

## GSA ORDER

Subject: GSAR Amendment 2009-11, GSAR Case 2008-G505, Rewrite of GSAR Part 514, Sealed Bidding (Change 39)

1. Purpose. This order transmits a revision to the General Services Administration Acquisition Manual (GSAM).
2. Background. The General Services Administration (GSA) issued a final rule to amend the General Services Administration Acquisition Regulation (GSAR) as part of the GSAM Rewrite Project. There are a number of changes to the policies and clauses in GSAM Part 514, as well as general editing throughout the part.

GSA published GSAR Case 2008-G505, Change 39, final rule, in the *Federal Register* at 74 FR 47737, September 17, 2009.

3. Effective date. October 19, 2009.
4. Explanation of changes. To amend the GSAM by revising and updating references and titles and deleting redundant supplementary material. In accordance with FAR 1.302, FAR (Governmentwide) forms and clauses were given preference over GSA-unique forms and clauses wherever possible.

This final rule contains the revisions made to Part 514, Sealed Bidding. In addition to the regulatory changes (see the *Federal Register* at 74 FR 47737, September 17, 2009), the rule revised Part 514 (non-regulatory) to address the following:

- 514.201-70 GSA Form 1602 – Changed all references of “you” to “contracting officer”. Also clarified paragraph (b) and changed the word “offer” to “bid” at the end of the sentence.
- 514.205 Solicitation mailing lists – Removed to be consistent with changes to the FAR.
- 514.205-1 Establishment of lists – Removed to be consistent with changes to the FAR.
- 514.211 Release of acquisition information – Inserted contracting officer in two places and changed “you” to “contracting officer”. Clarified responsibilities by using active, not passive, voice.
  - Added “and to non-Government personnel with a need to know and who have signed a non-disclosure agreement. (Contracting officers may tailor the non-disclosure agreement at Figure 515.3-1 for these purposes).”
  - Clarified that contract support personnel must adhere to the same non-disclosure guidelines as Government personnel.

- 514.213 Annual submission of representations and certifications – Removed to be consistent with the FAR.
- 514.302 Bid Submission – This section was added to show that GSA contracting officers shall not consider telegraphic bids communicated by telephone.
- 514.303 Modification or withdrawal of bids – In paragraph (a) deleted “If you receive a” and replaced with “A” and changed “record the identity of the telegraph office employee telephoning the message” to “shall not be considered”.
- 514.304 Late bids, late modifications of bids, or late withdrawal of bids – changed the “You” to “The contracting officer”.
- 514.401 Receipt and safeguarding of bids—
  - In paragraph (a) deleted the current language and replaced with the following: “The specific location for receipt and safeguarding of bids and modifications shall be identified in the solicitation. Handle bids as follows:” Rationale is that the Regional BSC is no longer utilized agency-wide.
  - In paragraph (c) deleted the first reference to “BSC” and replaced with “regional Small Business Utilization Center (SBUC)” and replaced the second reference to “BSC” with “regional SBUC”; removed “PBS” and do not replace it with anything because it may not be specific to PBS.
  - In paragraph (c)(4) changed “BSC” to “regional SBUC” and changed “Enterprise Development” to “Small Business Utilization” because of the GSA Reorganization.
- 514.402-1 Unclassified bids.
  - Changed in paragraph (a) “BSC” to “regional SBUC” in four places for consistency with section 514.401.
  - In paragraph (b)(1) changed “You” to “The contracting officer”.
  - In paragraph (b)(2) changed “BSC” to “regional SBUC” and changed the first and second “you” to “the contracting officer”; changed “Enterprise Development” to “Small Business Utilization”; and changed both references to “BSC” to “regional SBUC”.
  - Revised paragraph (d) to create new section 514.402-70. The rationale is that there is no corresponding paragraph in the FAR.
- 514.402-70 Preferred practice for conducting bid openings – created this new paragraph from 514.402-1(d) and renumbered the subparagraphs in alpha characters. The rationale is that there is no corresponding paragraph in the FAR.
  - In paragraph (g) (formerly (7)) deleted the first two sentences because they reiterate FAR 14.402-1(c).
  - In paragraph (h) (formerly (8)) changed both references of “Finance Division” to “appropriate Finance Office” for clarification; changed the word “You” to “The contracting officer” for consistency.
  - In paragraph (k) (formerly (11)) changed the word “You” to “The contracting officer” for consistency.
- 514.404-2 Rejection of individual bids – In paragraph (a) changed “You” to “The contracting officer” for consistency.
- 514.408-6 Equal low bids - Removed the examples in parentheses because they are redundant to the FAR. Change made because a contractor is not a “he” or “they”.

