOLICITATION <input type="checkbox"/> RFP <input type="checkbox"/> IFB <input type="checkbox"/> RFP	
15. DELIVER TO CONSUMER PRODUCT SAFETY COMMISSION OFFICE OF INFORMATION SERVICES 4330 EASTWEST HIGHWAY ROOM 706 BETHESDA MD 20814			CODE EXIT	16. ADMINISTERED BY CONSUMER PRODUCT SAFETY COMMISSION DIV OF PROCUREMENT SERVICES 4330 EAST WEST HWY ROOM 523 BETHESDA MD 20814			
17a. CONTRACTOR/OFFEROR DAN SOLUTIONS INC 2425 WILSON BLVD SUITE 510 ARLINGTON VA 22201			CODE	18a. PAYMENT WILL BE MADE BY CPSC Accounts Payable Branch AMZ 160 P. O. Box 25710 Oklahoma City OK 73125			
TELEPHONE NO.			CODE FMPS				
<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER				<input type="checkbox"/> 18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM			
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES			21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	DUNS Number: [REDACTED] CONTRACTING OFFICER REPRESENTATIVE (COR): SHINY VARGHESE TEL: 301-504-7455 EMAIL: SVARGHESE@CPSC.GOV THE CONTRACTOR SHALL PROVIDE ALL LABOR, MATERIALS AND SERVICES NECESSARY TO PROVIDE ALL TECHNICAL SUPPORT FOR THE ENHANCEMENT, OPERATIONS, MAINTENANCE, AND TECHNICAL REFRESH SERVICES TO SUPPORT THE CONSUMER PRODUCT SAFETY COMMISSION <i>(Use Reverse and/or Attach Additional Sheets as Necessary)</i>						
25. ACCOUNTING AND APPROPRIATION DATA 0100A16DSE-2016-1332800000-EXIT002400-252M0						26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$2,086,455.97	
<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52 212-1, 52 212-4, FAR 52 212-3 AND 52 212-5 ARE ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.							
<input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52 212-4, FAR 52 212-5 IS ATTACHED. ADDENDA <input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.							
<input type="checkbox"/> 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED				<input type="checkbox"/> 29. AWARD OF CONTRACT _____ OFFER DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN IS ACCEPTED AS TO ITEMS			
30a. SIGNATURE OF OFFEROR/CONTRACTOR				31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) 			
30b. NAME AND TITLE OF SIGNER (Type or print)		30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICER (Type or print) Eddie Ahmad		31c. DATE SIGNED 9/15/16	

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21 QUANTITY	22 UNIT	23 UNIT PRICE	24 AMOUNT
0001	<p>(CPSC) DYNAMIC CASE MANAGEMENT (DCM) AND RISK MANAGEMENT SYSTEM (RMS) IN ACCORDANCE WITH THE ATTACHED PERFORMANCE WORK STATEMENT AND THE GSA STARS II CONTRACT, GS06F1182Z.</p> <p>TECHNICAL SUPPORT SERVICES ON TASKS SUPPORTING CPSC'S DYNAMIC CASE MANAGEMENT SYSTEM (DCM) AND RISK MANAGEMENT SYSTEM (RSM) CONDUCTING OPERATIONS, MAINTENANCE, AND ENHANCEMENT ACTIVITIES.</p> <p>The total amount of award: \$2,086,455.97. The obligation for this award is shown in box 26.</p>	1	LO	2,086,455.97	2,086,455.97

32a. QUANTITY IN COLUMN 21 HAS BEEN
 RECEIVED INSPECTED ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE 32c. DATE 32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE 32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE
 32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER 34. VOUCHER NUMBER 35. AMOUNT VERIFIED CORRECT FOR 36. PAYMENT 37. CHECK NUMBER
 PARTIAL FINAL COMPLETE PARTIAL FINAL

38. S/R ACCOUNT NUMBER 39. S/R VOUCHER NUMBER 40. PAID BY

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT 42a. RECEIVED BY (Pnnt)
 41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER 41c. DATE 42b. RECEIVED AT (Location)
 42c. DATE REC'D (YY/MM/DD) 42d. TOTAL CONTAINERS

**Consumer Product Safety Risk Management Systems (CPSRMS)
Dynamic Case Management System (DCM)**

PERFORMANCE WORK STATEMENT

1. Introduction

The U.S. Consumer Product Safety Commission (CPSC) is charged with protecting the public from unreasonable risks of serious injury or death from thousands of types of consumer products under the Commission's jurisdiction. The CPSC is committed to protecting consumers and families from products that pose a fire, electrical, chemical, or mechanical hazard or can injure children. The CPSC's work to ensure the safety of consumer products - such as toys, cribs, power tools, cigarette lighters, and household chemicals - contributed significantly to the 30 percent decline in the rate of deaths and injuries associated with consumer products over the past 30 years.

The Agency has jurisdiction over 15,000 types of consumer products, from automatic-drip coffee makers to toys to lawn mowers. Some types of products, however, are covered by other federal agencies. For example: cars, trucks and motorcycles are covered by the Department of Transportation; foods, drugs, and cosmetics are covered by the Food and Drug Administration; and alcohol, tobacco and firearms are within the jurisdiction of the Department of the Treasury.

CPSC works to reduce the risk of injuries and deaths from consumer products by:

1. Developing voluntary standards with industry;
2. Issuing and enforcing mandatory standards; banning consumer products if no feasible standard would adequately protect the public;
3. Obtaining the recall of products or arranging for their repair;
4. Conducting research on potential product hazards; and
5. Informing and educating consumers through the media, international, federal, state and local governments, private organizations, and by responding to consumer inquiries.

The Office of Information and Technology Services (EXIT) is charged with ensuring the Commission and its staff has all applicable tools and infrastructure required to execute their duties. This procurement is limited to system support for the following investments: Consumer Product Safety Risk Management Systems (CPSRMS) and Dynamic Case Management System (DCM).

The goal of CPSC is to engage a Contractor to provide systems operations and maintenance, enhancement and technology refresh services. As part of this effort, the following systems which are currently part of CPSRMS and DCM investments are in scope of work:

- a. SaferProducts.gov and CPSC360, which track all domestic incidents of unsafe products reported to CPSC.
- b. DCM – Section 15, which tracks Section 15 reports.
Businesses under Section 15 of Consumer Product Safety Act utilize the tool to report a potentially hazardous product that they manufacture, distribute, import or sell.
- c. DCM – Product Safety Assessment (PSA), which is an evaluation of a subject product that can be potentially hazardous to consumers.
- d. DCM – Section 37, which tracks cases in litigation.
- e. Data repository/warehouse (a central data store for the unification of CPSC incident related data) containing data relevant to both modernized and legacy systems.

Systems that are not included under this statement of work include the operations and maintenance, enhancement and technology refresh services for web servers, websites, and legacy CIS applications. However, content publishing on the SaferProducts.gov website currently requiring code “push” efforts and coordination between the modernization contractor and the web content owner is included under this statement of work. Further, cooperative efforts to integrate systems with CPSRMS and DCM must be supported.

The Contractor shall perform the work of this task order for the CPSC as described below.

2. Description of Services

The Contractor shall provide technical support services on tasks supporting CPSC's CPSRMS and DCM conducting operations, maintenance, and enhancements activities. Additionally, the Contractor shall provide support services for CPSC CPSRMS and DCM applications related hardware and software installation and configuration. The Contractor shall perform work in accordance with CPSC's established system procedures, including but not limited to: system operating procedures, application and database management policies, procedures, and standards; systems development lifecycles; and relevant Federal (non-CPSC) guidance.

CPSRMS currently provides functionality such as: business registration, incident management, reporting and publishing, Web API, search, taxonomy, company management and document management. CPSRMS components often are referred to as:

WWW.SAFERPRODUCTS.GOV, RMS, CPSRMS front-end or back-end, CPSC360, Business Portal, Public Portal, Web API, and Data Repository/Warehouse (DR).

DCM components are often referred to as DCM, PSA, Section 15, Section 37, and Data Repository/Warehouse (DR).

The CPSRMS platform is primarily custom .NET code where workflow is provided through CPSC360 (custom code) to support incident management. The system back-end databases are SQL server with ETL jobs. These databases, part of CPSRMS, also function as the Data Repository/Warehouse (DR).

Appian, a business process management toolset, provides case management functionality for DCM inclusive of DCM-IFS. It has a XML framework for workflow, definitions and properties and

JAVA for advanced development. The system back-end databases are MySQL and SQL server. The database also functions as the Data Repository/Warehouse (DR).

There is a list of backlog items for CPSRMS that includes bugs and enhancement requests.

Domestic incident management system referred to as CPSC360 provides system functionality in support of the CPSC public portal, business portal and all the workflow to manage incidents reported by the public or businesses.

There is a backlog of system bugs and enhancement requests for DCM or case management systems. DCM references in this statement of work are always inclusive of DCM-Section 15 and DCM-PSA functionality in production.

In the future CPSC may add additional modules onto the DCM platform, integrating legacy Integrated Field System (IFS) functionality for example into DCM using Appian. As the development contractor deploys iterative releases into the DCM application, the technical support contractor must coordinate releases and schedules with the development contractor. Some bugs and enhancements resulting from the development effort will be added to the DCM ticket backlog following each DCM-IFS iterative release.

Operations and maintenance of CPSRMS and DCM focuses primarily on keeping the various technical and administrative pieces of the system operating effectively and making changes to software, platforms, and documentation where required to support this goal. It includes: managing users, responding to CPSRMS and DCM Level 2 help desk system tickets, making changes to improve a system's performance, problem remediation, upgrading versions, enhancing security, and addressing user requirements.

3. Contract Type

This procurement is a firm-fixed price performance based contract and GSA 8(a) Stars task order for a period of one (1) year. This is a non-personal services contract.

4. Description of Work

A. General

1. Independently, and not as an agent of the Government, the Contractor shall furnish all necessary personnel, materials, services, and facilities to perform the work set forth below, except as provided in Section 8, "Government-Furnished Property."
2. The Contractor shall provide expert services, including but not limited to: project planning and management; conducting business analysis; requirements gathering; technical documentation; systems/data architecting; designing; coding; integrating systems; providing common interfaces; configuring; and testing in support of CPSRMS and DCM.
3. The Contractor shall provide full system and software life cycle and system refresh support for modernized systems in accordance with the CPSC System Development Lifecycle (SDLC). Life cycle operations and maintenance includes, but is not limited to: ensuring systems are available and operate efficiently, trouble tickets, troubleshooting and resolving problems, administering users, improving system performance, improving system administrative processes, fixing bugs, and patching or upgrading software, including

software platforms.

4. The Contractor shall manage and support software, system, platform and data updates and releases adhering to defined CPSC and program-specific Change Management procedures.
5. The Contractor shall adhere to and plan for requirements identified in CPSC directives, policies and procedures, such as, but not limited to: SDLC, Security Training, Configuration Management and Removable Storage Device Policy.
6. The Contractor shall ensure that federal requirements are considered and met, throughout all SDLC lifecycles, such as, but not limited to: Plain English usage in all project artifacts and deliverables, Federal Enterprise Architecture standards and guidance, Federal Financial System standards, federal security standards, such as those provided by National Institute of Standards and Technology (NIST) and the National Security Agency (NSA), and Section 508 accessibility standards.
7. The Contractor shall ensure that project management services and deliverables are in alignment with the SDLC and EXIT Project Management Office (PMO) standards.
8. When recommending products or developing system requirements the Contractor shall include in analysis and recommendations: Government Off-the-Shelf (GOTS) solutions, Commercial Off-the-Shelf (COTS) solutions, cloud-based solutions and emerging technologies if they are available.
9. Throughout solution development or enhancements, the Contractor shall recommend solutions that minimize custom system development, minimize required vendor support and reduce configuration complexity for ease of configuration maintenance and system management.
10. When designing systems the Contractor shall recommend designs requiring minimal, easily maintained configurations.
11. The Contractor shall operate and maintain the modernized systems to ensure that the systems are operating effectively, administrative procedures are followed, systems are secure, and enhancements are developed, planned and scheduled.
12. The Contractor shall work cooperatively with interfacing infrastructure, network and development teams, coordinating software releases and schedules. The software releases shall minimize the impact on system uptime and availability to end users.
13. The Contractor shall manage and support the implementation of security controls based on federal information assurance guidance, including but not limited to: National Institute of Standards Technology (NIST) and Office of Management and Budget (OMB) standards and guidelines. The contractor shall manage and support the development and resolution of required security documentation, including security plans, security assessment reports, contingency plans and a plan of action & milestones (POA&M) documents.

