

CUSTOMER CONTRACT REQUIREMENTS
FAA Research and Mission Analysis Support Services
CUSTOMER CONTRACT DTFAWA-10-D-00019

CUSTOMER CONTRACT REQUIREMENTS

The following customer contract requirements apply to this contract to the extent indicated below. If this contract is for the procurement of commercial items under a Government prime contract, as defined in FAR Part 2.101, see Section 3 below.

1. Prime Contract Special Provisions The following prime contract special provisions apply to this purchase order

1. The following clauses listed below are incorporated by reference with the same force they were given in full text. The full text is available via the Internet at: <http://conwrite.faa.gov> page, select “Search and View Clauses”).

- 3.1.7-1 Exclusion from Future Agency Contracts (August 1997)
- 3.1.7-2 Organizational Conflicts of Interest (August 1997)
- 3.1.7-5 Disclosure of Conflicts of Interest (February 2009)
- 3.1.8-2 Price or Fee Adjustment for Illegal or Improper Activity (September 2000)
- 3.2.2.3-8 Audit and Records (July 2004)
- 3.2.2.3-25 Reducing the Price of a Contract or Modification for Defective Cost or Pricing Data (July 2004)
- 3.2.2.3-27 Subcontractor Cost or Pricing Data (July 2004)
- 3.2.2.3-30 Termination of Defined Benefit Pension Plans (July 2004)
- 3.2.2.3-36 Reversing or Adjusting of Plans for Post retirement Benefits Other Than Pensions (PRB) (July 2004)
- 3.2.2.3-37 Notification of Ownership Changes (July 2004)
- 3.2.2.3-75 Request for Contract Information (July 2004)
- 3.2.2.7-6 Protecting the Government’s Interest when Subcontracting with Contractors Debarred, Suspended, or Debarment (April 1996)
- 3.2.3-2 Cost Accounting Standards (April 1996)
- 3.2.3-3 Disclosure and Consistency of Cost Accounting Practices (April 1996)
- 3.2.3-5 Administration of Cost Accounting Standards (April 1996)
- 3.2.4-5 Allowable Cost and Payment (April 2001)
- 3.2.5-1 Officials Not to Benefit (April 1996)
- 3.2.5-3 Gratuities or Gifts (January 1999)
- 3.2.5-5 Anti-Kickback Procedures (October 1996)
- 3.2.5-6 Restrictions on Subcontractor Sales to the FAA (April 1996)
- 3.2.5-7 Disclosure Regarding Payments to Influence Certain Federal Transactions (June 1999)
- 3.2.5-13 Contractor Code of Business Ethics and Conduct (April 2008)
- 3.2.5-14 Display of Hotline Poster(s) (April 2008)
- 3.2.6-12 Affirmative Action for Special Disabled and Vietnam Era Veterans
- 3.3.2-1 FAA Cost Principles (October 1996)
- 3.5-1 Authorization and Consent (April 1996)
- 3.5-2 Notice and Assistance Regarding Patent and Copyright Infringement (April 1996)
- 3.5-13 Rights in Data—General (October 1996)
- 3.6.1-3 Utilization of Small, Small Disadvantaged, Women-Owned, and Service-Disabled Veteran Owned Small Concerns (September 2001)
- 3.6.1-4 Utilization of Small, Small Disadvantaged, Women-Owned, and Service-Disabled Veteran Owned Small Concerns
- 3.6.2-9 Equal Opportunity (August 1998)
- 3.6.2-10 Equal Opportunity Preaward Clearance of Subcontracts (November 1997)
- 3.6.2-12 Affirmative Action for Special Disabled and Vietnam Era Veterans (April 2007)

- 3.6.2-13 **Affirmative Action for Workers With Disabilities** (April 2000)
- 3.6.2-14 **Employment Reports on Special Disabled Veterans and Veterans of Vietnam Era** (April 2007)
- 3.6.2-16 **Notice to the Government of Labor Disputes** (April 1996)
- 3.6.2-35 **Prevention of Sexual Harassment** (August 1998)
- 3.6.3-2 **Clean Air and Clean Water** (April 1996)
- 3.6.3-11 **Toxic Chemical Release Reporting** (April 2008)
- 3.6.4-10 **Restrictions on Certain Foreign Purchases** (April 1996)
- 3.7-1 **Privacy Act Notification** (October 1996)
- 3.7-2 **Privacy Act** (October 1996)
- 3.10.1-3 **Penalties for Unallowable Costs** (October 1996)
- 3.10.2-6 **Subcontracts for Commercial Items and Commercial Components** (April 1996)
- 3.10.3-1 **Definitions** (April 2004)
- 3.10.3-2 **Government Property – Basic Clause** (April 2004)
- 3.13-5 **Seat Belt Use by Contractor Employees** (January 1999)
- 3.14-3 **Foreign Nationals as Contractor Employees** (April 2008)

2. The following clauses and provisions are provided in full text

3.1.7-6 Disclosure of Certain Employee Relationships (July 2009)

(a) The policy of the FAA is to avoid doing business with contractors, subcontractors, and consultants who have a conflict of interest. The purpose of this policy is to maintain the highest level of integrity within its work and to ensure that the award of procurement contracts is based upon fairness and merit.

