

CONCEPTS, STATUTES & REGULATORY FRAMEWORK

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Foundational Concepts

“When the United States enters into contract relations, its rights and duties therein are governed generally by the law applicable to contracts between private individuals.”

Lynch v. United States, 292 U.S. 571, 579
(1934)

Foundational Concepts

“Men must turn square corners when they deal with the Government.” *Rock Island, A. & L. R. Co.*, 254 U.S. 141, 143 (1920)

But:

“[T]here is no reason why the square corners should constitute a one-way street.” *Federal Crop Ins. Corp. v. Merrill*, 332 U.S. 380, 388 (1947) (J. Jackson *dissenting*)

“While it is true enough, . . . , that one who deals with the Government may need to ‘turn square corners,’ . . . , he need not turn them twice.” *United States v. Winstar Corp.*, 518 U.S. 839, 922 (1996) (J. Scalia *concurring*)

Legal Authority to Contract

- Well established that Government has plenary authority to contract.
- BUT:
 - Sovereign is generally immune from suit
 - Congress controls the purse
 - Limits on authority

Limits on Authority – Agency

- Statutory restrictions must be followed
 - *Christian Doctrine*
- Consequences of “illegal” contract:
 - *Void ab initio*
 - Voidable

Limits on Authority – Personnel

“The Government is too vast, its operation too varied and intricate, to put it to risk of losing that which it holds for the nation as a whole because of the oversight of subordinate officials.” *Montana Power Co. v. Federal Power Comm.*, 185 F.2d 491, 497 (D.C. Cir. 1950)

- Government agents must have actual authority;
- Agency concept of apparent authority does not apply to agents of the government.
- “It is well-settled, however, that government officials are presumed to act conscientiously and in good faith in the discharge of their duties.” *L.P. Consulting Group, Inc.*, 66 Fed. Cl. 238 (2005).

Appropriations

- Anti-Deficiency Act – USG must have available appropriations in order to commit funds for procurement
- Impoundment
 - Procedures for compelling Executive to spend funds appropriated

Challenging Government Actions

- Waivers of sovereign immunity
 - limited
- Sovereign Acts Doctrine – when is USG performance excused because of legislative or regulatory action. *See United States v. Winstar Corp., supra*

Challenging Government Actions

- Challenging administrative actions that unfavorably impact government performance:
 - *Bowen v. Massachusetts*, 487 U.S. 879 (1988)
 - *Megapulse, Inc. v. Lewis*, 672 F.2d 959 (D.C. Cir. 1982)

Foundational Statutes

Foundational Statutes (sampling)

Basic Procurement Statutes

- Armed Services Procurement Act (“ASPA”) of 1947, Title 10
- Federal Property and Administrative Service Act (“FPASA”), Title 41

Evolutionary Procurement Statutes

- Office of Federal Procurement Policy Act
- Competition in Contracting Act (“CICA”) of 1984
- Federal Acquisition Streamlining Act (“FASA”), 1994

Longstanding Regulatory Statutes

- Anti-Assignment Act
- Buy American Act of 1933 (“BAA”)
- Truth in Negotiations Act of 1962 (“TINA”)
- Defense Production Act of 1950

Foundational Statutes (sampling)

Integrity Statutes

- False Claims Act (“FCA”)
- Procurement Integrity Act (“PIA”)
- Anti-Kickback Act

Jurisdictional Statutes

- Tucker Act
- Contract Disputes Act (“CDA”) of 1978

Specialized (Socio-Economic) Statutes (Just a Few Examples)

- Small Business Act (“SBA”)
- Service Contract Act (“SCA”)
- Javits-Wagner-O’Day Act (“Ability One”)

Annual Authorization and Appropriation Acts

Governing Regulations: How the FAR Works

Federal Acquisition Regulation (FAR)

- Formally published in Code of Federal Regulations (CFR) at Title 48, Chapter 1
- Establishes uniform policies and procedures for acquisition by all federal agencies
- Basic regulation applicable to acquisition of supplies and services
- “Contracting by regulation” – 90% or more of the clauses in government contracts are prescribed by regulation
- Nearly 2,000 pages