B. Knowledge Transfer

1. The Contractor shall conduct a review and inventory of CPSRMS and DCM technical components and features, operations, maintenance & administration requirements, functionality, procedures and training materials, including discussions with appropriate CPSC staff and contractors.
2. The Contractor shall review administrative processes and procedures and documentation required for daily management or enhancement of CPSRMS and DCM components, databases, configurations and systems in preparation for effectively operating, maintaining and enhancing all software of CPSRMS and DCM and its associated documentation.
3. At the end of a six (6) weeks of knowledge transfer the Contractor shall be able to demonstrate the ability to effectively operate, maintain and enhance the CPSRMS and DCM systems. Within the knowledge transfer period, the Contractor shall for each CPSRMS and DCM incident management systems:
 - a. Show a comprehensive understanding of systems functions and business purpose, and CPSC organizational stakeholders and roles by resolving issues reported daily by users,
 - b. Demonstrate an understanding of all technical components, their relationships and interfaces (by resolving issues reported by users),
 - c. Demonstrate the ability to build and deploy the applications through development and testing platforms to the Pre-Prod environment,
 - d. Demonstrate the ability to correct and deploy to the Production environment bug fixes for the CPSRMS incident management systems as assigned,
 - e. Provide the COR a briefing on contractor efforts to manage or mitigate:
 - i. Business disruption risk (i.e. any disruptions to the business, including the delay of requested enhancements and/or system bug fixes);
 - ii. Organizational alignment risks (i.e. resistance in the organization to work on the systems or provide input and decisions on the systems); and
 - iii. Other risks as identified in advance by the COR.

C. Operations, Maintenance and Administration

1. The Contractor shall provide support services for the operations and maintenance as well as enhancements and technology refresh services of CPSC's CPSRMS and DCM systems. Support hours include, but are not limited to; ensuring applications are available during CPSC business hours, Monday through Friday, 7:00 AM ET to 7:00 PM ET, except for Federal holidays or scheduled downtime, or as defined in the system operating procedures. Support services include analyzing and resolving defects, implementing maintenance solutions or modifying the systems user access as requested via CPSRMS and DCM systems trouble tickets, e-mails to the Information Technology Division (EXIT), or by the Contracting Officer Representative's (COR) request. The Contractor shall provide contact phone numbers and email addresses of staff to support emergency requests on a 24 hour / 7 days a week basis. Emergency requests shall be defined as system inoperable at the following levels:
 - a. Fatal – Total system inoperability
 - b. Impaired – Partial system inoperability
 - c. Business critical – unable to perform core business functions

2. The Contractor shall ensure that CPSRMS and DCM systems are maintained to operate efficiently and effectively. The Contractor focus shall be on making bug fixes to software to maintain and improve operational effectiveness. The Contractor's tasks shall include making changes to improve the systems' performance, resolving bugs resulting from an error in coding or configuration, to correct operational problems, and to enhance security.
3. The Contractor shall carry out the tasks and activities necessary to maintain system operation. Systems operations activities are performed on a scheduled, recurring basis, to ensure that the production environment is fully functional and is performing as specified. The following is a checklist of systems operations key tasks and activities:
 - a. The Contractor shall ensure all processes, manual and automated, are documented in system operating procedures.
 - b. The Contractor shall ensure that all procedures executed comply with the documented system operating procedures.
 - c. The Contractor shall update written system operating procedures when they change due to efficiency and effectiveness process improvements or due to changes in the application.
 - d. The Contractor shall monitor and keep current the scheduled window system services, extraction, transformation and load (ETL) processes, scheduled batch process and API's.
 - e. The Contractor shall maintain systems statistics and system logs. The Contractor shall track and report on all application downtime which is scheduled or unscheduled.
 - f. The Contractor shall monitor performance statistics, report the results and escalate problems to EXIT technical staff if needed.
 - g. The Contractor shall apply patches and upgrades on system components by properly coding and testing the updates. The Contractor shall deploy these patches and updates outside of the CPSC business hours of operations, except in the case of emergency patches or as requested by the COR.
 - h. The Contractor shall perform data corrections, refresh and migration for CPSRMS and DCM systems as necessary or at the request of the COR.
 - i. The Contractor shall ensure and report on a daily basis that the CPSRMS and DCM applications are operating and available, informing the COR of any problems, programming changes or new release of applications.
 - j. The Contractor shall apply required security patches and improve software responding to Plan of Action & Milestones (POA&Ms), internal and external notifications of security weaknesses.
 - k. The Contractor shall work cooperatively with other CPSC organizations and contracting teams to provide for system integration, changes to the data warehouse and continued operations such as content publishing on SaferProducts.Gov.

D. Request Fulfillment

The Contractor shall perform required fulfillment on existing CPSRMS and DCM systems to

ensure continued operations; improve efficiency and performance; address new user requirements; and add new functionality.

The Contractor shall recommend and implement software improvements and set a release schedule based on regularly scheduled customer enhancement & bug fix priority setting meetings. The Contractor shall hold regular stakeholder prioritization meetings, record outcomes and work with the customer, technical leads and COR to recommend release packages and schedule.

The Contractor shall provide software with a high level of quality. Software functional quality reflects how well it complies with or conforms to a given design, based on the functional requirements and specifications that the Contractor shall have gathered. Structural quality reflects the software meeting its non-functional requirements that support the delivery of the functional requirements, such as robustness and maintainability, and shall perform to requirements gathered by the Contractor and approved by CPSC.

The Contractor shall actively manage the Team Foundation Server (TFS) and HEAT Software Ticketing System work items to make sure there are no duplicates and tickets have proper status, updated and closed out.

The Contractor shall be responsible for timely and quality root cause analysis and repair of all bugs introduced by the contractor in a release, without reducing planned releases or operational activities.

E. Project Management

1. The Contractor shall provide project management services in support of the project, and shall:
 - a) Develop, document, and execute plans and procedures for conducting activities and tasks of the Operations and Maintenance, enhancement and technology refresh services phases as defined in the CPSC Systems Development Lifecycle (SDLC);
 - b) Provide for an avenue of problem reporting and CPSC satisfaction;
 - c) Communicate clearly with the systems' customers to understand problem tickets, prioritize and plan releases, elicit and reach user consensus on requirements and releases, and coordinate User Acceptance of release functionality;
 - d) Keep Help Desk personnel informed of all changes to the systems, especially those requiring new instructions to users; and
 - e) Drive the change management meetings, by convening a meeting with Contractor resources and the government COR , so that CPSC can approve recommendations for changes and improvements to the systems.
2. The Contractor shall conduct a kick-off meeting with CPSC to establish a proposed staffing plan, present an approach and time line for knowledge transfer activities and demonstrate their plan to ensure process improvements and quality software enhancements.
3. The Contractor shall deliver weekly and monthly progress reports, including data on, but not limited to:
 - a. All TFS tickets:
 - i. Number of tickets active per category (Bug, Enhancement, and Support) and priority:
 - a. 0-Emergency/Hot Fix

- b. 1-High Priority Bug
 - c. 2-High Priority Enhancement
 - d. 3-Medium Priority Bug/Enhancement
 - e. 4-Low Priority Cosmetic Updates
 - f. 5-Future Enhancement
- ii. Number of active tickets over 60 days, 90 days and 120 days
 - iii. Number of new tickets due to a release
- b. Process and system performance improvements,
 - c. Issues and risks,
 - d. System down-time and upcoming releases and activities.

F. Training and Documentation

1. The Contractor shall, at the direction of the COR, perform knowledge sharing and transfer to CPSC employees by providing documentation, training materials, user manuals, and/or conducting onsite training sessions. The Contractor shall provide the services when new, corrected, or improved methods of performing systems operations and maintenance are identified, or when a bug fix alters the standard operating process.
2. The Contractor shall manage and support the development of required security documentation: including security plans, security assessment reports, contingency plans and a plan of action & milestones (POA&M) documents.
3. The Contractor shall build process into SDLC to make sure all documents are up-to-date.

G. Support Requirements

The Contractor shall provide troubleshooting support to resolve issues and problems encountered by CPSC staff and contractors relating to CPSRMS and DCM applications, databases, servers and systems. Support shall include reviewing incident reports submitted via the CPSRMS and DCM problem tracking systems, analyzing the problem, conducting root cause analysis if necessary to resolve the issue, testing the potential fixes, implementing the resolution, and documenting the actions taken and resolution in the problem tracking system. Documentation of a problem resolution shall include a summary of recommended resolution to the customer or where more appropriate, an underlying issue that caused the customer to report an issue).

The Contractor shall perform triage on all CPSRMS and DCM problem tickets received to determine if the ticket or part of the ticket represents an operational or maintenance issue that can be corrected without in-depth development or enhancement (bug fix), an enhancement request to improve the existing functionality or feature set available in the application(s), or a request for new development that involves building new functionality or features into an application beyond what currently exists. The Contractor shall review these triage protocols and decisions regularly with the COR.

The Contractor shall document new application releases resulting from fixes or enhancements made under this task order, following the SDLC or a process pre-approved by the COR. Documentation shall include a report supplying problem-related information, which shall include the following:

1. Statistical evaluations
 - Outstanding problems
 - According to duration since creation of the problem record
 - According to categories
 - Trend analysis (i.e. is the number of open problem increasing or decreasing?)
 - Resolution times of closed Problems, categorized by:
 - Resolution times
 - Problem categories
 - Problems with special importance regarding Availability, Capacity, Service Continuity and Security Management
 - Description
 - Affected services and CIs
 - Available Workarounds
 - Root cause
 - Applied or envisaged resolution
 - Resolution type (for some problems it is not economical to resolve their root causes; in such cases, the solution consists in providing a workaround)
 - Required measures to eliminate of the root cause
 - Time schedule for the resolution of the Problem
 - Other important Problems with extensive effects upon the quality of systems
 - Description
 - Affected services and CIs
 - Available Workarounds
 - Root cause
 - Applied or envisaged resolution
 - Resolution type (for some Problems it is not economical to resolve their root causes; in such cases, the solution consists in providing a workaround)
 - Required measures to eliminate of the root cause
 - Time schedule for the resolution of the problem

On projects where CPSC assigns an Independent Verification and Validation team (IV&V) to provide testing, the Contractor shall support the procedures and appropriately repair the software as needed.

The Contractor shall submit the necessary documentation to CPSC change control board for approval to roll out the new release. Upon approval by the change control board, the Contractor shall schedule and perform deployments for the new application release.

5. Contractor Qualifications

The Contractor personnel performing the work shall have a minimum of five (5) years' experience in their respective subject matter area of expertise except where a toolset may not have had a five (5) year lifespan, such as Appian, where a minimum of four (4) years' experience is required.

The contractor shall supply personnel experienced in Microsoft Team Foundation Server (TFS), Appian, Microsoft .NET, SQL, JAVA Script, Appian, HTML and XML and administrator/development experience in SQL Server (Database Engine, SSIS, and Services Broker), IIS, JBOSS and Server Management (Windows Server).

6. INSPECTION AND ACCEPTANCE

Pursuant to the inspection clause as provided in the master contract, all work described in the Performance Work Statement (PWS) to be delivered under this contract is subject to final inspection and acceptance by an authorized representative of the Government. The authorized representative of the Government is the Government's COR, who is responsible for inspection and acceptance of all services, materials, or supplies to be provided by the Contractor.

7. DELIVERIES or PERFORMANCE PERIOD AND LOCATION

a. PERIOD OF PERFORMANCE

The period of performance shall be for one (1) year effective 30 September 2016 through 29 September 2017.

b. PLACE OF PERFORMANCE

The performance location for work in this requirement shall be at the CPSC Headquarters located at 4330 East West Highway Bethesda, Maryland. Telework schedule, if any, must be previously approved by the COR. All Contractors must be logged in and available for work during CPSC core hours 7:30am – 4:00pm, Monday through Friday.

c. REPORT(S)/DELIVERABLES AND DELIVERY SCHEDULE

The contractor shall submit all required report(s)/deliverables, to the COR via electronic mail. All reports shall reference and cite the contract/order number.

The Government will apply the following general inspection standards to the reporting and delivery requirements:

- Meeting approved schedule dates.

- Submission of all deliverables as specified.
- Ability to control and deliver quality artifacts and products.

The Government will inspect the work for both quality and timeliness, and notify the Contractor regarding problems and any corrections. The Contractor will be notified in writing (includes via email) of the problems with the work and the Contractor shall provide an acceptable correction, correction plan or recommendation within 24 hours of notification. The following deliverable items shall be performed and delivered in accordance with the following schedule:

Deliverable	Deliverable Description	Deliverable Timeframe (No Later Than =NLT)
Kick-Off Meeting including: staffing plan, approach/plan on resolving backlog, approach for operations and enhancement activities.	A meeting between the Contractor and CPSC Contracting Officer's Representative	NLT 1 week after period of performance starts
Resolve minimum of 100 tickets currently in the CPSRMS backlog in TFS.	Prioritize based on user input, resolve and implement the code to production for at least 100 RMS TFS tickets from the existing backlog. Get approval from EXIT staff on whether resolution is acceptable. Tickets from backlog must be included in each release.	By the end of the Period of Performance Must address at least 25 tickets from the backlog every 3 months.
Resolve minimum of 65 tickets currently in the DCM backlog in TFS.	Prioritize based on user input, resolve and implement the code to production for at least 65 DCM TFS tickets from the existing backlog. Get approval from EXIT staff on whether resolution is acceptable. Tickets from backlog must be included in each release.	By the end of the Period of Performance Must address at least 16 tickets from the backlog every 3 months.