(b) The contractor must provide to the Contracting Officer the following information with its proposal and must provide an update within 30 days of the award of a contract, any subcontract, or any consultant agreement, or within 30 days of the termination of the Subject Individual or former FAA employee subject to this clause:

(1) The names of all Subject Individuals who:

- (i) participated in preparation of proposals for award; or
- (ii) are planned to be used during performance; or
- (iii) are used during performance; and

(2) The names of all former FAA employees, retained by the contractor who were employed by FAA during the two years immediately prior to the date of:

- (i) the award; or
- (ii) their retention by the contractor; and

(3) The date on which the initial expression of interest in a future financial arrangement was discussed with the contractor or the name of the former FAA employee whose name is required to be provided by the contractor pursuant to subparagraph (2); and

(4) The location where any Subject Individual or former FAA employee whose name is required to be provided by the contractor pursuant to subparagraphs (1) and (2), are expected to be assigned.

(c) "Subject Individual" means a current FAA employee's father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepdaughter, stepbrother, stepsister, half brother, half sister, spouse of an in-law, or a member of his/her household.

(d) The contractor must incorporate this clause into all subcontracts or consultant agreements awarded under this contract and must require that each such subcontractor or consultant incorporate this clause into all subcontracts or consultant agreements awarded under this contract unless the Contracting Officer determines otherwise.

(e) The information as it is submitted, must be certified as being true and correct. If there is no such information, the cert state.

(f) Remedies for nondisclosure: The following are possible remedies available to the FAA should a contractor misrepresent or disclose or misrepresent any information required by this clause:

- (1) Termination of the contract.
- (2) Exclusion from subsequent FAA contracts.
- (3) Other remedial action as may be permitted or provided by law or regulation or policy or by the terms of the contract.

(g) Annual Certification. The contractor must provide annually, based on the anniversary date of contract award, the following in writing to the Contracting Officer:

ANNUAL CERTIFICATION OF DISCLOSURE OF CERTAIN EMPLOYEE RELATIONSHIPS

The contractor represents and certifies that to the best of its knowledge and belief that during the prior 12 month period:

A former FAA employee(s) or Subject Individual(s) has been retained to work under the contract or subcontract or contract and complete disclosure has been made in accordance with subparagraph (b) of AMS Clause 3.1.7-6.

No former FAA employee(s) or Subject Individual(s) has been retained to work under the contract or subcontract or contract and disclosure required by AMS Clause 3.1.7-6 is not applicable.

Authorized Representative

Company Name

Date

3.2.2.3-39 Requirement for Cost or Pricing Data or Other Information – Modifications (July 2004)

- (a) When there are price adjustments in the contract, the contractor (you, your) must submit the following:
- (1) A certificate of current cost or pricing data (CCCPD) described in paragraph (e), or
 - (2) For information other than current cost or pricing data (CPD), a request for an exception to CCCPD. this exception from the CO in writing with the following types of information or data that would establish the reasonableness of the prices you offer:
 - (i) Information on an exception you received on earlier or repetitive acquisitions;
 - (ii) Catalog price information including:
 - (A) A dated catalog with the prices;
 - (B) The applicable catalog pages; or
 - (C) A statement that the catalog is on file in the contracts office that will issue this catalog;
 - (iii) Information on the current discount policies and price lists (published or unpublished), for original equipment manufacturer, and reseller;
 - (iv) Evidence of substantial sales to the general public for catalog items that exceed [Contracting insert extended value - not unit price]. Your evidence may consist of verifiable records such as contract, shipment, invoice, actual recorded sales; or sales by your affiliates, other manufacturers when your price proposal is based on sales of essentially the same commercial item. You must show the relationship of the offered price to the (1) established catalog price, or (2) the price of recent sales of similar quantities of the items that were sold to the general public at prices that differ from the list prices;

- (v) The basis for the market price including:
 - (A) The source, date or period of the market quotation;
 - (B) Any other basis for the market price, the base amount, and applicable discounts;
 - (C) The nature of the market for the supply or service you are offering (should be the the market price supply or service);

Or

 - (D) Data supporting substantial sales to the general public.
- (vi) Laws or regulations that establish your offered prices. If the price is controlled under law b reviews, or similar actions of a governmental body, attach a copy of a controlling document previously submit to the contracting office;
- (vii) Information on modifications of contracts or subcontracts for commercial items that relate as follows:
 - (A) If you received an exception based on adequate price competition, catalog or market commercial items, or prices set by law or regulation under the original contract or modification is not covered by these exceptions, you must provide information that modification would not change the contract or subcontract from one for a commercial non-commercial item;
 - (B) For commercial items, you may provide information on selling prices of the same in the commercial market; and
- (viii) Any other information the CO requests to support your request for an exception or to confirm is fair and reasonable.
- (b) You give the CO the right to examine books, records, documents, or other directly pertinent records to verify your exception under this clause or the reasonableness of price at any time before award.
- (c) The CO will not require you to provide access to cost or price information or other data that apply to prices of marketplace.
- (d) Submitting information to qualify for an exception does not mean that this is the only exception that may apply.
- (e) You must submit under paragraph (a):

CERTIFICATE OF CURRENT COST OR PRICING DATA

I certify that, to the best of my knowledge and belief, the cost or pricing data we submit, either actually or by specific identification to the Contracting Officer or to the Contracting Officer's representative to support [*] are accurate, complete, and current. This certification includes the cost or pricing data supporting any advance agreements and forward pricing rate agreements between Government that are part of the proposal.