VOLUME I—PARTS 1 TO 51

FEDERAL ACQUISITION REGULATION

ISSUED MARCH 2005 BY THE:
GENERAL SERVICES ADMINISTRATION
DEPARTMENT OF DEFENSE
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Organization of the FAR

- Subchapter A – General
 - Part 1 – FAR System
 - Part 2 – Definitions of words and terms
 - Part 3 – Improper Business Practices & PCI
 - Part 4 – Administrative Matters
- Subchapter B – Competition and Acquisition Planning
 - Part 5 – Publicizing Contract Actions
 - Part 6 – Competition Requirements
 - Part 7 – Acquisition Planning
 - Part 8 – Required Sources of Supplies and Services
 - Part 9 – Contractor Qualifications
 - Part 10 – Market Research
 - Part 11 – Describing Agency Needs
 - Part 12 – Acquisition of commercial items

Organization of the FAR

- Subchapter C – Contracting Methods and Contract Types
 - Part 13 – Simplified Acquisition Procedures
 - Part 14 – Sealed Bidding
 - Part 15 – Contracting by Negotiation
 - Part 16 – Types of Contracts
 - Part 17 – Special Contracting Methods
 - Part 18 – Emergency Acquisitions
- Subchapter D – Socioeconomic Programs
 - Part 19 – Small Business Programs
 - Part 22 – Application of Labor Law to Gov Acquisitions
 - Part 23 – Environment, Occupational Safety, Drug-Free
 - Part 24 – Protection of Privacy and Freedom of Information
 - Part 25 – Foreign Acquisition
 - Part 26 – Other Socioeconomic Programs

Organization of the FAR

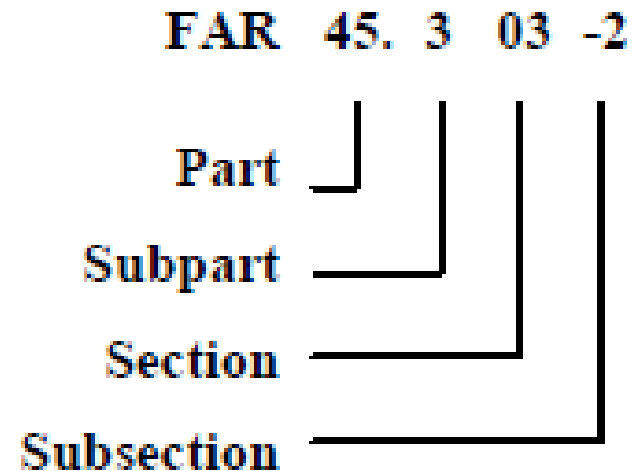
- Subchapter E – General Contracting Requirements
 - Part 27 – Patents, Data, and Copyrights
 - Part 28 – Bonds and Insurance
 - Part 29 – Taxes
 - Part 30 – Cost Accounting Standards Administration
 - Part 31 – Cost Accounting Standards (CAS)
 - Part 32 – Contract Financing
 - Part 33 – Protests, Disputes, and Appeals
- Subchapter F – Special Categories of Contracting
 - Part 34 – Major System Acquisition
 - Part 35 – Research and Development Contracting
 - Part 36 – Construction and A&E Contracts
 - Part 37 – Service Contracting
 - Part 38 – Federal Supply Schedule Contracting
 - Part 39 – Acquisition of Information Technology
 - Part 41 – Acquisition of Utility Services

