

GovCon 101: The FAR

Louis A. (Lou) Chiarella Senior Counsel, Crowell & Moring LLP Ichiarella@crowell.com



WHAT'S THE FAR?

- Federal Acquisition Regulation
 - The most important of procurement regulations
 - Generally applicable to all federal agencies, all federal procurements
- Agencies can supplement the FAR (<u>e.g.</u>, DFARS)
- The FAR is an ever-changing document





Polling Question:

How much experience do you have with the Federal Acquisition Regulation (FAR)?

- A. I live and breathe the FAR
- B. Quite a bit!
- C. I've used it once or twice.
- D. I've heard of it.
- E. This is all new to me.



WHAT'S THE FAR?

- Federal Acquisition Regulation
 - Became effective April 1, 1984
 - GSA is responsible for managing the FAR
 - FAR Council (FAR Secretariat) is authorized to issue and to revise the FAR
 - Changes to the FAR are accomplished by issuance of either a proposed rule (or interim rule) and then allowing for public comment.
 - A "FAC" is an interim change to the FAR



WHERE'S THE FAR?

- It's part of the Code of Federal Regulations (48 CFR)
- It's online: <u>www.acquisition.gov</u>
- Very searchable
- Latest updates
- Prior versions available as well
- It's available in paper copy
- It's available as an app (e.g., "48 CFR by Lawstack")



THE CONTRACTING PROCESS **Contract Formation** Requirement Acquisition Solicitation Authority Definition Planning Preparation Evaluation & Receipt of Award Protests Bid/Proposal Discussions **Contract Administration** Closeout or Delivery & Changes Administration Acceptance Termination Disputes

PUBLIC Contracting Institute

The FAR is organized into 53 Parts

- Parts 1 51: Substantive Provisions (by topic)
 - (this is about half the book)
- Part 52: Clauses
 - (this by itself is about half the book)
- Part 53: Forms



FAR Parts are subdivided further into subparts, sections, subsections

<u>E.g.</u>, FAR § 9.104-1

See FAR § 1.105-2 (FAR Arrangement)



FAR Parts 1 - 51: Substantive Provisions (by topic)

- Part 1: FAR System
- Part 2: Definitions
- Part 3: Improper Business Practices
- Part 6: Competition
- Subpart 8.4: Federal Supply Schedules
- Part 9: Contractor Qualifications (responsibility, OCIs)
- Part 12: Commercial Item Acquisitions



FAR Parts 1 - 51: Substantive Provisions (by topic)

Part 13: Simplified Acquisition Procedures

- Part 14: Sealed Bidding
- Part 15: Negotiated Procurements
- Part 16: Contract Types (<u>e.g.</u>, IDIQ)
- Part 19: Small Business Programs
- Part 20: Reserved



FAR Parts 1 - 51: Substantive Provisions (by topic)

Part 22: Labor Laws

Part 27: Patents and Data Rights

- Part 28: Bonds and Insurance
- Part 30: Cost Accounting Standards
- Part 31: Cost Principles
- Part 32: Contract Finance
- Part 33: Protests and Disputes



FAR Parts 1 - 51: Substantive Provisions (by topic)

Part 34: Major System Acquisitions

Part 36: Construction and A-E Contracts

- Part 37: Service Contracting
- Part 39: Acquisition of Information Technology



FAR Parts 1 - 51: Substantive Provisions (by topic)

Part 42: Contract Administration & Audit Services

Part 43: Contract Modifications (Changes)

- Part 44: Subcontracting Policies
- Part 49: Terminations
- Part 50: Extraordinary Contractual Actions
- Part 51: Use of Gov't Sources by Contractors



FAR Part 52: Clauses

- Subpart 52.1: Instructions
- Subpart 52.2: Text of Clauses
- Subpart 52.3: Clause Matrix

•FAR Part 53: Forms



Correlation b/t FAR Parts 1 - 51 and Clauses

- FAR Parts 1 51 never are put into contracts or solicitations
- Only clauses are put into contracts and solicitations (<u>e.g.</u>, RFP § I)
- There is a direct tie-in/correlation between
 FAR Parts 1 51 and the Part 52 clauses
 - One is the applicable policy provision
 - The other is the resulting clause



FAR 52.219-14 (Limitation on Subcontracting) (think of it as 52.2/19/-14)

- All clauses start 52.2 (that's where in the FAR you find them)
- The next two digits tell you the FAR Part they relate to (<u>e.g.</u>, Part 19)
- The -14 says this was the 14th instance when the FAR Part 19 policy provisions prescribed a contract clause



Alternate Versions of FAR Clauses

- Some FAR clauses have multiple, alternate versions (<u>e.g.</u>, 52.227-14, Rights in Data General)
- Different alternate versions are prescribed by different FAR provisions
- Think of it as a large, generic clause with small tweaks depending on unique circumstances



FAR Subpart 52.1: Clause Instructions

- Clauses are generally incorporated by reference and not by full text
- Clauses included in full text generally require the insertion of a date, a number, or a period of time.
- FAR clauses take precedence over agency supplements and any local clauses.