[Contractor insert the following information.]

Firm _____

Signature _____

Name _____

Title _____

Date of execution [*** _____]

*Contractor identify the proposal, request for price adjustment, or other submission involved, giving the appropriate identifier (example, SIR No.)

** Contractor insert the day, month, and year when price negotiations were concluded and price agreement was reached or the earlier date agreed upon between the parties that is as close as practicable to the date of a price agreement.

*** Contractor insert the day, month, and year of signing, which should be as close as practicable to the date when the price was concluded and the parties agreed on the contract price.

3.6.2-17 Payment of Overtime Premiums (April 1996)

- (a) The use of overtime is authorized under this contract if the overtime premium cost does not exceed **\$0.00**, or the amount actually paid for work --
- (1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdown of equipment, or occasional production bottlenecks of a sporadic nature;
 - (2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protections, operations of utilities, or accounting;
 - (3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or curtailed;
 - (4) That will result in lower overall costs to the Government.
- (b) Any request for estimated overtime premiums that exceed the amount specified above must include all estimates and must --
- (1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with workload, staffing, and other data of the affected unit sufficient to permit the Contracting officer to estimate the cost for the overtime;
 - (2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;
 - (3) Identify the extent to which approval of overtime would affect the performance of or payment in connection with other Government contracts, together with identification of each affected contract; and;
 - (4) Provide reasons why the required work cannot be performed by using multishift operations or by employing other personnel.

3.6.2-37 Notification of Employees' Rights Concerning Payment of Union Dues or Fees (October 2009)

1. During the term of this contract, the contractor agrees to post a notice in conspicuous places in and about its plants and offices and in places where notices to employees are customarily posted. The notice must include the following information [except the last two sentences must not be included in notices posted in the plants or offices of carriers subject to the Railway Labor Act, as amended (45 U.S.C. 151-188)].

NOTICE TO EMPLOYEES

Under federal law, employees cannot be required to join a union or maintain membership in a union in order to retain their employment conditions, the law permits a union and an employer to enter into a union-security agreement requiring employees to pay dues and initiation fees. However, employees who are not union members can object to the use of their payments for certain purposes. If you only be required to pay their share of union costs relating to collective bargaining, contract administration, and grievance adjustment, you are entitled to an appropriate reduction in your payment. If you believe that you have been re

fees used in part to support activities not related to collective bargaining, contract administration, or grievance adjustment entitled to a refund and to an appropriate reduction in future payments.

For further information concerning your rights, contact the National Labor Relations Board (NLRB) either at one of its Regional Offices or at the following address:

National Labor Relations Board
Division of Information
1099 14th Street, NW
Washington, D.C. 20570
1-866-667-6572
1-866-315-6572 (TTY)

To locate the nearest NLRB office, see NLRB's website at: www.nlr.gov.

2. The contractor will comply with all provisions of E.O. 13201 of February 17, 2001, and related rules, regulations, and orders of the Secretary of Labor.

3. In the event that the contractor does not comply with any of the requirements set forth in paragraphs (1) or (2) above, the contract may be cancelled, terminated, or suspended in whole or in part, and the contractor may be declared ineligible for further government contracts in accordance with procedures authorized in or adopted pursuant to E.O. 13201 of February 17, 2001. Such other sanctions imposed as are provided in E.O. 13201 of February 17, 2001, or by rule, regulation, or order of the Secretary of Labor, or by law.

4. The contractor will include the provisions of paragraphs (1) through (4) herein in every subcontract or purchase order in connection with this contract unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to E.O. 13201 of February 17, 2001, so that such provisions will be binding upon each subcontractor or vendor. The contractor will comply with respect to any such subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing the contract, including the imposition of sanctions for noncompliance. However, if the contractor becomes involved in litigation with a vendor, or is threatened with such involvement, as a result of such direction, the contractor may request the United States District Court to protect the interests of the United States.

3.6.3-1 Clean Air and Clean Water Certification (April 1996)

The Offeror's signature on this contract constitutes an affirmative attestation that:

(a) Any facility to be used in the performance of this contract is not listed on the Environmental Protection Agency (EPA) List of Violating Facilities;

(b) The Offeror will immediately notify the Contracting Officer, of the receipt of any communication from the Administrator, designee, of the EPA, indicating that any facility that the Offeror uses for the performance of the contract is under construction on the EPA List of Violating Facilities; and

(c) The Offeror will include a certification substantially the same as this certification, including this paragraph (c), in every subcontract.

3.8.2-18 Certificate of Data (October 1996)

(a) The offeror represents and certifies that to the best of its knowledge and belief, the information and/or documents (including company profile, qualifications, background statements, brochures) submitted with its offer is current and complete as of the date of its offer.

(b) The offeror understands that any inaccurate data provided to the Department of Transportation may result in the following actions against its employees, or its representatives to: (1) prosecution for false statements pursuant to 18 U.S.C. 1001; (2) enforcement action for false claims or statements pursuant to the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. 3801-3812 and 49 CFR Part 31 and/or; (3) termination for default under any contract resulting from its debarment or suspension.