<p>Perform system maintenance and operations</p>	<p>A list of problem tickets addressed during the day, tickets that will require resolution time beyond a day, and action steps to complete the work associated with the list of problem tickets.</p>	<p>Daily-during core hours Mon thru Friday</p>
<p>Perform scheduled software enhancements and bug fixes, per the release schedule and as required in an emergency.</p>	<p>Product changes or system upgrades that increase software capabilities identified in this SOW, beyond original client specifications.</p> <p>Product enhancements shall include: additional functionality, error/bug repair and handling; greater processing speed; and better cross-platform compatibility.</p> <p>The Contractor shall provide a report of enhancements fixes accomplished for each release.de</p>	<p>Daily- during core hours Monday thru Friday</p>
<p>Weekly Status Reports as</p>	<p>A written document based on ticket attributes in TFS, including risk and issues, significant accomplishments and upcoming activities.</p>	<p>Every Monday (covering the previous calendar week) except in weeks where a monthly progress report is due</p>
<p>Monthly Status Reports as well as a review of deliverables and invoice/payment status.</p>	<p>A written document based on ticket attributes in TFS, including risk and issues, significant accomplishments and upcoming activities. Report on Contractor invoicing reflective of deliverables and accomplishments.</p>	<p>4 weeks after the performance period begins, then monthly (NLT 5th of month)</p>

<p>Provide new or updated User Manual, Training Material and conduct training sessions at the direction of the COR, as new mechanisms for system operations and maintenance arise.</p>	<p>A technical communication document intended to give assistance to CPSC staff and technical staff charged with interacting with the system(s). The document shall be created based on the existing manual of the COR-provided template.</p>	<p>User Manual: Updates to user manual must be made with each release. Within 2 weeks of OCOR's request</p>
<p>Release packages including software and necessary maintenance and enhancements per a release schedule</p>	<p>Configurations and/or code deployed to make system modifications and adjustments that shall be checked into Team Foundation Server (TFS).</p>	<p>Software bug fixes and enhancement releases, not less frequently than every 3 months following the period of performance start.</p>

8. GOVERNMENT-FURNISHED PROPERTY

The Government will provide the following items(s) of Government property to the Contractor for use in the performance of this contract. The property shall be used and maintained by the Contractor in accordance with the HHS Contractors' Guide for Control of Government Property. The Contractor shall be responsible and accountable for all government property; either furnished or acquired. The following item(s) of Government property are hereby furnished to the Contractor:

The Government will supply:

- Computer hardware and software
- Physical office space
- Laptops with CPSC network and internet access (the Contractor shall not access the CPSC network or systems with Contractor hardware)
- Maintenance procedures
- CPSC Systems Development Lifecycle (SDLC)
- Microsoft Team Foundation Server (TFS)

9. QUALITY CONTROL:

The contractor shall develop and maintain a quality control program to ensure management and operation of the program are being performed in accordance with the Performance Work Statement and commonly accepted commercial practices. The contractor shall develop and implement procedures to identify, prevent and ensure non-recurrence of any defective services. At a minimum the contractor shall develop quality control procedures addressing the areas identified in the performance work statement.

10. PERFORMANCE OBJECTIVES

Objectives	Performance Thresholds
Customer Satisfaction	An average rating of Good in Customer Satisfaction surveys
System Operations Available and running	100% of the time
Reporting Requirements Reports are accurate, Complete, and properly Formatted in accordance With the delivery scheduled Provided in paragraph 7.c	Reports are submitted timely 95% of the time. Information provided is 100% accurate.

11. SECURITY AND PRIVACY

(a) Agency rules of conduct that the Contractor and the Contractor's employees shall be required to follow:

In performing its duties related to management, operation, and/or access of systems containing sensitive PII under this contract, the Contractor, its employees and subcontractors shall comply with all applicable security requirements and rules of conduct as specified by the following:

1. Contractor employees must comply with agency personal identity verification (PIV) requirements in order to logically access Government systems.
2. System access granted under this contract is only for work required to perform official duties specified in the contract. The performance of any unrelated and/or unauthorized activity is prohibited.
3. Access to Government information systems (where applicable) will only be for the period stated in the contract. Thereafter, all accounts, passwords, and access associated with the contract will be terminated.
4. Disclosure of any system account information or system passwords to any unauthorized third-party is prohibited.
5. Exhibiting or divulging the content of any record or report to any person except in the performance of official duties specified in the contract is prohibited.

6. Using any data accessed with a Government system account for unauthorized purposes is prohibited.
7. No official record, report, database, or copy thereof, may be removed from Government premises or Government systems without prior written permission.
8. Contractor employees are prohibited from modifying, altering, or otherwise changing any Government system component or configuration except in the performance of official duties specified in the contract. Contractor employees are prohibited from issuing any system command or running any software, scripts, or programs on Government systems without prior authorization.
9. Contractor employees must not disclose sensitive or personal privacy-related information to any unauthorized third-party.
10. Contractor must notify the Government Contracting Officer immediately upon the termination of any Contractor or subcontractor employee so that system accounts, remote access, or other forms of system access can be terminated.
11. The use of Contractor-owned laptops or other portable media storage devices to process, transmit, or store sensitive PII is prohibited under this contract [unless the Contractor is authorized to access Government systems through the agency's virtual desktop infrastructure environment].
12. The Contractor must notify the Government Contracting Officer and the agency's Information Systems Security Officer (ISSO) immediately upon the discovery—or suspected discovery—of any type of security incident, malicious activity, or data breach affecting or that might potentially affect the Government's network or specific systems.
13. Contractor employees with access to Government systems must agree to agency Rules of Behavior and shall complete annual security awareness training.

(b) A list of the anticipated threats and hazards that the Contractor must guard against.

The Contractor must use reasonable measures to guard against the following threats and hazards:

1. Unauthorized disclosure or use of sensitive system information—including system architecture, system configuration, system accounts, and system passwords.
2. Unauthorized disclosure or use of the contents of any information obtained from Government systems—including system records, system reports, or databases.
3. Unauthorized modification or alteration of any Government system component or configuration
4. Unauthorized circumvention, avoidance, or deception of any Government security system, measure, or control.

5. Unauthorized installation and/or use of hardware, software, firmware, portable media storage, or mobile devices on Government systems.
6. Unauthorized use of Government systems—including hardware, software, system accounts, Internet access, and email accounts—for activity which is not required to perform official duties under this contract.

(c) A description of the safeguards that the Contractor must specifically provide.

1. The Contractor shall limit access to any information related to this contract to those employees and subcontractors who require the information in order to perform their official duties under this contract.
2. The Contractor, Contractor employees, and subcontractors must physically secure PII when not in use and/or under the control of an authorized individual, and when in transit to prevent unauthorized access or loss.
3. When PII is no longer needed or required to be retained under applicable Government records retention policies, it must be destroyed through means that will make the PII irretrievable.
4. The Contractor shall only use PII obtained under the contract for purposes of the contract, and shall not collect or use such information for any other purpose without the prior written approval of the Contracting Officer.
5. At expiration or termination of this contract, the Contractor shall turn over to the Government, all PII obtained under the contract that is in its possession.
6. In the event of any actual or suspected breach of PII, the Contractor shall immediately report the breach to the Contracting Officer, the Contracting Officer's Technical Representative (COTR), and the agency's Information Systems Security Officer (ISSO).
7. In the event that a PII breach occurs as a result of the violation of a term of this contract by the Contractor or its employees, the Contractor shall, as directed by the Contracting Officer and at no cost to the Government, take timely action to correct or mitigate the violation, which may include providing notification and/or other identity protection services to affected persons for a period of at least 18 months from discovery of the breach. If the Government elects to provide and/or procure notification or identity protection services in response to a breach, the Contractor shall be responsible for reimbursing the Government for those expenses. The Contractor shall incorporate the substance of this clause, its terms and requirements in all subcontracts under this contract, and require written subcontractor acknowledgement of same. Violation by a subcontractor of any provision set forth in this clause will be attributed to the Contractor.

(d) Requirements for a program of Government inspection during performance of the contract that will ensure the continued efficacy and efficiency of safeguards and the discovery and countering of new threats and hazards.

Work to be performed under this contract requires the design, development, operation, or disposal of a Federally-controlled information system containing sensitive personally identifiable information or handling sensitive personally identifiable information. To the extent required to carry out a program of inspection to safeguard against threats and hazards to the security, integrity, and confidentiality of personally identifiable information, the Contractor shall permit the Government access to, and information regarding, the Contractor's facilities, installations, technical capabilities, operations, documentation, records, and databases, when requested by the Government, as part of its responsibility to ensure compliance with privacy and security requirements. The Contractor shall otherwise cooperate with the Government in assuring compliance with such requirements. Government access shall include independent validation testing of controls, system penetration testing by the Government, Federal Information Security Management Act data reviews, and access by agency Inspectors General for its reviews.

Definitions.

“Personally Identifiable Information (PII)” means information that can be used to distinguish or trace a person's identity, such as his or her name, social security number, or biometric records, that alone, or when combined with other personal or identifying information which is linked or linkable to a specific person, such as date and place of birth, or mother's maiden name.

“Breach” means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar situation where persons other than authorized users, and for other than authorized purpose, have access or potential access to Personally Identifiable Information, whether physical or electronic.

12. LOCAL CLAUSES:

LC1A CONTRACTOR'S NOTE

Deliveries and/or shipments shall not be left at the Loading Dock. **All deliveries shall be considered "inside deliveries"** to the appropriate room at the Consumer Product Safety Commission (CPSC) and in accordance with the instructions below. When scheduling deliveries the purchase order number shall always be referenced and all packages shall clearly display the Purchase Order Number on the outside of the cartons and/or packages, to include the packing slip.

ATTENTION GOVERNMENT VENDOR

A. DELIVERY INSTRUCTIONS:

1. DELIVERY INSTRUCTIONS FOR LARGE OR HEAVY ITEMS:

If the shipment or item being delivered requires use of a loading dock, advance notification is required. The contractor shall contact the Shipping and Receiving Coordinator at 301-892-0586 or Constantia Demas (301) 504-7544 forty-eight (48) hours in advance of the date the items are to arrive to schedule use of the loading dock.

LOADING DOCK HOURS OF OPERATION:

9:00 am to 11:00 am or 1:30 pm to 4:00 pm

Monday through Friday (except holidays)

Please notify contact person if there is a change in the delivery date. For changes, delays, or assistance please contact CPSC as follows:

Facilities Management Support Services (301) 504-7091 and

The COR – Shiny Varghese 301-504-7542

Upon arrival, the driver should contact the CPSC Guard, 301-504-7721, at the loading dock to obtain assistance in using freight elevators and to gain access to CPSC security areas.

2. DELIVERY INSTRUCTION FOR SMALL ITEMS

When delivering or shipping small items, the contractor and/or carrier service shall report to the 4th floor lobby, North Tower, 4330 East West Highway, to sign in with the CPSC guard. Upon completion of signing in, the contractor shall deliver all shipments to the Mail Room, Room 410. After delivery, delivery personnel shall promptly depart the building.

MAIL ROOM HOURS OF OPERATION:

Monday through Friday (except holidays) – 7:30 am to 5:00 pm

B. BILLING INSTRUCTIONS

Pursuant to the Prompt Payment Act (P.L. 97-177) and the Prompt Payment Act Amendments of 1988 (P.L. 100-496) all Federal agencies are required to pay their bills on time, pay interest penalties when payments are made late, and to take discounts only when payments are made within the discount period. To assure compliance with the Act, vouchers and/or invoices shall be submitted on any acceptable invoice form which meets the criteria listed below. Examples of government vouchers that may be used are the Public Vouchers for Purchase and Services Other Than Personal, SF 1034, and Continuation Sheet, SF 1035. At a minimum, each invoice shall include:

1. The name and address of the business concern (and separate remittance address, if applicable).
2. **Do NOT** include Taxpayer Identification Number (TIN) on invoices sent via e-mail.
3. Invoice date.
4. Invoice number.
5. The contract or purchase order number (see block 2 of OF347 and block 4 of SF1449 on page 1 of this order), or other authorization for delivery of goods of services.
6. Description, price and quantity of goods or services actually delivered or rendered.
7. Shipping cost terms (if applicable).
8. Payment terms.
9. Other substantiating documentation or information as specified in the contract or purchase order.
10. Name, title, phone number and mailing address of responsible official to be notified in the event of a deficient invoice.