FAR Subpart 52.3: The FAR Clause Matrix

- Not all clauses are required for all contracts (or solicitations)
- The matrix is a table that states, for different contract types (<u>e.g.</u>, fixed-price service contract), whether a clause is "required," "required when applicable," or "optional."
- Additional waiver or deviation may also be possible (but not common).



FAR Subpart 52.3: The FAR Clause Matrix

						PRINCIPLE TYPE AND/OR PURPOSE OF CONTRACT																	
PROVISION OR CLAUSE	PRESCRIBED IN	P OR C	IBR	UCF	FP SUP	CR SUP	FP R&D	CR R&D	FP SVC	CR SVC	FP CON	CR CON	T&M LH	LMV	COM SVC	DDR	A&E	FAC	IND DEL	TRN	SAP	UTL SVC	CI
52.202-1 Definitions.	2.201	С	Yes	1	R	R	Α	R	R	R		R	R	R	R		R	R	R	R	8	R	
52.203-2 Certificate of Independent Price Determination.	3.103-1	Р	No	К	A		A		A		A			A	A	A	A	A	A	A		A	
52.203-3 Gratuities.	3.202	С	Yes	1	A	Α	Α	Α	Α	A	A	A	Α	A	Α	Α	A	A	A	А		Α	
52.203-5 Covenant Against Contingent Fees.	3.404	С	Yes	T	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R	R		R	
52.203-6 Restrictions on Subcontractor Sales to the Government.	3.503-2	С	Yes	I	R	R			R	R									R			R	
Alternate I	3.503-2	С	Yes																				R





FAR Part 53: Forms

- Part 53 has examples of all standard forms (<u>e.g.</u>, SF 33, Solicitation, Offer and Award)
- It also includes the corresponding instructions for all standard forms.



LET'S REVIEW TOGETHER

So where in the FAR you would find guidance regarding the content (including the broader meaning and context) and application of FAR clause 52.215-2?

- A. FAR Part 2
- B. FAR Part 15
- C. FAR Part 215
- D. FAR Part 52.



LET'S CONTINUE OUR REVIEW

The contracting agency issues a RFQ (SF 1449) for the acquisition of a commercial products. The solicitation contains FAR clause 52.212-4. How do you know whether this clause is mandatory?

- A. All FAR clauses are mandatory ones.
- B. Because it's in FAR Part 52.
- C. The FAR Matrix would provide that information.
- D. The solicitation would provide that information.



LET'S CONTINUE OUR REVIEW

The contracting agency is issuing a modification, and cites FAR clause 52.243-1, Changes-Fixed Price (Aug 1987) as its authority for doing so. Where would you go to find this clause?

- A. FAR Part 52
- B. The modification that was issued.
- C. FAR Part 43
- D. Why would I want to find/read this clause?



LET'S CONTINUE OUR REVIEW

The contract's performance work statement (PWS) (i.e., the specifications) states the agency has a preference for "energy-efficient standby power devices," but provides no explanation of what this term means. Where would you look for a definition of this term?

- A. Webster's Dictionary
- B. FAR Part 2
- C. FAR Part 52

D. FAR Part 99



Questions?

- GovCon 101 Federal Acquisition Regulation March 6 @ 1:00-2:15pm ET
- GovCon 101 Government Property March 13 @ 1:00-2:15pm ET
- GovCon 101 Audits March 20 @ 1:00-2:15pm ET
- CovCon 101 Contract Changes April 10 @ 1:00-2:15pm ET
- GovCon 101 NAICS May 1 @ 1:00-2:15pm ET
- GovCon 101 Defense Federal Acquisition Regulation Supplement May 8 @ 1:00-2:15pm ET
- GovCon 101 Data Rights May 15 @ 1:00-2:15pm ET
- GovCon 101 Other Transactions Authority June 5 @ 1:00-2:15pm ET
- GovCon 101 Terms and Conditions June 12 @ 1:00-2:15pm ET
- GovCon 101 IDIQ Contracting July 31 @ 1:00-2:15pm ET
- GovCon 101 Proposal Evaluations August 7 1:00-2:15pm ET
- GovCon 101 Types of Contracts August 21 @ 1:00-2:15pm ET
- GovCon 101 Uniform Guidance and Grants September 11 @1:00-2:15pm
- GovCon 101 Cost Type Contracting Sept 18 @ 1:00-2:15pm ET





Thank you for making PCI your training provider!

www.publiccontractinginstitute.com 1-202-775-7240