- 514.408-70 Awards involving related cases referred to higher authority – Deleted in its entirety because it is unclear and there is no definition cited for the “higher authority”.
- 514.408-71 Forms for recommending award(s) – Renumbered section 514.408-71 to 514.408-70. The team prefers retaining the GSA Form 1535 because we have canvassed contracting officers and found out that they rely on this form for their awards.
- 514.409 Information to bidders – Removed in its entirety, see below for analysis and rationale.
- 514.409-1 Award of unclassified contracts – Removed in its entirety because the GSA Form 3577, Notice to Unsuccessful Offeror of Contract Award, is considered to be an inefficient method of notification to unsuccessful offerors.
  - The GSA Form 3577 is no longer available in the GSA Forms directory; it was for optional use by contracting officers. After reviewing the form in the GSAM, the team determined that a letter or email was sufficient notification in lieu of the form.
- 514.409-70 Restriction on disclosure of inspection or test data – Removed in its entirety because it is redundant to FAR and FOIA.
- 514.470 Multiple bids – Removed in its entirety because it is redundant to the FAR.

5. Cancellations and Rescissions:

In addition to the changes listed above, GSA Form 3577, Notice to Unsuccessful Offeror of Contract Award, is deleted by reason of the rewrite of GSAM Part 514

6. Filing instructions. Insert the following pages to the GSAM:

<u>Remove Pages</u>	<u>Insert Pages</u>
501-1 and 501-2	501-1 and 501-2
Part 514 TOC pp. 514-i and 514-ii 514-1 thru 514-8	Part 514 TOC pp. 514-i and 514-ii 514-1 thru 514-8
Part 552 TOC pp. 552-i and 552-ii 552-9 thru 552-12	Part 552 TOC pp. 552-i and 552-ii 552-9 thru 552-12
Matrix 552-67 and 552-68	Matrix 552-67 and 552-68

Part 553 TOC  
pp. 553-i and 553-ii  
553-33 and 553-34

A handwritten signature in dark ink, appearing to read 'DAVID A. DRABKIN', with a long, sweeping horizontal stroke extending to the right.

DAVID A. DRABKIN  
Senior Procurement Executive  
Office of Acquisition Policy  
U.S. General Services Administration

Part 553 TOC  
pp. 553-i and 553-ii  
553-33 and 553-34

**PART 501—GENERAL SERVICES ADMINISTRATION  
ACQUISITION REGULATION SYSTEM**

**Subpart 501.1—Purpose, Authority,  
Issuance**

**501.101 Purpose.**

(a) The General Services Acquisition Regulation (GSAR) contains agency acquisition policies and practices, contract clauses, solicitation provisions, and forms that control the relationship between GSA and contractors and prospective contractors.

(b) The GSAR addresses rules directly to you, the contracting officer, unless otherwise indicated.

**501.103 Authority.**

GSA’s Senior Procurement Executive issues the GSAR under the authority of the Federal Property and Administrative Services Act of 1949, as amended.

**501.104 Applicability.**

(a) *General.* The GSAR applies to contracts for supplies or services, including construction.

(b) *Acquisition of leasehold interests in real property.* [Part 570](#) establishes rules for the acquisition of leasehold interests in real property. Other provisions of 48 CFR Chapter 5 (GSAR) do not apply to leases of real property unless specifically cross-referenced in [Part 570](#).

(c) *Relationship to statute.* Some GSAR rules implement and interpret laws and other authorities affecting procurement. A GSAR rule specifically directed by statute has the force and effect of law.

(d) *GSAR/FAR Relationship.* The GSAR may deviate from the Federal Acquisition Regulation (FAR) if authorized. If the GSAR does not implement the FAR, the FAR alone governs.