ORIGINAL VOUCHERS/INVOICES SHALL BE SENT TO:

PREFERRED: Via email to:

9-AMC-AMZ-CPSC-Accounts-Payable@faa.gov

OR

U.S. Mail

Enterprise Service Center, c/o CPSC, Accounts Payable Branch, AMZ-160

PO Box 25710

Oklahoma City, Ok. 73125

FEDEX

Enterprise Service Center, c/o CPSC, Accounts Payable Branch, AMZ-160

6500 S. MacArthur Blvd.

Oklahoma City, Ok. 73169

Invoices not submitted in accordance with the above stated minimum requirements will not be processed for payment. Deficient invoices will be returned to the vendor within seven days or sooner. Standard forms 1034 and 1035 will be furnished by CPSC upon request of the contractor.

Inquiries regarding payment should be directed to the Enterprise Service Center (ESC), Office of Financial Operations, Federal Aviation Administration (FAA) in Oklahoma City, 9-AMC-AMZ-CPSC-Accounts-Payable@faa.gov.

C. PAYMENT

Payment will be made as close as possible to, but not later than, the 30th day after receipt of a proper invoice as defined in "Billing Instructions," except as follows:

When a time discount is taken, payment will be made as close as possible to, but not later than, the discount date. Discounts will be taken whenever economically justified. Otherwise, late payments will include interest penalty payments. Inquiries regarding payment should be directed to 9-AMC-AMZ-CPSC-Accounts-Payable@faa.gov or at the U.S. Mail and Fedex addresses listed above:

Complaints related to the late payment of an invoice should be directed to Ricky Woods at the same the same address (above) or 405-954-5351.

Customer Service inquiries may be directed to Adriane Clark at AClark@cpsc.gov.

D. INSPECTION & ACCEPTANCE PERIOD

Unless otherwise stated in the Statement of Work or Description, the Commission will ordinarily inspect all materials/services within seven (7) working days after the date of receipt. The CPSC representative responsible for inspecting the materials/services will transmit disapproval, if appropriate, to the contractor and the contract specialist listed below. If other inspection information is provided in the Statement of Work or Description, it is controlling.

E. ALL OTHER INFORMATION RELATING TO THE PURCHASE ORDER

Contact: Contract specialist- Rudi Murray-Johnson at (301) 504-7028

F. PROCESSING INSTRUCTIONS FOR REQUESTING OFFICES

The Purchase Order/Receiving Report (Optional Form 347 or Standard Form 1449) must be completed at the time the ordered goods or services are received. Upon receipt of the goods or services ordered, each item should be inspected, accepted (partial or final) or rejected. The Purchase Order/Receiving Report must be appropriately completed, signed and dated by the authorized receiving official. In addition, the acceptance block shall be completed (Blocks 32 a, b & c on the SF 1449 and column G and page 2 of the OF 347).

The receiving report shall be retained by the requesting office for confirmation when certifying invoices.

G. PROPERTY/EQUIPMENT PURCHASES

In the case of Purchase Orders/Receiving Reports involving the purchase and receipt of property/equipment, a copy of the Purchase Order/Receiving Report must also be immediately forwarded directly to the Property Management Officer (Constantia Demas) in the Facilities Management Support Services Branch (Room 425). The transmittal of Purchase Orders/Receiving Reports to the property management officer is critical to the integrity and operation of CPSC's Property Management System. Receiving officials should also forward copies to their local property officer/property custodian consistent with local office procedures.

LC 5 CONTRACTING OFFICER REPRESENTATIVE (COR) DESIGNATION

a. The following individual has been designated at the Government's COR for this contract:

Name: Shiny Varghese

Division: Office of Information and Technology

Telephone: 301-504-7542

Email: svarghese@cpsc.gov

b. The CPSC COR is responsible for performing specific technical and administrative functions, including:

(1) performing technical evaluation as required;

(2) assisting the Contractor in the resolution of technical problems encountered during performance; monitoring the Contractor's technical progress, including surveillance and assessment of performance, and notifying the Contracting Officer within one week when deliverables (including reports) are not received on schedule in accordance with the prescribed delivery schedule; and

(3) inspection and acceptance of all items required by the contract.

c. The COR, who may be personally liable for unauthorized acts, is not authorized to and shall not:

(1) make changes in scope of work, contract schedules, and/or specifications, or to make changes that affect price, quality, quantity or delivery,

(2) direct or negotiate any change in the terms, conditions, or amounts cited in the contract; and

(3) make commitments or changes that affect price, or take any action that commits the Government or could lead to a claim against the Government.

d. This delegation is not redelegable and remains in effect during the period of performance of the contract.

e. A clear distinction is made between Government and Contractor personnel. No employer-

employee relationship will occur between government employees and contractor employees. Contractor employees must report directly to their company (employer) and shall not report to Government personnel.

LC 6 CONTRACTOR USE OF CPSC INFORMATION TECHNOLOGY (IT) RESOURCES

a. As identified under sections of the statement of work pertaining to Government furnished materials and equipment, the contractor is to be furnished certain CPSC IT resources. Access will be granted to Contractor employees from time to time during contract performance and will be limited to those Contractor employees specified in advance. In addition, the use of CPSC IT facilities, equipment or other resources by Contractor personnel shall be limited to performance of the work described in the contract.

b. Prior to utilizing any CPSC IT resources, the Contractor shall contact the Director of the Information Technology Division and provide an estimate (written if requested) of the amount of resources to be required and shall request that a time be scheduled for use of the resources. In the event of any scheduling conflict between CPSC contract work and in-house CPSC work, the CPSC in-house work shall take precedence unless otherwise specified by the Director of the Information Technology Division.

LC 9 KEY PERSONNEL

a. The following individuals, listed by name and title, have been identified as key personnel for performance under this contract:

[]

b. The personnel specified above and/or in the schedule of the contract are considered to be essential to the work being performed hereunder. If these individuals are unavailable for assignment for work under the contract, or it is anticipated that their level of involvement will be significantly different from the negotiated level, the Contractor shall immediately notify the Contracting Officer and shall submit justifications (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the program. The Contracting Officer shall review, and may ratify in writing, such substitutions. Prior to substitution of key personnel, the Contractor shall obtain the written consent of the Contracting Officer.

LC 13 INSURANCE

a. In accordance with the Federal Acquisition Regulation (FAR), Subparts 28.301 and 28.307-2, and Clause 52.228-5 of this contract entitled "Insurance-Work on a Government Installation," the Contractor shall at its own expense provide and maintain during the entire performance period of this contract at least the kinds and minimum amounts of insurance set forth below:

(1) Workers' compensation and employer's liability. Contractors are required to comply with applicable Federal and State workers' compensation and occupational disease statutes. If occupational diseases are not compensable under those statutes, they shall be covered under the employer's liability section of the insurance policy, except when contract operations are so commingled with a Contractor's commercial operations that it would not be practical to require this coverage. Employer's liability coverage of at least \$100,000 shall be required, except in States with exclusive or monopolistic funds that do not permit workers' compensation to be written by private carriers.

(2) General liability. The Contractor shall have bodily injury liability insurance coverage written on the comprehensive form of policy of at least \$500,000 per occurrence.

(3) Reserved

(4) Insurance Clause. The Contractor shall present evidence of insurance coverage in Compliance with (1) and (2) above within fifteen calendar days of award.

LC 21A DISCLOSURE OF INFORMATION- LIMITS ON PUBLICATION

a. The Contractor shall submit to the Commission any report, manuscript or other document containing the results of work performed under this contract, before such document is published or otherwise disclosed to the public, to assure compliance with Section 6(b) of the Consumer Product Safety Act (15 U.S.C. Section 2055(b)), Commission regulations (16 C.F.R. Part 1101), and a Commission directive (Order 1450.2). These provisions restrict disclosure by Commission Contractors of information that (1) permits the public to identify particular consumer products or (2) reflects on the safety of a class of consumer products. Prior submission allows the Commission staff to review the Contractor's information and comply with the applicable restrictions. CPSC should be advised of the Contractor's desire to submit or publish an abstract or a report as soon as practical.

b. Any publication of, or publicity pertaining to, the Contractor's document shall include the following statement: "This project has been funded with federal funds from the United States Consumer Product Safety Commission under contract number CPSC-[_____]. The content of this publication does not necessarily reflect the views of the Commission, nor does mention of trade names, commercial products, or organizations imply endorsement by the Commission.

LC 24 NONDISCLOSURE OF ANY DATA DEVELOPED UNDER THIS CONTRACT

- a. The Contractor agrees that it and its employees will not disclose any data obtained or developed under this contract to third parties without the consent of the U. S. Consumer Product Safety Commission Contracting Officer.
- b. The Contractor shall obtain an agreement of non-disclosure from each employee who will work on this contract or have access to data obtained or developed under this contract.

LC 29 IN – AND OUT PROCESSING REQUIRMEENTS

Contractor personnel performing on site must comply with all in- and out-processing requirements at the agency and shall sign a “Confidentiality/Record Agreement” prior to their departure.

LC 30 SECURITY AND PERSONAL IDENTIFY VERIFICATION PROCEDURES

- a. The performance of this contract requires contractor employees to have access to CPSC facilities and/or systems. In accordance with Homeland Security Presidential Directive-12 (HSPD-12), all such employees must comply with agency personal identity verification (PIV) procedures. Contractor employees who do not already possess a current PIV Card acceptable to the agency shall be required to provide personal background information, undergo a background investigation (NACI or other OPM-required or approved investigation), including an FBI National Criminal History Fingerprint Check prior to being permitted access to any such facility or system. CPSC may accept PIV issued by another Federal Government agency but shall not be required to do so. No contractor employee will be permitted access to a CPSC facility or system without approval under the PIV process.
- b. Contracted employees must meet the following citizenship requirements:
 1. A United States (U.S.) citizen; or,
 2. A national of the United States (see 8. U.S.C. 1408); or,
 3. An alien lawfully admitted into the United States for permanent residence as evidenced by an alien Registration Receipt Card form I-151
- c. Within five (5) days after contract award, the contractor shall provide a list of contracted personnel, including full name, social security number, and place (city and state) and date of birth to the designated Contracting Officer’s Representative (COR). This information will be used to determine whether personnel have had a recent Federal background investigation and

whether or not further investigation is required.

d. For each contractor employee subject to the requirements of this clause and not in possession of a current PIV Card acceptable to CPSC, the contractor shall submit the following properly-completed forms: Electronic Standard Form (SF) 85 or 85-P, "Questionnaire for Non-sensitive Positions", SF (87) Fingerprint Chart, Optional Form (OF) 306 and a current resume. The SF-85 is available from the Office of Personnel Management's (OPM) secure website. The CPSC Office of Human Resources will provide the COR with the other forms that are not obtainable via the internet.

e. The contractor shall complete the electronic security form and deliver the other completed forms indicated in paragraph d above to the COR within five (5) days of written notification from the COR of those contractor employees requiring background investigations.

f. Upon completion of the investigation, the COR will notify the contractor in writing of all investigation determinations. If any contractor employees are determined to be unsuitable to be given access to CPSC, the contractor shall immediately provide identical information regarding replacement employees. The contractor is responsible for providing suitable candidates and fulfilling staffing requirements under the contract so that there is no break in service. This approval process applies to contract start up and any required replacement personnel. Failure to prequalify potential replacement personnel will not serve as an excuse for failure to provide performance. Nonperformance due to failure to provide suitable contractor employees may result in a Termination for Cause or Default.

g. CPSC will issue a PIV Card to each on site contractor employee who is to be given access to CPSC facilities and systems. The employee will not be given access prior to issuance of a PIV card. CPSC may revoke a PIV Card at any time if an investigation or subsequent investigation reveals that the personnel are unsuitable.

h. PIV Cards shall identify individuals as contractor employees. Contractor employees shall display their PIV Cards on their persons at all times while working in a CPSC facility, and shall present cards for inspection upon request by CPSC officials or security personnel. The contractor shall be responsible for all PIV Cards issued to the contractor's employees and shall immediately notify the COR if any PIV card(s) cannot be accounted for.

i. CPSC shall have and exercise full and complete control over granting, denying, withholding, and terminating access of contractor employees to CPSC facilities and systems. The COR will notify the contractor immediately when CPSC has determined that an employee is unsuitable or unfit to be permitted access. The contractor shall immediately notify such employee that he/she no longer has access, shall remove the employee and shall provide a suitable replacement in accordance with contract requirements and the requirements of this clause.

j. By execution of this contract, the contractor certifies that none of the employees working under this contract have been convicted of a felony, a crime of violence, or a misdemeanor involving moral turpitude, such as a conviction of larceny within the last five (5) years. During contract performance the contractor shall immediately notify CPSC if one of its employees working under this contract has been convicted of a felony, a crime of violence, or a misdemeanor involving moral turpitude, such as a conviction of larceny within the last five years.

k. The Government reserves the right to have removed from service any Contractor employee for any of the following:

1. Conviction of a felony, a crime of violence, or a misdemeanor involving moral turpitude, such as a conviction of larceny within the last five (5) years.
2. Falsification of information entered on security screening forms or other documents submitted to the Government.
3. Improper conduct during performance of the contract, including criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct or other conduct prejudicial to the Government regardless of whether the conduct is directly related to the contract.
4. Any behavior judged to be a threat to personnel or property.

l. The COR shall be responsible for proper separation of contracted employees at the Consumer Product Safety Commission. The COR shall ensure that each contractor employee completes CPSC's official out processing procedures. The contracted employee shall report to the CPSC Facilities Security Specialist to obtain a Contractor Employee Accountability and Clearance Record. This record shall be completed as part of the official out-processing procedures and returned along with the PIV card, key fobs, keys and any other previously issued material.

m. Contractor employees shall comply with applicable Federal and CPSC statutes, regulations, policies and procedures governing the security of the facilities and system(s) to which the contractor's employees have access.

n. Failure on the part of the contractor to comply with the terms of this clause may result in termination of this contract for cause or default.

o. The contractor shall incorporate this clause in all subcontracts.