- (c) The offeror agrees to obtain a similar certification from its subcontractors.

Signature: _____
 Date: _____
 Typed Name and Title: _____
 Company Name: _____

This certification concerns a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

3.10.2-2 Subcontracts (Cost-Reimbursement and Ceiling Priced Contracts) (October 1996)

(a) Subcontract, as used in this clause, includes but is not limited to purchase orders, and changes and modifications to purchase orders. The Contractor shall notify the Contracting Officer reasonably in advance of entering into any subcontract if:

- (1) The proposed subcontract is of the cost-reimbursement, time-and-materials, or labor-hour type;
- (2) The proposed subcontract is fixed-price and exceeds either \$100,000 or 5 percent of the total estimated contract price;
- (3) The proposed subcontract has experimental, developmental, or research work as one of its purposes; or
- (4) This contract is not a facilities contract and the proposed subcontract provides for the fabrication, purchase, installation, or other acquisition of special test equipment valued in excess of \$25,000 or of any items of facilities.

(b)

(1) In the case of a proposed subcontract that:

- (i) is of the cost-reimbursement, time-and-materials, or labor-hour type and is estimated to exceed \$25,000, including the advance notification required by paragraph (a) above shall include the information specified in subparagraph (2);
- (ii) is proposed to exceed \$100,000, or

(iii) is one of a number of subcontracts with a single subcontractor, under this contract, for the same or related services that, in the aggregate, are expected to exceed \$100,000,

the advance notification required by paragraph (a) above shall include the information specified in subparagraph (2)

(2)

(i) A description of the supplies or services to be subcontracted.

(ii) Identification of the type of subcontract to be used.

(iii) Identification of the proposed subcontractor and an explanation of why and how the proposed subcontractor was selected, including the competition obtained.

(iv) The proposed subcontract price and the Contractor's cost or price analysis.

(v) The subcontractor's current, complete, and accurate cost or pricing data and Certificate of Current Cost Accounting Standards Data, if required by other contract provisions.

(vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards and Certificate of Current Cost Accounting Standards Data, if required by other provisions of this contract.

(vii) A negotiation memorandum reflecting-

(A) The principal elements of the subcontract price negotiations;

(B) The most significant considerations controlling establishment of initial or revised price;

(C) The reason cost or pricing data were or were not required;

(D) The extent, if any, to which the Contractor did not rely on the subcontractor's cost or price data in determining the price objective and in negotiating the final price;

(E) The extent to which it was recognized in the negotiation that the subcontractor's cost or price data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such data on the total price negotiated;

(F) The reasons for any significant difference between the Contractor's price objective and the subcontractor's price objective and

(G) A complete explanation of the incentive fee or profit plan when incentives are used. To identify each critical performance element, management decisions used to quantify each incentive element, reasons for the selection of each element, and a summary of all trade-off possibilities considered.

(c) The Contractor shall obtain the Contracting Officer's written consent before placing any subcontract for which approval is required under paragraph (a) above. However, the Contracting Officer may ratify in writing any such subcontract. Ratification shall constitute the consent of the Contracting Officer.

(d) If the Contractor has an approved purchasing system and the subcontract is within the scope of such approval, the

enter into the subcontracts described in subparagraphs (a)(1) and (a)(2) of this clause without the consent of the Contracting Officer.

(e) Even if the Contractor's purchasing system has been approved, the Contractor shall obtain the Contracting Officer's written consent before placing subcontracts identified below:

The Contractor shall obtain the Contracting Officer's written consent before placing any subcontracts on a Price/Rate Level of Effort basis.

(f) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination:

- (1) of the acceptability of any subcontract terms or conditions,
- (2) of the allowability of any cost under this contract, or
- (3) to relieve the Contractor of any responsibility for performing this contract.

(g) No subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis.

(h) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt response made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation with respect to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.

(i)

(1) Reserved.

(2) Additionally, the Contractor shall include in each cost-reimbursement subcontract under this contract a requirement that the subcontractor insert the substance of the appropriate modified subparagraph referred to in subparagraph (1) above in each subcontract under that subcontract.

(j) To facilitate small business participation in subcontracting, the Contractor agrees to provide payments on subcontracts that are fixed-price subcontracts with small business concerns in conformity with the standards for customary practice on the date of this contract. The Contractor further agrees that the need for such financing payments will not be considered an adverse factor in the award of subcontracts.

(k) The Government reserves the right to review the Contractor's purchasing system.

3.14-2 Contractor Personnel Suitability Requirements (January 2009)

(a) This clause applies to the extent that this contract requires contractor employees, subcontractors, or consultants to have access to FAA:

(1) Facilities;

(2) Sensitive information; and/or;

(3) Resources regardless of the location where such access occurs, and none of the exceptions of FAA Order 1600.72A, Chapter 5, paragraphs 4, 6, 7 and 8 pertains.

Definitions of applicable terminology are contained in the corresponding guidance and FAA Order 1600.72A, appendix A.