Organization of the FAR

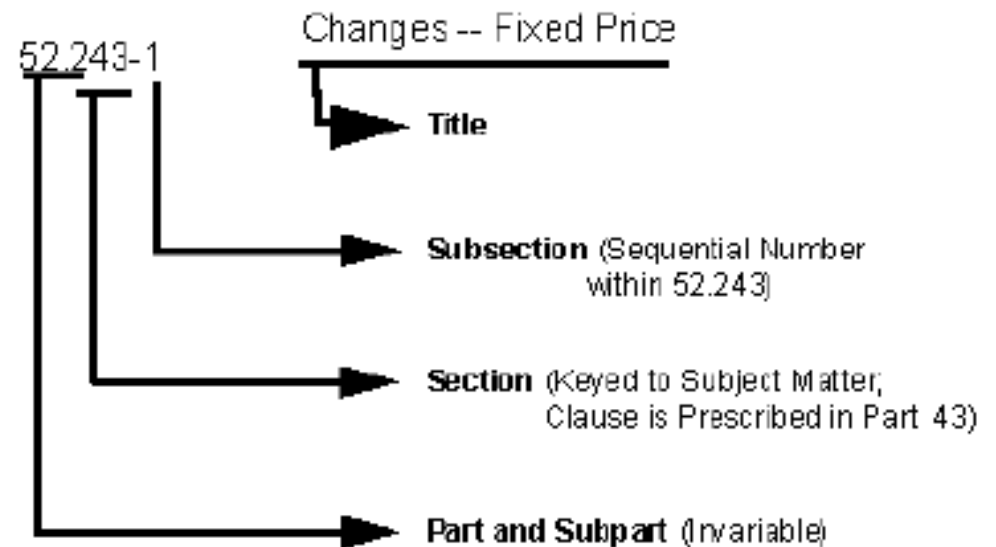
- Subchapter G – Contract Management
 - Part 42 – Contract Administration and Audit Services
 - Part 43 – Contract Modifications
 - Part 44 – Subcontracting Policies and Procedures
 - Part 45 – Government Property
 - Part 46 – Quality Assurance
 - Part 47 – Transportation
 - Part 48 – Value Engineering
 - Part 49 – Termination of Contracts
 - Part 50 – Extraordinary Contractual Actions
 - Part 51 – Use of Government Resources by Contractors
- Subchapter H – Clauses and Forms
 - Part 52 – Solicitation Provisions and Contract Clauses
 - Part 53 – Forms

Organization of the FAR

- Citing the FAR:



- Standard provisions and clauses numbered 52. 2 xx -xx



Agency Supplements

Ch. Agency/Department

- 2 Defense
- 3 Health & Human Servs.
- 4 Agriculture
- 5 General Servs Admin
- 6 State
- 7 Agency for Int'l Dev
- 8 Veterans Affairs
- 9 Energy
- 10 Treasury
- 12 Transportation
- 13 Commerce
- 14 Interior
- 15 Environ Protection Agency
- 16 OPM – Fed EE Health Benes
- 17 Office of Personnel Mgmt

Ch. Agency/Department

- 18 Nat'l Aero & Space Admin
- 19 Broadcasting Bd of Governors
- 20 Nuclear Reg Commission
- 21 OPM – Fed Emp Gp Life Ins
- 23 Social Security Admin
- 24 Housing & Urban Dev
- 25 Nat'l Science Foundation
- 28 Justice
- 29 Labor
- 30 Homeland Security
- 34 Education
- 44 Fed Emergency Mgmt Agency
- 51 Army (“AFARS”)
- 52 Navy (“NMCARS”)
- 53 Air Force (“AFFARS”)
- 54 Defense Logistics (“DLAD”)

DoD FAR Supplement (DFARS)

- 48 CFR Chapter 2 – over 1500 pages
 - Hundreds more standard clauses
 - Standard clauses numbered 252.xxx-xx
- Additional policies implemented
 - *E.g.*, Specialty metals
- Annual DoD authorization acts
 - Means regular changes