(End of Clause)

LC 31 RESTRICTIONS ON USE OF INFORMATION

- a. If the Contractor, in the performance of this contract, obtains access to information such as CPSC plans, reports, studies, data projected by the Privacy Act of 1974 (5 U.S.C. 552a), or personal identifying information which has not been released or otherwise made public, the Contractor agrees that without prior written approval of the Contracting Officer it shall not: (a) release or disclose such information, (b) discuss or use such information for any private purpose, (c) share this information with any other party, or (d) submit an unsolicited proposal based on such information. These restrictions will remain in place unless such information is made available to the public by the Government.
- b. In addition, the Contractor agrees that to the extent it collects data on behalf of CPSC, or is given access to, proprietary data, data protected by the Privacy Act of 1974, or other confidential or privileged technical, business, financial, or personal identifying information during performance of this contract, that it shall not disclose such data. The Contractor shall keep the information secure, protect such data to prevent loss or dissemination, and treat such information in accordance with any restrictions imposed on such information.

LC 32 STANDARDS OF CONDUCT

1. Government contractors must conduct themselves with the highest degree of integrity and honesty. Contractors shall have standards of conduct and internal control systems that:
 - a. Are suitable to the size of the company and the extent of their involvement in Government contracting,
 - b. Promote such standards,
 - c. Facilitate timely discovery and disclosure of improper conduct in connection with Government contracts, and
 - d. Ensure corrective measures are promptly instituted and carried out.
2. By submitting a proposal in response to this solicitation and under award of any resultant contract, the Contractor agrees to employ standards of conduct and internal control systems, which shall include, but are not necessarily limited to the following.

The contractor shall provide, for all employees:

- a. A written code of business ethics and conduct and an ethics training program
- b. Periodic reviews of company business practices, procedures, policies, and internal controls for compliance with standards of conduct and the special requirements of Government contracting;
- c. A mechanism, such as a hotline, by which employees may report suspected instances of

improper conduct, and instructions that encourage employees to make such reports;

d. Internal and/or external audits, as appropriate;

e. Disciplinary action for improper conduct;

f. Timely reporting to appropriate Government officials of any suspected or possible violation of law in connection with Government contracts or any other irregularities in connection with such contracts; and

g. Full cooperation with any Government agencies responsible for either investigation or corrective actions.

h. A copy of the written code of ethics and information regarding the above shall be made available to the Government upon request.

End of Clause

LC 34 TECHNOLOGY ADDITIONS/SUBSTITUTIONS

a. Due to the rapidly changing field of information technology (IT) and potential advancements during performance of this contract, the contractor may propose technological upgrades, additions and substitutions to enhance performance of IT delivered under the contract. The Contractor shall request changes in writing to the Contracting Officer and shall provide full documentation on any proposed additions/substitutions.

b. Any proposed changes must comply with these conditions:

1) The additional/substituted item(s) shall be fully compatible with item(s) in the CLIN as appropriate;

2) The additional/substituted item(s) shall meet or exceed all specifications applicable to the original item(s);

3) The additional/substituted item(s) shall meet all of the marketability requirements of the specification to ensure field-proven, COTS systems and configurations.

c. Any proposed change, if accepted by the Government, shall be made via a written modification to the contract.

d. The fact that the Contractor requests, and the Government accepts, an addition/substitution shall not automatically extend the required delivery dates of any items. Upon approval and acceptance of a replacement, CPSC and the Contractor may mutually agree to a reasonable extension of the required delivery dates.

13. FEDERAL ACQUISITION CLAUSES (FAR) – IN ADDITION TO GSA CLAUSES:

FAR 204-10 Reporting Executive Compensation and First-Tier Subcontract Awards (Oct 2015)

(a) *Definitions.* As used in this clause:

“Executive” means officers, managing partners, or any other employees in management positions.

“First-tier subcontract” means a subcontract awarded directly by the Contractor for the purpose of acquiring supplies or services (including construction) for performance of a prime contract. It does not include the Contractor’s supplier agreements with vendors, such as long-term arrangements for materials or supplies that would benefit multiple contracts and/or the costs of which are normally applied to a Contractor’s general and administrative expenses or indirect cost.

“Month of award” means the month in which a contract is signed by the Contracting Officer or the month in which a first-tier subcontract is signed by the Contractor.

“Total compensation” means the cash and noncash dollar value earned by the executive during the Contractor’s preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

(1) Salary and bonus.

(2) Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Financial Accounting Standards Board’s Accounting Standards Codification (FASB ASC) 718, Compensation-Stock Compensation.

(3) Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

(4) Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

(5) Above-market earnings on deferred compensation which is not tax-qualified.

(6) Other compensation, if the aggregate value of all such other compensation (*e.g.*, severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

(b) Section 2(d)(2) of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. No. 109-282), as amended by section 6202 of the Government Funding Transparency Act of

2008 (Pub. L. 110-252), requires the Contractor to report information on subcontract awards. The law requires all reported information be made public, therefore, the Contractor is responsible for notifying its subcontractors that the required information will be made public.

(c) Nothing in this clause required the disclosure of classified information.

(d)

(1) Executive compensation of the prime contractor. As a part of its annual registration requirement in the System for Award Management (SAM) database (FAR provision 52.204-7), the Contractor shall report the names and total compensation of each of the five most highly compensated executives for its preceding completed fiscal year, if—

(i) In the Contractor's preceding fiscal year, the Contractor received—

(A) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; and

(B) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; and

(ii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

(2) First-tier subcontract information. Unless otherwise directed by the contracting officer, or as provided in paragraph (g) of this clause, by the end of the month following the month of award of a first-tier subcontract with a value of \$30,000 or more, the Contractor shall report the following information at <http://www.fsrs.gov> for that first tier subcontract. (The Contractor shall follow the instruction at <http://www.fsrs.gov> to report the data.)

(i) Unique identifier (DUNS Number) for the subcontractor receiving the award and for the subcontractor's parent company, if the subcontractor has a parent company.

(ii) Name of the subcontractor.

(iii) Amount of the subcontract award.

(iv) Date of the subcontract award.

(v) A description of the products or services (including construction) being provided under the subcontract, including the overall purpose and expected outcomes or results of the subcontract.

(vi) Subcontract number (the subcontract number assigned by the Contractor).

(vii) Subcontractor's physical address including street address, city, state, and country. Also include the nine-digit zip code and congressional district.

(viii) Subcontractor's primary performance location including street address, city, state, and country. Also include the nine-digit zip code and congressional district.

(ix) The prime contract number, and order number if applicable.

(x) Awarding agency name and code.

(xi) Funding agency name and code.

(xii) Government contracting office code.

(xiii) Treasury account symbol (TAS) as reported in FPDS.

(xiv) The applicable North American Industry Classification System code (NAICS).

(3) Executive compensation of the first-tier subcontractor. Unless otherwise directed by the Contracting Officer, by the end of the month following the month of award of a first-tier subcontract with a value of \$30,000 or more, and annually thereafter (calculated from the prime contract award date), the Contractor shall report the names and total compensation of each of the five most highly compensated executives for that first-tier subcontractor for the first-tier subcontractor's preceding completed fiscal year at <https://www.fsrs.gov> , if—

(i) In the subcontractor's preceding fiscal year, the subcontractor received—

(A) 80 percent or more of its annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements, and other forms of Federal financial assistance; and

(B) \$25,000,000 or more in annual gross revenues from Federal contracts (and subcontracts), loans, grants (and subgrants), cooperative agreements and other forms of Federal financial assistance; and

(ii) The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of

the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/excomp.htm>.)

(e) The Contractor shall not split or break down first-tier subcontract awards to a value less than \$30,000 to avoid the reporting requirements in paragraph (d) of this clause.

(f) The Contractor is required to report information on a first-tier subcontract covered by paragraph (d) when the subcontract is awarded. Continued reporting on the same subcontract is not required unless one of the reported data elements changes during the performance of the subcontract. The Contractor is not required to make further reports after the first-tier subcontract expires.

(g)

(1) If the Contractor in the previous tax year had gross income, from all sources, under \$300,000, the Contractor is exempt from the requirement to report subcontractor awards.

(2) If a subcontractor in the previous tax year had gross income from all sources under \$300,000, the Contractor does not need to report awards for that subcontractor

(h) The FSRS database at <http://www.fsrs.gov> will be prepopulated with some information from SAM and FPDS databases. If FPDS information is incorrect, the contractor should notify the contracting officer. If the SAM database information is incorrect, the contractor is responsible for correcting this information.

FAR 52.204-14 – SERVICE CONTRACT REPORTING REQUIREMENTS. (JAN 2014)

(a) Definition.

“First-tier subcontract” means a subcontract awarded directly by the Contractor for the purpose of acquiring supplies or services (including construction) for performance of a prime contract. It does not include the Contractor’s supplier agreements with vendors, such as long-term arrangements for materials or supplies that benefit multiple contracts and/or the costs of which are normally applied to a Contractor’s general and administrative expenses or indirect costs.

(b) The Contractor shall report, in accordance with paragraphs (c) and (d) of this clause, annually by October 31, for services performed under this contract during the preceding Government fiscal year (October 1-September 30).

(c) The Contractor shall report the following information:

(1) Contract number and, as applicable, order number.

(2) The total dollar amount invoiced for services performed during the previous Government fiscal year under the contract.

(3) The number of Contractor direct labor hours expended on the services performed during the previous Government fiscal year.

(4) Data reported by subcontractors under paragraph (f) of this clause.

(d) The information required in paragraph (c) of this clause shall be submitted via the internet at www.sam.gov. (See SAM User Guide). If the Contractor fails to submit the report in a timely manner, the contracting officer will exercise appropriate contractual remedies. In addition, the Contracting Officer will make the Contractor's failure to comply with the reporting requirements a part of the Contractor's performance information under FAR subpart 42.15.

(e) Agencies will review Contractor reported information for reasonableness and consistency with available contract information. In the event the agency believes that revisions to the Contractor reported information are warranted, the agency will notify the Contractor no later than November 15. By November 30, the Contractor shall revise the report or document its rationale for the agency.

(f)

(1) The Contractor shall require each first-tier subcontractor providing services under this contract, with subcontract(s) each valued at or above the thresholds set forth in 4.1703(a)(2), to provide the following detailed information to the Contractor in sufficient time to submit the report:

(i) Subcontract number (including subcontractor name and DUNS number); and

(ii) The number of first-tier subcontractor direct-labor hours expended on the services performed during the previous Government fiscal year.

(2) The Contractor shall advise the subcontractor that the information will be made available to the public as required by section 743 of Division C of the Consolidated Appropriations Act, 2010.

(End of clause)

FAR 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed six (6) months. The Contracting Officer may exercise the option by written notice to the Contractor within fifteen (15) days prior to the completion of the last day of the contract.

FAR 52.224-1 Privacy Act Notification (Apr 1984)

The Contractor will be required to design, develop, or operate a system of records on individuals, to accomplish an agency function subject to the Privacy Act of 1974, Public Law 93-579, December 31, 1974 (5 U.S.C.552a) and applicable agency regulations. Violation of the Act may involve the imposition of criminal penalties.

(End of Clause)

FAR 52.224-2 -- Privacy Act. (Apr 1984)

(a) The Contractor agrees to --

(1) Comply with the Privacy Act of 1974 (the Act) and the agency rules and regulations issued under the Act in the design, development, or operation of any system of records on individuals to accomplish an agency function when the contract specifically identifies --

(i) The systems of records; and

(ii) The design, development, or operation work that the contractor is to perform;

(2) Include the Privacy Act notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation, when the work statement in the proposed subcontract requires the redesign, development, or operation of a system of records on individuals that is subject to the Act; and

(3) Include this clause, including this subparagraph (3), in all subcontracts awarded under this contract which requires the design, development, or operation of such a system of records.