(b) Consistent with FAA Order 1600.72A, the FAA Servicing Security Element (SSE) has approved designated risk levels under the contract. Those designated risk levels are:

Labor Category	Skill Levels	Risk Level

(c) If a National Agency Check with Inquiries (NACI) or other investigation is required under paragraph (b) for a given position, the contractor will submit to the Contracting Officer (CO) a point of contact (POC) that will enter applicant data into the Vulnerability Assessment Process (VAP) system (vap.faa.gov). VAP is a FAA system used to process and manage security information for FAA personnel. Each contract may have up to 5 POCs. Once designated, a VAP administrator will provide each POC a Web

The type of investigation conducted will be determined by the position risk level designation for all duties, functions, and positions. The investigation will serve as the basis for granting a favorable employment suitability authorization as described in FAA Order 1600.72A. If an employee has had a previous U.S. Government conducted background investigation which meets the requirements of CI Order 1600.72A and Homeland Security Presidential Directive 12 (HSPD-12), it will be accepted by the FAA. However, the FAA reserves the right to conduct further investigations, if necessary. The contract may include positions that are temporary, seasonal or intermittent only. In such cases, a FAA Form 1600-77 for each specific position will be established as the investigative requirements for that position. NACI.

The following information must be entered into VAP by the POC for each applicant requiring an investigation:

- Name;
- Date and place of birth (city and state);
- Social Security Number (SSN);
- Position and office location;
- Contract number;
- Current e-mail address and telephone number (personal or work); and
- Any known information regarding current security clearance or previous investigations (e.g., the name of the type of background investigation conducted, contract number, labor category (Position), and approximate date when background investigation was completed).

If a prior investigation exists and there has not been a 2 year break in service by the applicant, the SSE will notify the contractor that a background investigation is required and that final suitability is approved.

If no previous investigation exists, the SSE will send the applicant an e-mail (this step may be delegated to VAP POC):

- Stating that no previous investigation exists and the applicant must complete a form through the Electronic Investigations Processing (eQIP) system;
- Instructing the applicant how to enter and complete the eQIP form;
- Providing where to send/fax signature and release pages and other applicable forms; and
- Providing instructions regarding fingerprinting.

The applicant must complete the eQIP form and submit other required material within 15 days of receiving the e-mail from the SSE.

For items to be submitted outside eQIP, the contractor must submit the required information with a transmittal letter reference number to:

Headquarters Contracts: Manager, Personnel Security Division, AIN-400
 800 Independence Avenue, S.W., Room 315
 Washington, D.C. 20591

Regional and Center Contracts: NONE

The transmittal letter must also include a list of all of the names of contractor employees and their positions for which contracts are submitted to the SSE pursuant to this Clause.

(d) The contractor must submit the information required by paragraph (c) of this Clause for any new employee not listed in the initial submission who is hired into any position identified in paragraph (b) of this Clause.

(e) The CO will provide notice to the contractor when any contractor employee is found to be unsuitable or otherwise of conduct appears contrary to the public interest, or inconsistent with the best interest of national security. The contractor shall take appropriate action, including the removal of such employee from working on this FAA contract, at their own expense. Once taken, the contractor will report the action to the CO and SSE.

(f) No contractor employee will work in a high, moderate, or low risk position unless the SSE has received all forms necessary for required investigation and has authorized the contractor employee to begin work.

(g) The contractor must notify the CO within one (1) business day after any employee identified pursuant to paragraph (b) is terminated from performance on the contract. This notification must be done utilizing the Removal Entry Screen of VAF. Upon termination of an employee and identification card, the contractor must collect the card and submit it to the SSE.

(h) The CO may also, after coordination with the SSE and other security specialists, require contractor employees to submit security information (including additional fingerprinting) deemed reasonably necessary to protect the interests of the FAA. The contractor must provide, or cause each of its employees to provide, such security information to the SSE, and the same requirements of paragraph (c) of this Clause applies.

(i) The contractor and/or subcontractor(s) must contact the Servicing Security Elements (Regional and/or Center Security Operations) at Headquarters within one (1) business day in the event an employee is arrested (detained by law enforcement for more than minor traffic offenses) or is involved in theft of government property or the contractor becomes aware of any information that raises a question about the suitability of a contractor employee.

(j) Failure to submit information required by this clause within the time required may be determined by the CO to be a material breach of contract.

(k) If subsequent to the effective date of this contract, the security classification or security requirements under this contract change, the Government and if the changes cause an increase or decrease in direct contract costs or otherwise affect any other terms of the contract, the contract will be subject to an equitable adjustment.

(l) The contractor agrees to insert terms that conform substantially to the language of this clause, including paragraph (k) reference to the Changes clause of this contract, in all subcontracts under this contract that involve access and where the terms of Chapter 5, FAA Order 1600.72A do not apply.

(m) Contractor employees who have not undergone a background investigation must be escorted at all times. In some instances, a contractor employee may be required to serve as an escort. To serve as an escort, a contractor employee must have a favorably adjudicated background check and initiated a NACI with FAA.