Parts of a Contract

Standard Contract Format – SF33

SOLICITATION, OFFER AND AWARD		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING	PAGE	OF	PAGES
2. CONTRACT NUMBER	3. SOLICITATION NUMBER	4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BID (IFB) <input type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED	6. REQUISITION/PURCHASE NUMBER		
7. ISSUED BY		CODE	8. ADDRESS OFFER TO (if other than Item 7)				
NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".							
SOLICITATION							
9. Sealed offers in original and _____ copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if hand carried, in the depository located in _____ until _____ local time							
CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.							
10. FOR INFORMATION CALL:		A. NAME		B. TELEPHONE (NO COLLECT CALLS)		C. E-MAIL ADDRESS	
		AREA CODE	NUMBER	EXTENSION			
11. TABLE OF CONTENTS							
(X)	SEC.	DESCRIPTION	PAGE(S)	(X)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
	A	SOLICITATION CONTRACT FORM			I	CONTRACT CLAUSES	
	B	SUPPLIES OR SERVICES AND PRICES/COSTS			J	LIST OF ATTACHMENTS, EXHIBITS AND OTHER ATTACH.	
	C	DESCRIPTION/SPEC'S/WORK STATEMENT			K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS	
	D	PACKAGING AND MARKING			L	INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS	
	E	INSPECTION AND ACCEPTANCE			M	EVALUATION FACTORS FOR AWARD	
	F	DELIVERIES OR PERFORMANCE					
	G	CONTRACT ADMINISTRATION DATA					
	H	SPECIAL CONTRACT REQUIREMENTS					
OFFER (Must be fully completed by offeror)							
NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.							
12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the set opposite each item, delivered at the designated point(s), within the time specified in the schedule.							
13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-9)		10. CALENDAR DAYS (%)		20. CALENDAR DAYS (%)		30. CALENDAR DAYS (%)	
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):		AMENDMENT NO.	DATE	AMENDMENT NO.	DATE		
15A. NAME AND ADDRESS OF OFFEROR		CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)			
15B. TELEPHONE NUMBER		15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.		17. SIGNATURE		18. OFFER DATE	
AREA CODE	NUMBER	EXTENSION					
AWARD (To be completed by Government)							
19. ACCEPTED AS TO ITEMS NUMBERED		20. AMOUNT		21. ACCOUNTING AND APPROPRIATION			
22. AUTHORITY FOR USING OTHER THAN FULL OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304 (c) <input type="checkbox"/> 41 U.S.C. 3304(a) ()		23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)		ITEM			
24. ADMINISTERED BY (if other than Item 7)		25. PAYMENT WILL BE MADE BY		CODE			
26. NAME OF CONTRACTING OFFICER (Type or print)		27. UNITED STATES OF AMERICA		28. AWARD DATE			
(Signature of Contracting Officer)							
IMPORTANT - Award will be made on this Form, or on Standard Form 28, or by other authorized official written notice.							
AUTHORIZED FOR LOCAL REPRODUCTION Previous edition is unusable				STANDARD FORM 33 (REV. 6/2014) Prescribed by GSA - FAR (48 CFR) 53.214 (c)			

B – CLINs

C – SOW

H – Special Clauses

I – Standard Clauses

K – Reps & Certs

L – Instructions

M – Evaluation factors

Attachments

Section B

Section B - Supplies or Services and Prices

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0001	Basic Effort CPFF Scope of Work SW-IM-06-03, dated 01 Apr 03, titled "Display Services," incorporated herein and attached as set forth in Part III, Section J, hereof. PURCHASE REQUEST NUMBER: DS1031	29,978	DPPH		
				ESTIMATED COST	
				FIXED FEE	
				TOTAL EST COST + FEE	

FOB: Destination

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0002	Data Items CPFF Contract Data Requirements List (CDRL), DD Form 1423, consisting of Line Items Nos. *001 through *004, incorporated herein and attached as set forth in				

Section C

W912CM-04-R-0028

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Section C - Descriptions and Specifications

DESCRIPTION/STATEMENT OF WORK

STATEMENT OF WORK C2 Support to MNF-I

1. Introduction. This statement of work focuses on providing the Assistant Chief of Staff (ACofS), C2, Multi-National Forces - Iraq (MNF-I) with intelligence operations support.

Identification.

Organization: Multi-National Forces – Iraq (MNF-I)

Location: Baghdad, Iraq (MNF-I AOR)

1.2 Scope of Work.

1.2.1 Background. The contractor shall provide personnel, management, and any other items and services not Government furnished, necessary to provide the ACofS, C2, MNF-I with intelligence operations support consisting of Interrogation Operations Support, Locally Employed Persons (LEP) Screening, Open Source Intelligence (OSINT), Special Security Office (SSO), Human Intelligence (HUMINT) Support Teams (HST), and Intelligence Support management and support, functioning as resident experts for the implementation of appropriate regulations and standard operating procedures within C2, MNF-I. Contractor shall perform from the offices of the MNF-I and designated interrogation facilities at various locations in Iraq. The Contractor shall provide the requested services, as directed by military authority, throughout the MNF-I area of responsibility (AOR) to assist in all aspects of intelligence support activities, in order to provide timely and actionable intelligence to the commander. The Contractor is responsible for providing administrative supervision for all contractor personnel. Administrative supervision includes performing tasks that free the individual to perform his or her duties (e.g., pay issues).