(b) In the event of violations of the Act, a civil action may be brought against the agency involved when the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency when the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Act, when the contract is for the operation of a system of records on individuals to accomplish an agency function, the Contractor is considered to be an employee of the agency.

(c)

(1) "Operation of a system of records," as used in this clause, means performance of any of the activities associated with maintaining the system of records, including the collection, use, and dissemination of records.

(2) "Record," as used in this clause, means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not

limited to, education, financial transactions, medical history, and criminal or employment history and that contains the person's name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a fingerprint or voiceprint or a photograph.

(3) "System of records on individuals," as used in this clause, means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

(End of Clause)

FAR 52.227-13 Patent Rights -- Ownership by the Government (Dec 2007)

(a) *Definitions.* As used in this clause--

"Invention" means any invention or discovery which is or may be patentable or otherwise protectable under title 35 of the U.S. Code or any variety of plant that is or may be protectable under the Plant Variety Protection Act (7 U.S.C. 2321, *et seq.*).

"Made" means—

(1) When used in relation to any invention other than a plant variety, means the conception or first actual reduction to practice of the invention; or

(2) When used in relation to a plant variety, means that the Contractor has at least tentatively determined that the variety has been reproduced with recognized characteristics.

"Practical application" means to manufacture, in the case of a composition or product; to practice, in the case of a process or method; or to operate, in the case of a machine or system; and, in each case, under such conditions as to establish that the invention is being utilized and that its benefits are, to the extent permitted by law or Government regulations, available to the public on reasonable terms.

"Subject invention" means any invention of the Contractor made in the performance of work under this contract.

(b) *Ownership* –

(1) *Assignment to the Government.* The Contractor shall assign to the Government title throughout the world to each subject invention, except to the extent that rights are retained under paragraphs (b)(2) (d) of this clause.

(2) *Greater rights determinations.*

(i) The Contractor, or an employee-inventor after consultation with the Contractor, may retain greater rights than the nonexclusive license provided in paragraph (d) of this clause. The request for a greater rights must be submitted to the Contracting Officer at the time of the first disclosure of the subject invention pursuant to paragraph (e)(2) of this clause, or not later than 8 months thereafter, unless a longer period is authorized in writing by the Contracting Officer for good cause shown in writing by the Contractor. Each determination of greater rights under this contract normally shall be subject to paragraph (c) of this clause, and to the reservations and conditions deemed to be appropriate by the agency.

(ii) Upon request, the Contractor shall provide the filing date, serial number and title, a copy of the patent application (including an English-language version if filed in a language other than English), and patent number and issue date for any subject invention in any country for which the Contractor has retained title.

(iii) Upon request, the Contractor shall furnish the agency an irrevocable power to inspect and make copies of the patent application file.

(c) Minimum rights acquired by the Government.

(1) Regarding each subject invention to which the Contractor retains ownership, the Contractor agrees as follows:

(i) The Government will have a nonexclusive, nontransferable, irrevocable, paid-up license to practice or have practiced for or on its behalf, the subject invention throughout the world.

(ii) The agency has the right to require licensing pursuant to 35 U.S.C. 203 and 210(c) and in accordance with the procedures set forth in 37 CFR 401.6 and any supplemental regulation of the agency in effect on the date of the contract award.

(iii) Upon request, the Contractor shall submit periodic reports no more frequently than annually on the utilization, or efforts to obtain utilization, of a subject invention by the Contractor or its licensees or assignees. The reports shall include information regarding the status of development, date of first commercial sale or use, gross royalties received by the Contractor, and any other data and information as the agency may reasonably specify. The Contractor also shall provide additional reports as may be requested by the agency in connection with any march-in proceedings undertaken by the agency in accordance with paragraph (c)(1)(ii) of this clause. To the extent data or information supplied under this section is considered by the Contractor, its licensee, or assignee to be privileged and confidential and is so marked, the agency, to the extent permitted by law, will not disclose such information to persons outside the Government.

(iv) When licensing a subject invention, the Contractor shall—

(A) Ensure that no royalties are charged on acquisitions involving Government funds, including funds derived through a Military Assistance Program of the Government or otherwise derived through the Government;

(B) Refund any amounts received as royalty charges on a subject invention in acquisitions for, or on behalf of, the Government;

(C) Provide for this refund in any instrument transferring rights in the subject invention to any party.

(v) When transferring rights in a subject invention, the Contractor shall provide for the Government's rights set forth in paragraphs (c)(1)(i) through (c)(1)(iv) of this clause.

(2) Nothing contained in this paragraph (c) of this clause shall be deemed to grant to the Government rights in any invention other than a subject invention.

(d) Minimum rights to the Contractor.

(1) The Contractor is hereby granted a revocable, nonexclusive, paid-up license in each patent application filed in any country on a subject invention and any resulting patent in which the Government obtains title, unless the Contractor fails to disclose the subject invention within the times specified in paragraph (e)(2) of this clause. The Contractor's license extends to any of its domestic subsidiaries and affiliates within the corporate structure of which the Contractor is a part and includes the right to grant sublicenses of to the extent the Contractor was legally obligated to do so at contract was awarded. The license is transferable only with the approval of the agency except when transferred to the successor of that part of the Contractor's business to which the subject invention pertains.

(2) The Contractor's license may be revoked or modified by the agency to the extent necessary to achieve expeditious practical application of the subject invention in a particular country in accordance with the procedures in FAR 27.302(i)(2) and 27.304-1(f).

(3) When the Government elects not to apply for a patent in any foreign country, the Contractor retains rights in that foreign country to apply for a patent, subject to the Government's rights in paragraph (c)(1) of this clause.

(e) Invention identification, disclosures, and reports.

(1) The Contractor shall establish and maintain active and effective procedures to educate its employees in order to assure that subject inventions are promptly identified and disclosed to Contractor personnel responsible for patent matters. The procedures shall include the maintenance of laboratory notebooks or equivalent records and other records as are reasonably necessary to document the conception and/or the first actual reduction

to practice of subject inventions, and records that show that the procedures for identifying and disclosing subject inventions are followed. Upon request, the Contractor shall furnish the Contracting Officer a description of these procedures for evaluation and for a determination as to their effectiveness.

(2) The Contractor shall disclose each subject invention to the Contracting Officer within 2 months after the inventor discloses it in writing to Contractor personnel responsible for patent matters or, if earlier, within 6 months after the Contractor becomes aware that a subject invention has been made, but in any event before any on sale (*i.e.*, sale or offer for sale), public use, or publication of the subject invention known to the Contractor. The disclosure shall identify the contract under which the subject invention was made and the inventor(s). It shall be sufficiently complete in technical detail to convey a clear understanding of the subject invention. The disclosure shall also identify any publication, on sale, or public use of the subject invention and whether a manuscript describing the subject invention has been submitted for publication and, if so, whether it has been accepted for publication. In addition, after disclosure to the agency, the Contractor shall promptly notify the Contracting Officer of the acceptance of any manuscript describing the subject invention for publication and any on sale or public use.

(3) The Contractor shall furnish the Contracting Officer the following:

(i) Interim reports every 12 months (or a longer period as may be specified by the Contracting Officer) from the date of the contract, listing subject inventions during that period, and stating that all subject inventions have been disclosed (or that there are none) and that the procedures required by paragraph (e)(1) of this clause have been followed.

(ii) A final report, within 3 months after completion of the contracted work, listing all subject inventions or stating that there were none, and listing all subcontracts at any tier containing a patent rights clause or stating that there were none.

(4) The Contractor shall require, by written agreement, its employees, other than clerical and nontechnical employees, to disclose promptly in writing to personnel identified as responsible for the administration of patent matters and in the Contractor's format each subject invention in order that the Contractor can comply with the disclosure provisions of paragraph (c) of this clause, and to execute all papers necessary to file patent applications on subject inventions and to establish the Government's rights in the subject inventions. This disclosure format should require, as a minimum, the information required by subparagraph (e)(2) of this clause. The Contractor shall instruct such employees, through employee agreements or other suitable educational programs, as to the importance of reporting inventions in sufficient time to permit the filing of patent applications prior to U.S. or foreign statutory bars.

(5) Subject to FAR 27.302(i), the Contractor agrees that the Government may duplicate and disclose subject invention disclosures and all other reports and papers furnished or required to be furnished pursuant to this clause.

(f) Examination of records relating to inventions.

(1) The Contracting Officer or any authorized representative shall, until 3 years after final payment under this contract, have the right to examine any books (including laboratory notebooks), records, and documents of the Contractor relating to the conception or first actual reduction to practice of inventions in the same field of technology as the work under this contract to determine whether—

(i) Any such inventions are subject inventions;

(ii) The Contractor has established and maintains the procedures required by subparagraphs (e)(1) and (4) of this clause; and

(iii) The Contractor and its inventors have complied with the procedures.

(2) The Contractor shall disclose to the Contracting Officer, for the determination of ownership rights, any unreported invention that the Contracting Officer believes may be a subject invention.

(3) Any examination of records under paragraph (f) of this clause will be subject to appropriate conditions to protect the confidentiality of the information involved.

(g) Withholding of payment. (This paragraph does not apply to subcontracts.)

(1) Any time before final payment under this contract, the Contracting Officer may, in the Government's interest, withhold payment until a reserve not exceeding \$50,000 or 5 percent of the amount of this contract, whichever is less, shall have been set aside if, in the Contracting Officer's opinion, the Contractor fails to—

(i) Establish, maintain, and follow effective procedures for identifying and disclosing subject inventions pursuant to paragraph (e)(1) of this clause;

(ii) Disclose any subject invention pursuant to paragraph (e)(2) of this clause;

(iii) Deliver acceptable interim reports pursuant to paragraph (e)(3)(i) of this clause; or

(iv) Provide the information regarding subcontracts pursuant to paragraph (i)(4) of this clause.

(2) The Contracting Officer will withhold the reserve or balance until the Contracting Officer has determined that the Contractor has rectified whatever deficiencies exist and has delivered all reports, disclosures, and other information required by this clause.

(3) The Contracting Officer will not make final payment under this contract before the Contractor delivers to the Contracting Officer, as required by this clause, all disclosures of subject inventions, an acceptable final report, and all due confirmatory instruments.

(4) The Contracting Officer may decrease or increase the sums withheld up to the maximum authorized. The Contracting Officer will not withhold any amount under this paragraph while the amount specified by this paragraph is being withheld under other provisions of the contract. The withholding of any amount or the subsequent payment shall not be construed as a waiver of any Government rights.

(h) *Preference for United States industry.* Unless provided otherwise, neither the Contractor nor any assignee shall grant to any person the exclusive right to use or sell any subject invention in the United States unless the person agrees that any products embodying the subject invention or produced through the use of the subject invention will be manufactured substantially in the United States. However, in individual cases, the requirement may be waived by the agency upon a showing by the Contractor or assignee that reasonable but unsuccessful efforts have been made to grant licenses on similar terms to potential licensees that would be likely to manufacture substantially in the United States or that, under the circumstances, domestic manufacture is not commercially feasible.

(i) *Subcontracts.*

(1) The Contractor shall include the substance of the patent rights clause required by FAR 27.3 in all subcontracts for experimental, developmental, or research work. The prescribed patent rights clause must be modified to identify the parties as follows: references to the Government are not changed, and the subcontractor has all rights and obligations of the Contractor in the clause. The Contractor shall not, as part of the consideration for awarding the subcontract, obtain rights in the subcontractor's subject inventions.

(2) In the event of a refusal by a prospective subcontractor to accept the clause the Contractor—

(i) Shall promptly submit a written notice to the Contracting Officer setting forth the subcontractor's reasons for such refusal and other pertinent information that may expedite disposition of the matter; and

(ii) Shall not proceed with such subcontract without the written authorization of the Contracting Officer.

(3) In subcontracts at any tier, the agency, the subcontractor, and Contractor agree that the mutual obligations of the parties created by the patent rights clause constitute a

contract between the subcontractor and the agency with respect to those matters covered by this clause.

(4) The Contractor shall promptly notify the Contracting Officer in writing upon the award of any subcontract at any tier containing a patent rights clause by identifying the subcontractor, the applicable patent rights clause, the work to be performed under the subcontract, and the dates of award and estimated completion. Upon request of the Contracting Officer, the Contractor shall furnish a copy of such subcontract, and, no more frequently than annually, a listing of the subcontracts that have been awarded.

(End of Clause)

FAR 52.239-1 Privacy or Security Safeguards (Aug. 1996)

(a) The Contractor shall not publish or disclose in any manner, without the Contracting Officer's written consent, the details of any safeguards either designed or developed by the Contractor under this contract or otherwise provided by the Government.