3.14-4 Access to FAA Systems and Government-Issued Keys, Personal Identity Verification (PIV) cards, and Vehicle Decals (FAA Order 1600.72A, 2008)

(a) It may become necessary for the Government to grant access to FAA systems or issue keys, PIV cards, vehicle control cards to contractor employees. Prior to or upon completion or termination of the work required hereunder, the contractor must return all such Government-issued items and submit a request to terminate all user accounts on applicable systems to the issuing office with notification to the Contracting Officer's Technical Representative (COTR). When contractor employees have been issued such items and are terminated or no longer required to perform the work, the Government-issued items must be returned to the Government and a request submitted for the termination of FAA system access within three (3) business days upon termination of the contract or the employee. Improper use, possession or alteration of FAA issued keys, vehicle decals is subject to penalties under Title 18, USC 499, 506, 701, and 1030.

(b) In the event such keys, PIV Cards, or vehicle decals are lost, stolen, or not returned, the contractor understands that the Government may, in addition to any other withholding provision of the contract, withhold \$200.00 for each key, PIV card, or vehicle decal lost, stolen, or not returned. If the keys, PIV Cards, or vehicle decals are not returned within 30 calendar days of the date the withholding action was initiated, any amount so withheld must be forfeited by the contractor.

- (c) Access to aircraft ramp/hangar areas is authorized only to those persons displaying a flight line identification card and a current ramp permit issued pursuant to Title 49, Part 1542, Code of Federal Regulations.
- (d) The Government retains the right to inspect inventory, or audit PIV Cards, keys, vehicle decals, and access control cards for the contractor in connection with the contract at the convenience of the Government. Any items not accounted for to the satisfaction of the Government will be assumed to be lost and the provisions of section (b) apply.
- (e) Keys must be obtained from the COTR who will require the contractor to sign a receipt for each key obtained. PIV Cards, vehicle decals, and access control cards must immediately be reported concurrently to the Contracting Officer (COTR), and applicable FAA Regional Security Office. Electronic keying cards are handled in the same manner as physical keys.
- (f) Each contract employee, during all times of on-site performance at any and all FAA Facilities must prominently display a current and valid PIV card on the front portion of his/her body between the neck and waist. Each PIV card holder is prohibited from adding pins, stickers, or other decorations to the PIV.
 - (1) Prior to any contractor employee obtaining a PIV Card or vehicle decals, the contract employee is required to appear in person to the SSE Registrar or an FAA designated trusted agent for fingerprinting, photographing, and completing required investigation forms as described in AMS clause 3.14-2, Contractor Personnel Suitability Requirements. All required investigative forms must be submitted to either the applicable Regional Security Office or the Headquarters Office listed in AMS clause 3.14-2 by the contractor in a sealed envelope either hand carried by the contractor or mailed to the addresses listed in paragraph (c) of AMS Clause 3.14-2. The SSE will review the forms and approve suitability prior to the contract employee beginning work. When an interim approval is granted by the SSE, the contract employee may begin work under escort until their OPM fingerprint check has been returned and successfully adjudicated. Once the fingerprint check has been successfully adjudicated, they can then be badged. If the contract employee does not have a PIV Card, the fingerprint check must be completed and favorably adjudicated by the SSE prior to approval of the PIV card.
 - (2) To obtain the PIV Card, contractor employee must submit an identification Card/Credential Application Form (DOT 1681) signed by the contractor employee and by the authorized trusted agent (when applicable) and also by the contractor sponsor to the CO or to the COTR. The DOT 1681 must contain, as a minimum, under the "Credential Application" heading, the name of the contractor/company, the contract number or the appropriate acquisition identifier, the expiration date of the contract or the task (whichever is sooner), and the required signatures. The contractor will be notified when the DOT 1681 has been approved and is ready for processing by the FAA Security Office. Processing for processing the identification cards, including photographs and lamination can be made by the contractor at the FAA Security Service Center at (202) 267-7423.
 - (3) The contractor must contact the SSE to obtain the procedures that the contractor's employees must follow to obtain a PIV Card.
- (g) The contractor is responsible for ensuring final out-processing is accomplished for all departing contractor employees. Final out-processing must be accomplished by close of business the final workday of the contractor employee or the next business day under the conditions. The SSE must be notified in writing and ensure that all FAA media, including the PIV card, are returned to the contractor.

SP-1 Allowability and PAYMENT of SELECTED ITEMS OF COST under this contract

- (a) Training: The Government will not allow costs, nor reimburse costs associated with the contractor training effort to attain and/or maintain minimum personnel qualification requirements of the contract. Other training may be approved on a case basis within an approved Task Assignment. Attendance at workshops or symposiums is considered training for the purposes of this clause.
- (b) General Purpose Office Equipment (GPOE) and Information Technology (IT): The cost of acquisition of equipment shall not be allowable as direct charges to this contract. The contractor is expected to have the necessary GPOE and IT requirements for task orders issued under this contract. GPOE means equipment normally found in a business office such as desks, chairs, calculators, file cabinets, etc. IT means any equipment or interconnected system or subsystem of equipment that is used for the acquisition, storage, manipulation, movement, control, display, switching, interchange, transmission, or reception of data and information, including computers, ancillary equipment, software, firmware and similar products, services (including support services), and related services.
- (c) Administrative Labor Costs: Labor costs for such administrative functions as contract administration, subcontract management, human resources, and contract/invoice accounting shall not be allowable direct labor costs under this contract.