Section I

Section I - Contract Clauses

CLAUSES INCORPORATED BY REFERENCE

52.202-1	Definitions	DEC 2001
52.203-3	Gratuities	APR 1984
52.203-5	Covenant Against Contingent Fees	APR 1984
52.203-6	Restrictions On Subcontractor Sales To The Government	JUL 1995
52.203-7	Anti-Kickback Procedures	JUL 1995
52.203-8	Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity	JAN 1997
52.203-10	Price Or Fee Adjustment For Illegal Or Improper Activity	JAN 1997
52.203-12	Limitation On Payments To Influence Certain Federal Transactions	JUN 1997
52.204-4	Printed or Copied Double-Sided on Recycled Paper	AUG 2000
52.209-6	Protecting the Government's Interest When Subcontracting With Contractors Debarred, Suspended, or Proposed for Debarment	JUL 1995
52.211-15	Defense Priority And Allocation Requirements	SEP 1990
52.215-2	Audit and Records--Negotiation	JUN 1999
52.215-8	Order of Precedence--Uniform Contract Format	OCT 1997
52.215-10	Price Reduction for Defective Cost or Pricing Data	OCT 1997
52.215-12	Subcontractor Cost or Pricing Data	OCT 1997
52.215-13	Subcontractor Cost or Pricing Data--Modifications	OCT 1997
52.215-14	Integrity of Unit Prices	OCT 1997
52.215-15	Pension Adjustments and Asset Reversions	DEC 1998
52.215-16	Facilities Capital Cost of Money	OCT 1997
52.215-17	Waiver of Facilities Capital Cost of Money	OCT 1997
52.215-18	Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other than Pensions	OCT 1997
52.215-20 Alt IV	Requirements for Cost or Pricing Data or Information Other	OCT 1997

Section L

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Section L - Instructions, Conditions and Notices to Bidders

SUBMISSION OF OFFERS

INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

1. General Instructions for the Preparation of Proposals.

This section provides instructions on how to prepare and submit a proposal in response to this solicitation. Offerors that do not meet the minimum mandatory requirements, as defined in Section C, Statement of Work, should not respond.

Notice to Foreign Contractors. Due to the security requirements specified in the Statement of Work (SOW), offers received from Foreign Contractors will not be considered.

Offers shall be sent to the attention of Ms. Liz Graves at the mailing address specified in Block 7 of the Standard Form 33 or the address listed at the end of this paragraph. The address for mail originating in Europe and being delivered via courier service is Wiesbaden Contracting Center, ATTN: Ms. Liz Graves, Division B, Team 1, Konrad-Adenauer Ring 39, 65187 Wiesbaden, Germany.

In addition to sending an offer via courier or mail, offerors shall send e-mail notification to 04R0028@rcc.wbn.usacce.army.mil that an offer was sent and the day it was sent. Subject of e-mail shall be "Submission of Offer RFP W912CM-04-R-0028." Faxed offers are not authorized and will be rejected.

Questions Pertaining to the Solicitation. Offerors may submit questions pertaining to information in the solicitation. Questions shall be submitted via e-mail to 04R0028@rcc.wbn.usacce.army.mil. The subject of the e-mail shall be "Questions – W912CM-04-R-0028." Questions shall annotate a reference to the specific solicitation element to which they pertain. All questions shall be submitted to ensure that they are received no later than 10 calendar days before the date for receipt of proposals. All questions and answers, and any resulting amendments, will be sent

Section M

Section M - Evaluation Factors for Award

EVALUATION FACTORS AND BASIS

EVALUATION FACTORS FOR AWARD

This procurement is being conducted using formal source selection procedures. The Government intends to award one (but reserves the right to award more than one) contract for Intelligence Support Services including interrogators in support of Operation Iraqi Freedom and the Global War on Terrorism to the responsible offeror(s) whose proposal(s) conforming to the solicitation represent(s) the best overall value(s) to the Government as explained below. The Government will evaluate each proposal strictly in accordance with its content and will not assume that performance will include areas not specified in the offeror's proposal.

The offeror's proposal must demonstrate a clear understanding of the nature and scope of the work required. Failure to provide a realistic, reasonable, and complete proposal may reflect a lack of understanding of the requirements of the contract and may result in a determination that the offer is unacceptable.