(b) To the extent required to carry out a program of inspection to safeguard against threats and hazards to the security, integrity, and confidentiality of Government data, the Contractor shall afford the Government access to the Contractor's facilities, installations, technical capabilities, operations, documentation, records, and databases.

(c) If new or unanticipated threats or hazards are discovered by either the Government or the Contractor, or if existing safeguards have ceased to function, the discoverer shall immediately bring the situation to the attention of the other party.

(End of Clause)

FAR 52.245-1 Government Property (Apr 2012)

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

“Cannibalize” means to remove parts from Government property for use or for installation on other Government property.

“Contractor-acquired property” means property acquired, fabricated, or otherwise provided by the Contractor for performing a contract, and to which the Government has title.

“Contractor inventory” means—

(1) Any property acquired by and in the possession of a Contractor or subcontractor under a contract for which title is vested in the Government and which exceeds the amounts needed to complete full performance under the entire contract;

(2) Any property that the Government is obligated or has the option to take over under any type of contract, e.g., as a result either of any changes in the specifications or plans thereunder or of the termination of the contract (or subcontract thereunder), before completion of the work, for the convenience or at the option of the Government; and

(3) Government-furnished property that exceeds the amounts needed to complete full performance under the entire contract.

“Contractor's managerial personnel” means the Contractor's directors, officers, managers, superintendents, or equivalent representatives who have supervision or direction of—

(1) All or substantially all of the Contractor's business;

(2) All or substantially all of the Contractor's operation at any one plant or separate location; or

(3) A separate and complete major industrial operation.

“Demilitarization” means rendering a product unusable for, and not restorable to, the purpose for which it was designed or is customarily used.

“Discrepancies incident to shipment” means any differences (*e.g.*, count or condition) between the items documented to have been shipped and items actually received.

“Equipment” means a tangible item that is functionally complete for its intended purpose, durable, nonexpendable, and needed for the performance of a contract. Equipment is not intended for sale, and does not ordinarily lose its identity or become a component part of another article when put into use. Equipment does not include material, real property, special test equipment or special tooling.

“Government-furnished property” means property in the possession of, or directly acquired by, the Government and subsequently furnished to the Contractor for performance of a contract. Government-furnished property includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification. Government-furnished property also includes

contractor-acquired property if the contractor-acquired property is a deliverable under a cost contract when accepted by the Government for continued use under the contract.

“Government property” means all property owned or leased by the Government. Government property includes both Government-furnished and Contractor-acquired property. Government property includes material, equipment, special tooling, special test equipment, and real property. Government property does not include intellectual property and software.

“Loss of Government Property” means unintended, unforeseen or accidental loss, damage or destruction to Government property that reduces the Government's expected economic benefits of the property. Loss of Government property does not include purposeful destructive testing,

obsolescence, normal wear and tear or manufacturing defects. Loss of Government property includes, but is not limited to—

- (1) Items that cannot be found after a reasonable search:
- (2) Theft:
- (3) Damage resulting in unexpected harm to property requiring repair to restore the item to usable condition; or
- (4) Destruction resulting from incidents that render the item useless for its intended purpose or beyond economical repair.

“Material” means property that may be consumed or expended during the performance of a contract, component parts of a higher assembly, or items that lose their individual identity through incorporation into an end item. Material does not include equipment, special tooling, special test equipment or real property.

“Nonseverable” means property that cannot be removed after construction or installation without substantial loss of value or damage to the installed property or to the premises where installed.

“Precious metals” means silver, gold, platinum, palladium, iridium, osmium, rhodium, and ruthenium.

“Production scrap” means unusable material resulting from production, engineering, operations and maintenance, repair, and research and development contract activities. Production scrap may have value when re-melted or reprocessed, e.g., textile and metal clippings, borings, and faulty castings and forgings.

“Property” means all tangible property, both real and personal.

“Property Administrator” means an authorized representative of the Contracting Officer appointed in accordance with agency procedures, responsible for administering the contract requirements and obligations relating to Government property in the possession of a Contractor.

“Property records” means the records created and maintained by the contractor in support of its stewardship responsibilities for the management of Government property.

“Provide” means to furnish, as in Government-furnished property, or to acquire, as in contractor-acquired property.

“Real property” See Federal Management Regulation 102-71.20 (41 CFR 102-71.20).

“Sensitive property” means property potentially dangerous to the public safety or security if stolen, lost, or misplaced, or that shall be subject to exceptional physical security, protection,

control, and accountability. Examples include weapons, ammunition, explosives, controlled substances, radioactive materials, hazardous materials or wastes, or precious metals.

“Unit acquisition cost” means—

- (1) For Government-furnished property, the dollar value assigned by the Government and identified in the contract; and
- (2) For contractor-acquired property, the cost derived from the Contractor’s records that reflect consistently applied generally accepted accounting principles.

(b) *Property management.*

- (1) The Contractor shall have a system of internal controls to manage (control, use, preserve, protect, repair and maintain) Government property in its possession. The system shall be adequate to satisfy the requirements of this clause. In doing so, the Contractor shall initiate and maintain the processes, systems, procedures, records, and methodologies necessary for effective and efficient control of Government property. The Contractor shall disclose any significant changes to its property management system to the Property Administrator prior to implementation of the changes. The Contractor may employ customary commercial practices, voluntary consensus standards, or industry-leading practices and standards that provide effective and efficient Government property management that are necessary and appropriate for the performance of this contract (except where inconsistent with law or regulation).
- (2) The Contractor's responsibility extends from the initial acquisition and receipt of property, through stewardship, custody, and use until formally relieved of responsibility by authorized means, including delivery, consumption, expending, sale (as surplus property), or other disposition, or via a completed investigation, evaluation, and final determination for lost property. This requirement applies to all Government property under the Contractor's accountability, stewardship, possession or control, including its vendors or subcontractors (see paragraph (f)(1)(v) of this clause).
- (3) The Contractor shall include the requirements of this clause in all subcontracts under which Government property is acquired or furnished for subcontract performance.
- (4) The Contractor shall establish and maintain procedures necessary to assess its property management system effectiveness and shall perform periodic internal reviews, surveillances, self assessments, or audits. Significant findings or results of such reviews and audits pertaining to Government property shall be made available to the Property Administrator.

(c) *Use of Government property.*

(1) The Contractor shall use Government property, either furnished or acquired under this contract, only for performing this contract, unless otherwise provided for in this contract or approved by the Contracting Officer.

(2) Modifications or alterations of Government property are prohibited, unless they are—

(i) Reasonable and necessary due to the scope of work under this contract or its terms and conditions;

(ii) Required for normal maintenance; or

(iii) Otherwise authorized by the Contracting Officer.

(3) The Contractor shall not cannibalize Government property unless otherwise provided for in this contract or approved by the Contracting Officer.

(d) Government-furnished property.

(1) The Government shall deliver to the Contractor the Government-furnished property described in this contract. The Government shall furnish related data and information needed for the intended use of the property. The warranties of suitability of use and timely delivery of Government-furnished property do not apply to property acquired or fabricated by the Contractor as contractor-acquired property and subsequently transferred to another contract with this Contractor.

(2) The delivery and/or performance dates specified in this contract are based upon the expectation that the Government-furnished property will be suitable for contract performance and will be delivered to the Contractor by the dates stated in the contract.

(i) If the property is not delivered to the Contractor by the dates stated in the contract, the Contracting Officer shall, upon the Contractor's timely written request, consider an equitable adjustment to the contract.

(ii) In the event property is received by the Contractor, or for Government-furnished property after receipt and installation, in a condition not suitable for its intended use, the Contracting Officer shall, upon the Contractor's timely written request, advise the Contractor on a course of action to remedy the problem. Such action may include repairing, replacing, modifying, returning, or otherwise disposing of the property at the Government's expense. Upon completion of the required action(s), the Contracting Officer shall consider an equitable adjustment to the contract (see also paragraph (f)(1)(ii)(A) of this clause).

(iii) The Government may, at its option, furnish property in an "as-is" condition. The Contractor will be given the opportunity to inspect such property prior to the property being provided. In such cases, the Government makes no warranty with respect to the serviceability and/or suitability of the property for contract

performance. Any repairs, replacement, and/or refurbishment shall be at the Contractor's expense.

(3)(i) The Contracting Officer may by written notice, at any time—

(A) Increase or decrease the amount of Government-furnished property under this contract;

(B) Substitute other Government-furnished property for the property previously furnished, to be furnished, or to be acquired by the Contractor for the Government under this contract; or

(C) Withdraw authority to use property.

(ii) Upon completion of any action(s) under paragraph (d)(3)(i) of this clause, and the Contractor's timely written request, the Contracting Officer shall consider an equitable adjustment to the contract.

(e) *Title to Government property.*

(1) All Government-furnished property and all property acquired by the Contractor, title to which vests in the Government under this paragraph (collectively referred to as "Government property"), is subject to the provisions of this clause. The Government shall retain title to all Government-furnished property. Title to Government property shall not be affected by its incorporation into or attachment to any property not owned by the Government, nor shall Government property become a fixture or lose its identity as personal property by being attached to any real property.

(2) Title vests in the Government for all property acquired or fabricated by the Contractor in accordance with the financing provisions or other specific requirements for passage of title in the contract. Under fixed price type contracts, in the absence of financing provisions or other specific requirements for passage of title in the contract, the Contractor retains title to all property acquired by the Contractor for use on the contract, except for property identified as a deliverable end item. If a deliverable item is to be retained by the Contractor for use after inspection and acceptance by the Government, it shall be made accountable to the contract through a contract modification listing the item as Government-furnished property.

(3) *Title under Cost-Reimbursement or Time-and-Material Contracts or Cost-Reimbursable contract line items under Fixed-Price contracts.*

(i) Title to all property purchased by the Contractor for which the Contractor is entitled to be reimbursed as a direct item of cost under this contract shall pass to and vest in the Government upon the vendor's delivery of such property.

(ii) Title to all other property, the cost of which is reimbursable to the Contractor, shall pass to and vest in the Government upon—

(A) Issuance of the property for use in contract performance;

(B) Commencement of processing of the property for use in contract performance; or

(C) Reimbursement of the cost of the property by the Government, whichever occurs first.

(f) *Contractor plans and systems.*

(1) Contractors shall establish and implement property management plans, systems, and procedures at the contract, program, site or entity level to enable the following outcomes:

(i) *Acquisition of Property.* The Contractor shall document that all property was acquired consistent with its engineering, production planning, and property control operations.

(ii) *Receipt of Government Property.* The Contractor shall receive Government property and document the receipt, record the information necessary to meet the record requirements of paragraph (f)(1)(iii)(A)(1) through (5) of this clause, identify as Government owned in a manner appropriate to the type of property (*e.g.*, stamp, tag, mark, or other identification), and manage any discrepancies incident to shipment.

(A) *Government-furnished property.* The Contractor shall furnish a written statement to the Property Administrator containing all relevant facts, such as cause or condition and a recommended course(s) of action, if overages, shortages, or damages and/or other discrepancies are discovered upon receipt of Government-furnished property.

(B) *Contractor-acquired property.* The Contractor shall take all actions necessary to adjust for overages, shortages, damage and/or other discrepancies discovered upon receipt, in shipment of Contractor-acquired property from a vendor or supplier, so as to ensure the proper allocability and allowability of associated costs.

(iii) *Records of Government property.* The Contractor shall create and maintain records of all Government property accountable to the contract, including Government-furnished and Contractor-acquired property.

(A) Property records shall enable a complete, current, auditable record of all transactions and shall, unless otherwise approved by the Property Administrator, contain the following:

(1) The name, part number and description, National Stock Number (if needed for additional item identification tracking and/or disposition) and other data elements as necessary and required in accordance with the terms and conditions of the contract.

(2) Quantity received (or fabricated), issued, and balance-on-hand.

(3) Unit acquisition cost.

(4) Unique-item identifier or equivalent (if available and necessary for individual item tracking).

(5) Unit of measure.

(6) Accountable contract number or equivalent code designation.

(7) Location.

(8) Disposition.

(9) Posting reference and date of transaction.

(10) Date placed in service (if required in accordance with the terms and conditions of the contract).

(B) Use of a Receipt and Issue System for Government Material. When approved by the Property Administrator, the Contractor may maintain, in lieu of formal property records, a file of appropriately cross-referenced documents evidencing receipt, issue, and use of material that is issued for immediate consumption.

(iv) Physical inventory. The Contractor shall periodically perform, record, and disclose physical inventory results. A final physical inventory shall be performed upon contract completion or termination. The Property Administrator may waive this final inventory requirement, depending on the circumstances (*e.g.*, overall reliability of the Contractor's system or the property is to be transferred to a follow-on contract).

(v) Subcontractor control.