(d) Only costs expended in support of specific approved and issued task orders are allowable under this contract intended primarily to be used for the purchase of services, and not for the purchase of material, equipment, hardware or software. Specific task orders appropriately require purchase of material, equipment, hardware or software, said items will be called out in the task order, as being required in direct support of administration or performance of the task order.

SP-2 TRAVEL REIMBURSEMENT

- (a) The contractor will be reimbursed for allocable, allowable, and reasonable travel expenses. All Contractor travel must be in support of an approved Task Assignment. Except as otherwise provided herein, the contractor shall be reimbursed for travel expenses actually incurred in accordance with the Federal Joint Travel Regulation and the FAA Travel Policy, subject to the following:
- (1) All travel, whether it be within the continental United States or outside the continental United States, shall be reimbursed. The Government will reimburse the contractor in accordance with the "Federal Travel Regulation" for transportation on the basis of actual cost if by commercial or Government carrier, and at the current market rate for road and bridge tolls.
 - (2) The travel reimbursement herein includes only that travel (commercial carrier, or private automobile or rental car) performed from the contractor's plant to the site of work, between the site of work, and from the site of work to the contractor's plant. Travel within a Government installation where Government transportation is available for personal convenience, including daily travel to and from work, will not be reimbursed.
 - (3) Relocation costs and travel costs incidental to relocation are not allowable as a direct charge to the contract. Relocation costs shall be reimbursed as a direct charge.
 - (4) The contractor must use alternate airports where available and within a reasonable commuting distance to the contractor's plant to obtain lower costs.
 - (5) The contractor must conduct a cost analysis prior to the start of travel to determine the overall most cost-effective method of travel.
- (b) **Per Diem:** The contractor will be reimbursed for the expense of meals, lodging, transportation between places of work and places where meals are taken, and any other miscellaneous travel and living expenses incurred in the performance of the contract at the per diem rate as set forth in accordance with the GSA "Federal Travel Regulation." Per Diem must be paid at the per diem rate of the contractor's employee in an authorized travel status. The per diem rate must be established in accordance with the GSA "Federal Travel Regulations" or a set rate agreed upon by the parties; however, such a set rate must not exceed the maximum amount permitted by the GSA "Federal Travel Regulations." Receipts must be required for all Per Diem expenses exceeding \$75.00.
- (c) **Contractor Use of Government Discount Rates:**
- (1) To the maximum extent practicable, and consistent with travel requirements, the contractor agrees to use the lowest available transportation rates and reduced hotel accommodation rates provided through available Government discount rates for bona fide employee travel that are otherwise reimbursable as a direct cost pursuant to the contract when use of such rates results in the lowest overall cost.
 - (2) Upon receipt of a list of eligible contractor employees, the Contracting Officer will provide the contractor with a letter of identification for presentation to participating airlines and hotels.
 - (3) The Federal Travel Directory, which GSA publishes monthly, identifies current contract airlines and hotels. The Federal Travel Directory for discount hotel rates is CRC.

SP-3 CONFIDENTIALITY OF DATA AND INFORMATION

- (a) The contractor and any of its subcontractors, in performance of this contract, may need access to and use of various data and information in the possession of the Government, which the Government obtained under conditions which prohibit the contractor from using and disclosing data and information or which may be of a nature that its dissemination or use, other than in the performance of this contract, would be adverse to the interests of the Government or other parties. Therefore, the contractor and its subcontractors agree to abide by any restrictive use conditions on such data and not to: (1) knowingly disclose such data and information to any person without written authorization from the Contracting Officer, unless the Government has made data and information available to the public; and (2) use for any purpose other than the performance of this contract any data which bears a restrictive use condition.
- (b) In the event the work required to be performed under this contract requires access to proprietary data of other companies, the contractor must obtain agreement from such other companies for such use unless such data are provided or made available to the contractor by the Government. Two copies of such company-to-company agreements must be furnished prior to the start of work to the Contracting Officer for information only. These agreements must prescribe the scope of authorized use of data and information, the terms and conditions to be agreed upon between the parties thereto. It is agreed by the contractor that any such data and information obtained by the contractor pursuant to the aforesaid agreement or from the Government, must be protected from disclosure to any individual, corporation, or organization so long as it remains proprietary.

- (c) The contractor agrees to conduct formal training to make employees aware of the requirement to maintain confidential information, as required above, to the end that they will be disciplined if the necessity to refrain from divulging proprietary data of other companies or data that are obtained from the Government to anyone except as authorized must obtain from each employee engaged in any effort connected with this contract an agreement, in writing, in substance provide that such employee will not, during his/her employment by the contractor or anytime thereafter, disclose or use for his/her own benefit or the future benefit of any individual any trade secrets, confidential information, proprietary/restricted data (to include Government "For Official Use Only") received in connection with the work under this contract.
- (d) The contractor agrees to hold the Government harmless and indemnify the Government as to any cost/loss resulting from the unauthorized use or disclosure of third party data or software by the contractor, its employees, subcontractors or suppliers.
- (e) The contractor agrees to include the substance of this clause in all subcontracts awarded under this contract. The Contracting Officer will consider case-by-case exceptions to this requirement for individual subcontracts in the event that:
 - (1) the Contracting Officer considers the application of the prohibition of this clause to be inappropriate and unnecessary in the case of a particular subcontract;
 - (2) the contractor provides a written statement affirming absolute unwillingness of a subcontractor to accept some relief from the substance of this prohibition;
 - (3) use of an alternate subcontract source would unreasonably increase the quality of effort; and
 - (4) the contractor provides the Contracting Officer timely written advance notice of these extenuating circumstances.
- (f) Except as the Contracting Officer specifically authorizes in writing, upon completion of all work under this contract, the contractor must return all such data and information obtained from the Government, including all copies, modifications, and combinations thereof, to the Contracting Officer. Data obtained from another company must be disposed of in accordance with the contractor's agreement with that company, or if the agreement makes no provision for disposition, must be returned to that company. The contractor must further certify in writing to the Contracting Officer that all copies, modifications, and combinations of such data or information which cannot reasonably be returned to the Contracting Officer (or that company), have been deleted from the contractor's (and any subcontractor's) records and destroyed.
- (g) These restrictions do not limit the contractor's (or subcontractor's) right to use and disclose any data and information obtained from another source without restriction.

