

In reply refer to DARS Tracking Number: 2023-00008

MEMORANDUM FOR COMMANDER, UNITED STATES CYBER COMMAND (ATTN: ACQUISITION EXECUTIVE) COMMANDER, UNITED STATES SPECIAL OPERATIONS COMMAND (ATTN: ACQUISITION EXECUTIVE) COMMANDER, UNITED STATES TRANSPORTATION COMMAND (ATTN: ACQUISITION EXECUTIVE) DEPUTY ASSISTANT SECRETARY OF THE ARMY (PROCUREMENT) DEPUTY ASSISTANT SECRETARY OF THE NAVY (PROCUREMENT) DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (CONTRACTING) DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Class Deviation—Commercial Products and Commercial Services Omnibus Clause for Acquisitions Using the Procurement Desktop-Defense System

Effective October 1, 2023, this class deviation rescinds and supersedes Class Deviation 2018-O0021. When using the Procurement Desktop-Defense System (PD2) to contract for commercial products or commercial services, contracting officers may deviate from the requirements at Federal Acquisition Regulation (FAR) 12.301(b)(4) and the clause at FAR 52.212-5, Contract Terms and Conditions Required To Implement Statutes or Executive Orders—Commercial Products and Commercial Services.

The clause at FAR 52.212-5 requires the contracting officer to "check a box" to identify the clauses that are applicable to the specific acquisition of commercial products and commercial services. Rather than requiring contracting officers to "check a box" to identify the clauses, PD2 has a clause logic capability that automatically selects the clauses under FAR clause 52.212-5.

Contracting officers may use the PD2 clause logic capability to automatically select the clauses that are applicable to the specific solicitation and contract. Contracting officers shall incorporate the attached deviation clause into these solicitations and contracts because the deviation clause fulfills the statutory requirements on auditing and subcontract clauses applicable to commercial products and commercial services. This deviation also authorizes adjustments to the attached deviation clause required by future changes to the clause at FAR 52.212-5 that are published in the FAR.

Class Deviation 2023-O0008 Commercial Products and Commercial Services Omnibus Clause for Acquisitions Using the Procurement Desktop-Defense System

This class deviation remains in effect for three years, or until otherwise rescinded. My point of contact is Mr. Jay Olson who may be reached at <u>jay.c.olson6.civ@mail.mil</u>.

John M. Tenaglia Principal Director, Defense Pricing and Contracting

Attachment: As stated

FAR 52.212-5 Contract Terms and Conditions Required To Implement Statutes or Executive Orders—Commercial Products and Commercial Services (DEVIATION 2023-00008)

In lieu of the clause at FAR 52.212-5, use the following clause in solicitations and contracts when utilizing FAR part 12 procedures for the acquisition of commercial products and commercial services and the clause logic capability available in the Standard Procurement System.

CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS—COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES (DEVIATION 2023-00008) (OCT 2023)

(a) *Comptroller General Examination of Record*. The Contractor shall comply with the provisions of this paragraph (a) if this contract was awarded using other than sealed bid, is in excess of the simplified acquisition threshold, as defined in FAR 2.101, on the date of award of this contract, and does not contain the clause at 52.215-2, Audit and Records—Negotiation.

(1) The Comptroller General of the United States, or an authorized representative of the Comptroller General, shall have access to and right to examine any of the Contractor's directly pertinent records involving transactions related to this contract.

(2) The Contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified in FAR Subpart 4.7, Contractor Records Retention, of the other clauses of this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for 3 years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.

(3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the Contractor to create or maintain any record that the Contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(b)(1) Notwithstanding the requirements of any other clauses of this contract, the Contractor is not required to flow down any FAR clause, other than those in this paragraph (b)(1) in a

subcontract for commercial products or commercial services. Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(i) 52.203-13, Contractor Code of Business Ethics and Conduct (NOV 2021) (41 U.S.C. 3509).

(ii) 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements (JAN 2017) (section 743 of Division E, Title VII, of the Consolidated and Further Continuing Appropriations Act, 2015 (Pub. L. 113-235) and its successor provisions in subsequent appropriations acts (and as extended in continuing resolutions)).

(iii) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (NOV 2021) (Section 1634 of Pub. L. 115-91).

(iv) 52.204–25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. (NOV 2021) (Section 889(a)(1)(A) of <u>Pub. L. 115–232</u>).