(A) The Contractor shall award subcontracts that clearly identify items to be provided and the extent of any restrictions or limitations on their use. The Contractor shall ensure appropriate flow down of contract terms and conditions (*e.g.*, extent of liability for loss of Government property).

(B) The Contractor shall assure its subcontracts are properly administered and reviews are periodically performed to determine the adequacy of the subcontractor's property management system.

(vi) *Reports.* The Contractor shall have a process to create and provide reports of discrepancies, loss of Government property, physical inventory results, audits and self-assessments, corrective actions, and other property related reports as directed by the Contracting Officer.

(vii) *Relief of stewardship responsibility and liability.* The Contractor shall have a process to enable the prompt recognition, investigation, disclosure and reporting of loss of Government property, including losses that occur at subcontractor or alternate site locations.

(A) This process shall include the corrective actions necessary to prevent recurrence.

(B) Unless otherwise directed by the Property Administrator, the Contractor shall investigate and report to the Government all incidents of property loss as soon as the facts become known. Such reports shall, at a minimum, contain the following information:

(1) Date of incident (if known).

(2) The data elements required under paragraph (f)(1)(iii)(A) of this clause.

(3) Quantity.

(4) Accountable contract number.

(5) A statement indicating current or future need.

(6) Unit acquisition cost, or if applicable, estimated sales proceeds, estimated repair or replacement costs.

(7) All known interests in commingled material of which includes Government material.

(8) Cause and corrective action taken or to be taken to prevent recurrence.

(9) A statement that the Government will receive compensation covering the loss of Government property, in the event the Contractor was or will be reimbursed or compensated.

(10) Copies of all supporting documentation.

(11) Last known location.

(12) A statement that the property did or did not contain sensitive, export controlled, hazardous, or toxic material, and that the appropriate agencies and authorities were notified.

(C) Unless the contract provides otherwise, the Contractor shall be relieved of stewardship responsibility and liability for property when—

(1) Such property is consumed or expended, reasonably and properly, or otherwise accounted for, in the performance of the contract, including reasonable inventory adjustments of material as determined by the Property Administrator;

(2) Property Administrator grants relief of responsibility and liability for loss of Government property;

(3) Property is delivered or shipped from the Contractor's plant, under Government instructions, except when shipment is to a subcontractor or other location of the Contractor; or

(4) Property is disposed of in accordance with paragraphs (j) and (k) of this clause.

(viii) *Utilizing Government property.*

(A) The Contractor shall utilize, consume, move, and store Government Property only as authorized under this contract. The Contractor shall promptly disclose and report Government property in its possession that is excess to contract performance.

(B) Unless otherwise authorized in this contract or by the Property Administrator the Contractor shall not commingle Government material with material not owned by the Government.

(ix) *Maintenance.* The Contractor shall properly maintain Government property. The Contractor's maintenance program shall enable the identification, disclosure, and performance of normal and routine preventative maintenance and repair. The Contractor shall disclose and report to the Property Administrator the need for replacement and/or capital rehabilitation.

(x) *Property closeout.* The Contractor shall promptly perform and report to the Property Administrator contract property closeout, to include reporting, investigating and securing closure of all loss of Government property cases; physically inventorying all property upon termination or completion of this

contract; and disposing of items at the time they are determined to be excess to contractual needs.

(2) The Contractor shall establish and maintain Government accounting source data, as may be required by this contract, particularly in the areas of recognition of acquisitions, loss of Government property, and disposition of material and equipment.

(g) Systems analysis.

(1) The Government shall have access to the contractor's premises and all Government property, at reasonable times, for the purposes of reviewing, inspecting and evaluating the Contractor's property management plan(s), systems, procedures, records, and supporting documentation that pertains to Government property. This access includes all site locations and, with the Contractor's consent, all subcontractor premises.

(2) Records of Government property shall be readily available to authorized Government personnel and shall be appropriately safeguarded.

(3) Should it be determined by the Government that the Contractor's (or subcontractor's) property management practices are inadequate or not acceptable for the effective management and control of Government property under this contract, or present an undue risk to the Government, the Contractor shall prepare a corrective action plan when requested by the Property Administer and take all necessary corrective actions as specified by the schedule within the corrective action plan.

(4) The Contractor shall ensure Government access to subcontractor premises, and all Government property located at subcontractor premises, for the purposes of reviewing, inspecting and evaluating the subcontractor's property management plan, systems, procedures, records, and supporting documentation that pertains to Government property.

(h) Contractor Liability for Government Property.

(1) Unless otherwise provided for in the contract, the Contractor shall not be liable for loss of Government property furnished or acquired under this contract, except when any one of the following applies—

(i) The risk is covered by insurance or the Contractor is otherwise reimbursed (to the extent of such insurance or reimbursement). The allowability of insurance costs shall be determined in accordance with 31.205-19.

(ii) Loss of Government property that is the result of willful misconduct or lack of good faith on the part of the Contractor's managerial personnel.

(iii) The Contracting Officer has, in writing, revoked the Government's assumption of risk for loss of Government property due to a determination under paragraph (g) of this clause that the Contractor's property management practices

are inadequate, and/or present an undue risk to the Government, and the Contractor failed to take timely corrective action. If the Contractor can establish by clear and convincing evidence that the loss of Government property occurred while the Contractor had adequate property management practices or the loss did not result from the Contractor's failure to maintain adequate property management practices, the Contractor shall not be held liable.

(2) The Contractor shall take all reasonable actions necessary to protect the property from further loss. The Contractor shall separate the damaged and undamaged property, place all the affected property in the best possible order, and take such other action as the Property Administrator directs.

(3) The Contractor shall do nothing to prejudice the Government's rights to recover against third parties for any loss of Government property.

(4) The Contractor shall reimburse the Government for loss of Government property, to the extent that the Contractor is financially liable for such loss, as directed by the Contracting Officer.

(5) Upon the request of the Contracting Officer, the Contractor shall, at the Government's expense, furnish to the Government all reasonable assistance and cooperation, including the prosecution of suit and the execution of instruments of assignment in favor of the Government in obtaining recovery.

(i) *Equitable adjustment.* Equitable adjustments under this clause shall be made in accordance with the procedures of the Changes clause. However, the Government shall not be liable for breach of contract for the following:

(1) Any delay in delivery of Government-furnished property.

(2) Delivery of Government-furnished property in a condition not suitable for its intended use.

(3) An increase, decrease, or substitution of Government-furnished property.

(4) Failure to repair or replace Government property for which the Government is responsible. Standard Form 1428.

(j) *Contractor inventory disposal.* Except as otherwise provided for in this contract, the Contractor shall not dispose of Contractor inventory until authorized to do so by the Plant Clearance Officer or authorizing official.

(1) *Predisposal requirements.*

(i) If the Contractor determines that the property has the potential to fulfill requirements under other contracts, the Contractor, in consultation with the

Property Administrator, shall request that the Contracting Officer transfer the property to the contract in question, or provide authorization for use, as appropriate. In lieu of transferring the property, the Contracting Officer may authorize the Contractor to credit the costs of Contractor-acquired property (material only) to the losing contract, and debit the gaining contract with the corresponding cost, when such material is needed for use on another contract. Property no longer needed shall be considered contractor inventory.

(ii) For any remaining Contractor-acquired property, the Contractor may purchase the property at the unit acquisition cost if desired or make reasonable efforts to return unused property to the appropriate supplier at fair market value (less, if applicable, a reasonable restocking fee that is consistent with the supplier's customary practices.)

(2) Inventory disposal schedules.

(i) Absent separate contract terms and conditions for property disposition, and provided the property was not reutilized, transferred, or otherwise disposed of, the Contractor, as directed by the Plant Clearance Officer or authorizing official, shall use Standard Form 1428, Inventory Disposal Schedule or electronic equivalent, to identify and report—

(A) Government-furnished property that is no longer required for performance of this contract;

(B) Contractor-acquired property, to which the Government has obtained title under paragraph (e) of this clause, which is no longer required for performance of that contract; and

(C) Termination inventory.

(ii) The Contractor may annotate inventory disposal schedules to identify property the Contractor wishes to purchase from the Government, in the event that the property is offered for sale.

(iii) Separate inventory disposal schedules are required for aircraft in any condition, flight safety critical aircraft parts, and other items as directed by the Plant Clearance Officer

(iv) The Contractor shall provide the information required by FAR 52.245-1(f)(1)(iii) along with the following:

(A) Any additional; information that may facilitate understanding of the property's intended use.

(B) For work-in-progress, the estimated percentage of completion.

(C) For precious metals in raw or bulk form, the type of metal and estimated weight.

(D) For hazardous material or property contaminated with hazardous material, the type of hazardous material.

(E) For metals in mill product form, the form, shape, treatment, hardness, temper, specification (commercial or Government) and dimensions (thickness, width and length).

(v) Property with the same description, condition code, and reporting location may be grouped in a single line item.

(vi) Scrap should be reported by "lot" along with metal content, estimated weight and estimated value.

(3) *Submission requirements.*

(i) The Contractor shall submit inventory disposal schedules to the Plant Clearance Officer no later than—

(A) 30 days following the Contractor's determination that a property item is no longer required for performance of this contract;

(B) 60 days, or such longer period as may be approved by the Plant Clearance Officer, following completion of contract deliveries or performance; or

(C) 120 days, or such longer period as may be approved by the Termination Contracting Officer, following contract termination in whole or in part.

(ii) Unless the Plant Clearance Officer determines otherwise, the Contractor need not identify or report production scrap on inventory disposal schedules, and may process and dispose of production scrap in accordance with its own internal scrap procedures. The processing and disposal of other types of Government-owned scrap will be conducted in accordance with the terms and conditions of the contract or Plant Clearance Officer direction, as appropriate.

(4) *Corrections.* The Plant Clearance Officer may—

(i) Reject a schedule for cause (*e.g.*, contains errors, determined to be inaccurate); and

(ii) Require the Contractor to correct an inventory disposal schedule.

(5) *Post submission adjustments.* The Contractor shall notify the Plant Clearance Officer at least 10 working days in advance of its intent to remove an item from an approved inventory disposal schedule. Upon approval of the Plant Clearance Officer, or upon expiration of the notice period, the Contractor may make the necessary adjustments to the inventory schedule.

(6) *Storage.*

(i) The Contractor shall store the property identified on an inventory disposal schedule pending receipt of disposal instructions. The Government's failure to furnish disposal instructions within 120 days following acceptance of an inventory disposal schedule may entitle the Contractor to an equitable adjustment for costs incurred to store such property on or after the 121st day.

(ii) The Contractor shall obtain the Plant Clearance Officer's approval to remove property from the premises where the property is currently located prior to receipt of final disposition instructions. If approval is granted, any costs incurred by the Contractor to transport or store the property shall not increase the price or fee of any Government contract. The storage area shall be appropriate for assuring the property's physical safety and suitability for use. Approval does not relieve the Contractor of any liability for such property under this contract.

(7) *Disposition instructions.*

(i) The Contractor shall prepare for shipment, deliver f.o.b. origin, or dispose of Contractor inventory as directed by the Plant Clearance Officer. Unless otherwise directed by the Contracting Officer or by the Plant Clearance Officer, the Contractor shall remove and destroy any markings identifying the property as U.S. Government-owned property prior to its disposal.

(ii) The Contracting Officer may require the Contractor to demilitarize the property prior to shipment or disposal. In such cases, the Contractor may be entitled to an equitable adjustment under paragraph (i) of this clause.

(8) *Disposal proceeds.* As directed by the Contracting Officer, the Contractor shall credit the net proceeds from the disposal of Contractor inventory to the contract, or to the Treasury of the United States as miscellaneous receipts.

(9) *Subcontractor inventory disposal schedules.* The Contractor shall require its Subcontractors to submit inventory disposal schedules to the Contractor in accordance with the requirements of paragraph (j)(3) of this clause.

(k) *Abandonment of Government property.*

(1) The Government shall not abandon sensitive property or termination inventory without the Contractor's written consent.

(2) The Government, upon notice to the Contractor, may abandon any non-sensitive property in place, at which time all obligations of the Government regarding such property shall cease.

(3) Absent contract terms and conditions to the contrary, the Government may abandon parts removed and replaced from property as a result of normal maintenance actions, or removed from property as a result of the repair, maintenance, overhaul, or modification process.

(4) The Government has no obligation to restore or rehabilitate the Contractor's premises under any circumstances; however, if Government-furnished property is withdrawn or is unsuitable for the intended use, or if other Government property is substituted, then the equitable adjustment under paragraph (i) of this clause may properly include restoration or rehabilitation costs.

(l) *Communication.* All communications under this clause shall be in writing.

(m) *Contracts outside the United States.* If this contract is to be performed outside of the United States and its outlying areas, the words "Government" and "Government-furnished" (wherever they appear in this clause) shall be construed as "United States Government" and "United States Government-furnished," respectively.

(End of clause)