The Government will not assess capability on a pass/fail basis, but will use its assessments of capability as a basis for comparing proposals to determine best value.

Evaluation Factors and Their Relative Importance. The evaluation factors are: Technical Proposal, Experience, Past Performance, Business Arrangement, and Cost/Price. Technical Proposal is approximately equal to the combined importance of Experience and Past Performance. Experience and Past Performance are approximately equal in importance. Cost/Price is approximately equal to the combined importance of Experience and Past Performance. Business Arrangement is less important than the other non-cost evaluation factors. The Government considers the non-cost factors, when combined, to be significantly more important than cost/price.

Evaluation Factors. The Government will evaluate proposals on the basis of the following factors and subfactors:

1. Technical Proposal (Factor). The Government will evaluate the completeness of the offer based on documentation provided. The evaluation will assess the technical advantages and proposal risks of each offer as they relate to the requirements contained in this solicitation. The subfactors are listed in descending order of

Which Clauses Apply?

FAR and FAR Supplement Clauses are Terms of the Contract

- Prime contracts – Government includes the relevant clauses in full text and/or by reference. Must go to the regulations to read the clauses
- Signing proposal/accepting order accepts these clauses

Public Policy Dictates

- Omitted clauses required by statute or regulation may be incorporated by operation of law. *Christian doctrine.*
- Included clauses violative of statute or regulation may be read out of the contract.
- Incorrect clauses may be replaced with the correct ones.

Regulatory Cite	Title	Date
52.202-1	DEFINITIONS	NOV/2013
52.203-3	GRATUITIES	APR/1984
52.203-5	COVENANT AGAINST CONTINGENT FEES	MAY/2014
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	SEP/2006
52.203-7	ANTI-KICKBACK PROCEDURES	MAY/2014
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	MAY/2014
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	MAY/2014
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	OCT/2010
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON POSTCONSUMER FIBER CONTENT PAPER	MAY/2011
52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS	OCT/2015
52.204-13	SYSTEM FOR AWARD MANAGEMENT MAINTENANCE	JUL/2013
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	OCT/2015
52.209-9	UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDING RESPONSIBILITY MATTERS	JUL/2013

Flowing Down Contract Clauses

Challenges & Best Practices

Potential Challenges

- Prime is responsible for its sub(s); subcontractors also have responsibility to flow down clauses to lower-tier sub(s)
- Identification of which vendors qualify as lower-tier subcontractors (and ensuring that a process is in place to make such identification)
- Knowing which clauses apply to subcontractors

Best Practices

- Do not fall into trap of flowing down EVERYTHING
- Conduct a multi-step analysis to determine what flows down

What is a Subcontract?

- Numerous definitions of subcontract/subcontractor
- May include vendors, distributors, brokers and suppliers
- **FAR 44.101 defines subcontract as:**
 - Any contract as defined in subpart 2.1 entered into by a subcontractor to furnish supplies or services for performance of a prime contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.
- **FAR 44.101 defines subcontractor as:**
 - Any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor.

Multi-Step Analysis

- **What clauses must be flowed down?**
 - Text of the clause will indicate (“The Contractor shall include....”)
- **When must those clauses be flowed down?**
 - Be aware of “triggering” events, e.g., dollar thresholds and certain activities (sometimes, the prime contractor’s best judgment will need to be applied)
- **How must those clauses be flowed down?**
 - Verbatim, in substance, silence

Examples

- **FAR 52.203-13, Contractor Code of Business Ethics and Conduct**
 - (d) *Subcontracts*. (1) The Contractor shall include the substance of this clause, including this paragraph (d), in subcontracts that have a value in excess of \$5.5 million and a performance period of more than 120 days.
- **FAR 52.222-41, Service Contract Labor Standards**
 - (l) *Subcontracts*. The Contractor agrees to insert this clause in all subcontracts subject to the Service Contract Labor Standards statute.

Multi-Step Analysis

- **Any optional clauses that the prime should consider flowing down?**
 - Termination for Convenience, Changes, Disputes
- **Is the subcontract for a commercial item?**
 - FAR Part 12 requires only minimal flow-downs in commercial item subcontracts (*see* FAR 52.212-5(e) and 52.244-6)

QUESTIONS?

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