SP-4 RELEASE AND DISSEMINATION OF INFORMATION

- a. There must be no dissemination or publication, except in and between the contractor and any subcontractors, of information (including photographs, films, public announcements, or denial or confirmation of same) contained in reports to be furnished pursuant to this contract without prior written approval of the Contracting Officer.
- b. Work performed under this contract may involve access to information, including specifications, cost estimates and other data. Consequently, the Contractor (including individual employees thereof) shall not release any sensitive information that it has obtained in the performance of this contract, without the prior written consent of the Contracting Officer.
- c. The Contractor shall not refer to the services furnished pursuant to the provisions of this contract in any publication, news release, without the prior written consent of the Contracting Officer.

SP-5 Organizational Conflict Of Interest

(a)(1) "Organizational Conflict of Interest" means that because of other activities or relationships with other persons, a person is potentially unable to render impartial assistance or advise to the Government, or the person's objectivity in performing the contract or might be otherwise impaired, or a person has an unfair competitive advantage. "Person" as used herein includes Corporation, Partnerships, Joint Ventures, and other business enterprises.

(2) "Contractor" as used in this clause includes any affiliate, subcontractor, consultant or employee of the Contractor, or any venture involving the Contractor, any entity into or with which it may subsequently merge or affiliate, or any other successor to the Contractor. All references to the "Contractor" as contained in this clause shall apply with equal force to all of these entities.

(3) "Contract" and "task order" shall be used as applicable to the level at which this clause is being invoked.

- (b) This special provision may be invoked in different variations at the task order level. Notwithstanding other language in this contract, this contract gives this contract precedence when it conflicts with task orders, the task order language concerning organizational conflict of interest shall take precedence.

(c) The following FAA AMS clauses have been included in this contract because the Contracting Officer has determined organizational conflict of interest could occur:

- 3.1.7-1 Exclusion from Future Agency Contracts (August 1997)
- 3.1.7-2 Organizational Conflicts of Interest (August 1997)
- 3.1.7-4 Organizational Conflict of Interest (February 2009)
- 3.1.7-5 Disclosure of Conflicts of Interest (February 2009)
- 3.1.7-6 Disclosure of Certain Employee Relationships (October 2006)

(d) This contract incorporates an OCI Mitigation Plan that is deemed acceptable to the Contracting Officer (see **Attachr**

(e) It is recognized that the efforts to be performed by the Contractor under this contract may create a potential organiza interest on the instant contract or on a present or future acquisition. In order to avoid this potential conflict of interest, a to avoid prejudicing the best interest of the Government, the right of the Contractor to participate in future procurement services that are the subject of work under this contract may be limited. See FAA AMS T3.1.7. The Contracting Office existence of an actual or potential organizational conflict of interest shall be final, and is not subject to the 'Contract Disq

(f) The Contractor shall promptly notify the Contracting Officer, in writing, if it has been tasked to evaluate or advise th concerning its own products or activities or those of a competitor in order to ensure proper safeguards exists to guarante protect the Government's interest.

(g) The Contractor shall include this requirement in subcontracts of any tier which involve access to information or situa covered by the preceding paragraphs, substituting "subcontractor" for "contractor" where appropriate.

(h) The rights and remedies described herein shall not be exclusive and are in addition to other rights and remedies provi those set forth at AMS T3.1.7, or elsewhere included in this contract.

(i) Compliance with this requirement is a material requirement of this contract.

3. If goods or services being procured under this contract are for commercial items an is set forth in the purchase CONTRACT, the foregoing Government clauses in Section' above are deleted and the following FAR clauses are inserted in lieu thereof:

- (1) (i) Equal Opportunity (E.O. 11246);
- (2) (ii) Affirmative Action for Special Disabled and Vietnam Era Veterans (38 U.S.C. 4212(a));
- (3) (iii) Affirmative Action for Handicapped Workers (29 U.S.C. 793); and
- (4) (iv) Preference for Privately Owned U.S.-Flagged Commercial Vessels (46 U.S.C. 1241) (fl required for subcontracts awarded beginning May 1, 1996)

Privately Owned U.S.-Flagged Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded t 1996)

ged Commercial Vessels (46 U.S.C. 1241) (flow down not required for subcontracts awarded beginning May 1, 1996)

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