(v) 52.204–27, Prohibition on a ByteDance Covered Application (JUN 2023) (Section 102 of Division R of Pub. L. 117–328).

(vi) 52.219-8, Utilization of Small Business Concerns (SEP 2023) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds the applicable threshold specified in FAR 19.702(a) on the date of subcontract award, the subcontractor must include 52.219-8 in lower tier subcontracts that offer subcontracting opportunities.

(vii) 52.222-21, Prohibition of Segregated Facilities (APR 2015).

(viii) 52.222-26, Equal Opportunity (SEP 2016) (E.O. 11246).

(ix) 52.222-35, Equal Opportunity for Veterans (JUN 2020) (38 U.S.C. 4212).

(x) 52.222-36, Equal Opportunity for Workers with Disabilities (JUN 2020) (29 U.S.C. 793).

(xi) 52.222-37, Employment Reports on Veterans (JUN 2020) (38 U.S.C. 4212).

(xii) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(xiii) 52.222-41, Service Contract Labor Standards (AUG 2018) (41 U.S.C. chapter 67).

(xiv)_(A) 52.222-50, Combating Trafficking in Persons (NOV 2021) (22 U.S.C. chapter 78 and E.O. 13627).

(B) Alternate I (Mar 2015) of 52.222-50 (22 U.S.C. chapter 78 and E.O. 13627).

Attachment Class Deviation 2023-O0008 Commercial Products and Commercial Services Omnibus Clause for Acquisitions Using the Procurement Desktop-Defense System Changes are indicated by a change bar in the right-hand margin.

(xv) 52.222-51, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment-Requirements (MAY 2014) (41 U.S.C. chapter 67).

(xvi) 52.222-53, Exemption from Application of the Service Contract Act to Contracts for Certain Services-Requirements (MAY 2014) (41 U.S.C. chapter 67).

(xvii) 52.222-54, Employment Eligibility Verification (MAY 2022) (E.O. 12989).

(xviii) 52.222-55, Minimum Wages for Contractor Workers Under Executive Order 14026 (JAN 2022).

(xix) 52.222-62 Paid Sick Leave Under Executive Order 13706 (JAN 2022) (E.O. 13706).

(xx)(A) 52.224-3, Privacy Training (JAN 2017) (5 U.S.C. 552a).

(B) Alternate I (JAN 2017) of 52.224-3.

(xxi) 52.225-26, Contractors Performing Private Security Functions Outside the United States (OCT 2016) (Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. Subtitle A, Part V, Subpart G Note).

(xxii) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations (JUN 2020) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(xxiii) 52.232–40, Providing Accelerated Payments to Small Business Subcontractors (MAR 2023) (<u>31 U.S.C. 3903</u> and <u>10 U.S.C. 3801</u>). Flow down required in accordance with paragraph (c) of 52.232–40.

(xxiv) 52.247–64, Preference for Privately Owned U.S.-Flag Commercial Vessels (NOV 2021) (<u>46 U.S.C. 55305</u> and <u>10 U.S.C. 2631</u>). Flow down required in accordance with paragraph (d) of FAR clause 52.247–64.

(2) While not required, the Contractor may include in its subcontracts for commercial products and commercial services a minimal number of additional clauses necessary to satisfy its contractual obligations.

(End of clause)

Alternate I (2023-OZZZZ) (OCT 2023). As prescribed in 12.301(b)(4)(i), delete paragraph (a) from the basic deviation clause, redesignate paragraph (b)(1) as paragraph (a), and redesignate paragraphs (b)(1)(i) through (b)(1)(xxiv) as paragraphs (a)(1) through (a)(24) and redesignate paragraph (b)(2) as paragraph (b).

Alternate II (2023-OZZZ) (OCT 2023). As prescribed in 12.301(b)(4)(ii), substitute the following paragraphs (a)(1) and (b)(1) for paragraphs (a)(1) and (b)(1) of the basic deviation clause as follows:

(a)(1) The Comptroller General of the United States, an appropriate Inspector General appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), or an authorized representative of either of the foregoing officials shall have access to and right to—

(i) Examine any of the Contractor's or any subcontractors' records that pertain to, and involve transactions relating to, this contract; and

(ii) Interview any officer or employee regarding such transactions.

(b)(1) Notwithstanding the requirements of any other clause in this contract, the Contractor is not required to flow down any FAR clause in a subcontract for commercial products or commercial services, other than—

(i) Paragraph (a) of this clause. This paragraph flows down to all subcontracts, except the authority of the Inspector General under paragraph (a)(1)(ii) does not flow down; and

(ii) *Those clauses listed in this paragraph* (b)(1). Unless otherwise indicated below, the extent of the flow down shall be as required by the clause—

(A) 52.203-13, Contractor Code of Business Ethics and Conduct (NOV 2021)(41 U.S.C. 3509).

(B) 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (JUN 2010) (Section 1553 of Pub. L. 111-5).

(C) 52.204-23, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities (NOV 2021)(Section 1634 of Pub. L. 115-91).

(D) 52.204–25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment. (NOV 2021) (Section 889(a)(1)(A) of <u>Pub. L. 115–232</u>).

(E) 52.204–27, Prohibition on a ByteDance Covered Application (JUN 2023) (Section 102 of Division R of <u>Pub. L. 117–328</u>).

(F) 52.219-8, Utilization of Small Business Concerns (SEP 2023) (15 U.S.C. 637(d)(2) and (3)), in all subcontracts that offer further subcontracting opportunities. If the subcontract (except subcontracts to small business concerns) exceeds the applicable threshold specified in FAR 19.702(a) on the date of subcontract award, the subcontractor must include 52.219–8 in lower tier subcontracts that offer subcontracting opportunities.

(G) 52.222-21, Prohibition on Segregated Facilities (APR 2015)

(H) 52.222-26, Equal Opportunity (SEP 2016) (E.O. 11246).

(I) 52.222-35, Equal Opportunity for Veterans (JUN 2020) (38 U.S.C. 4212).

(J) 52.222-36, Equal Opportunity for Workers with Disabilities (JUN 2020) (29 U.S.C. 793).

Attachment Class Deviation 2023-00008 Commercial Products and Commercial Services Omnibus Clause for Acquisitions Using the Procurement Desktop-Defense System Changes are indicated by a change bar in the right-hand margin.

(K) 52.222-40, Notification of Employee Rights Under the National Labor Relations Act (DEC 2010) (E.O. 13496). Flow down required in accordance with paragraph (f) of FAR clause 52.222-40.

(L) 52.222-41, Service Contract Labor Standards (AUG 2018) (41 U.S.C. Chapter 67).

(M)_(*l*) 52.222-50, Combating Trafficking in Persons (NOV 2021) (22 U.S.C. Chapter 78 and E.O. 13627).

(2) Alternate I (MAR 2015) of 52.222-50 (22 U.S.C. Chapter 78 and E.O. 13627).
(N) 52.222-51, Exemption from Application of the Service Contract Labor Standards to Contracts for Maintenance, Calibration, or Repair of Certain Equipment—Requirements (MAY 2014) (41 U.S.C. Chapter 67).

(O) 52.222-53, Exemption from Application of the Service Contract Labor Standards to Contracts for Certain Services—Requirements (MAY 2014) (41 U.S.C. chapter 67).

(P) 52.222-54, Employment Eligibility Verification (MAY 2022)(E.O. 12989).

(Q) 52.222-55, Minimum Wages Under Executive Order 13658 (JAN 2022).

(R) 52.222-62, Paid Sick Leave Under Executive Order 13706 (JAN 2022)(E.O.

13706).

(S)_(1) 52.224-3, Privacy Training (JAN 2017)(5 U.S.C. 552a).

__(2) Alternate I (Jan 2017) of 52.224-3.

(T) 52.225-26, Contractors Performing Private Security Functions Outside the United States (OCT 2016)(Section 862, as amended, of the National Defense Authorization Act for Fiscal Year 2008; 10 U.S.C. Subtitle A, Part V, Subpart G Note).

(U) 52.226-6, Promoting Excess Food Donation to Nonprofit Organizations. (JUN 2020) (42 U.S.C. 1792). Flow down required in accordance with paragraph (e) of FAR clause 52.226-6.

(V) 52.232–40, Providing Accelerated Payments to Small Business Subcontractors (MAR 2023) (<u>31 U.S.C. 3903</u> and <u>10 U.S.C. 3801</u>). Flow down required in accordance with paragraph (c) of 52.232–40.

(W) 52.247–64, Preference for Privately Owned U.S.-Flag Commercial Vessels (NOV 2021) (<u>46 U.S.C. 55305</u> and <u>10 U.S.C. 2631</u>). Flow down required in accordance with paragraph (d) of FAR clause 52.247–64.

(End of clause)