**501.105 Issuance.**

**501.105-1 Publication and code arrangement.**

The GSAR is published in the following sources:

- (a) Daily issue of the Federal Register.
- (b) Annual Code of Federal Regulations (CFR), as Chapter 5 of Title 48.
- (c) GSA Acquisition Manual distributed within GSA.
- (d) GSA Home Page at <http://www.gsa.gov>. Click on either “Government Agencies” or on “Business and Industry,” then click on “Acquisition.”

**501.105-2 Arrangement of regulations.**

(a) The GSAR numbers and captions policies and procedures to correspond to how they appear in the FAR, e.g., 1.104 in the FAR is 501.104 in the GSAR.

(b) GSAR rules not implementing the FAR have numbers beginning with 70, e.g., part 570, subsection 515.209-70.

(c) The GSAR may have gaps in its numbering scheme because a FAR rule may not require GSAR implementation.

**501.105-3 Copies.**

The GSAR in CFR form may be purchased from: Superintendent of Documents, Government Printing Office, Washington, DC 20402.

**501.106 OMB Approval under the Paperwork Reduction Act.**

<b>GSAR Reference</b>	<b>OMB Control No.</b>	<b>GSAR Reference</b>	<b>OMB Control No.</b>
<a href="#">509.105-1(a)</a>	3090-0007	<a href="#">552.211-78</a>	3090-0204
<a href="#">511.104-70</a>	3090-0203	<a href="#">552.211-82</a>	3090-0204
<a href="#">511.204(d)</a>	3090-0246	<a href="#">552.214-71</a>	3090-0200
<a href="#">511.404(a)(1)</a>	3090-0204	<a href="#">552.216-70</a>	3090-0243
<a href="#">511.404(a)(2)</a>	3090-0204	<a href="#">552.216-72</a>	3090-0248
<a href="#">511.404(a)(5)</a>	3090-0204	<a href="#">552.216-73</a>	3090-0248
<a href="#">514.201-1</a>	3090-0163	<a href="#">552.219-72</a>	3090-0252
<a href="#">514.201-7(a)</a>	3090-0200	<a href="#">552.219-75</a>	3090-0286
<a href="#">516.203-4(a)(1)</a>	3090-0243	<a href="#">552.219-76</a>	3090-0286
<a href="#">516.506</a>	3090-0248	<a href="#">552.232-72</a>	3090-0205
<a href="#">519.708(b)</a>	3090-0252	<a href="#">552.232-72</a>	3090-0080
<a href="#">519.70</a>	3090-0286	<a href="#">552.237-70</a>	3090-0197
<a href="#">522.406-6</a>	1215-0149	<a href="#">552.237-71</a>	3090-0006
<a href="#">523.370</a>	3090-0205	<a href="#">552.238-70</a>	3090-0250
<a href="#">532.111(c)</a>	3090-0080	<a href="#">552.238-72</a>	3090-0262
<a href="#">532.905-70</a>	9000-0102	<a href="#">552.238-74</a>	3090-0121 3090-0250
<a href="#">532.905-71</a>	3090-0080	<a href="#">552.242-70</a>	3090-0027
<a href="#">537.110(a)</a>	3090-0197	<a href="#">552.246-70</a>	3090-0027
<a href="#">537.110(b)</a>	3090-0006	<a href="#">552.246-71</a>	3090-0027
<a href="#">538.273(a)(1)</a>	3090-0250	GSA-72-A	3090-0121
<a href="#">538.273(a)(3)</a>	3090-0262	GSA-527	3090-0007
<a href="#">538.273(b)(1)</a>	3090-0121	GSA-618D	1215-0149
<a href="#">542.1107</a>	3090-0027	GSA-1142	3090-0080
<a href="#">546.302-70</a>	3090-0027	GSA-1364	3090-0086
<a href="#">546.302-71</a>	3090-0027	GSA-1678	3090-0027
<a href="#">552.211-8</a>	3090-0204	GSA-2419	9000-0102
<a href="#">552.211-77</a>	3090-0246	<a href="#">570.702(c)</a>	3090-0086

### 501.170 General Services Administration Acquisition Management System.

(a) *Description.* The General Services Administration Acquisition Management System consists of the General Services Administration Acquisition Regulation (GSAR) and agency and Service non-regulatory acquisition guidance documents.

(b) *Format.* For users' convenience, the General Services Administration Acquisition Manual (GSAM) contains the GSAR and nonregulatory agency acquisition guidance. The GSAM adheres to GSAR numbering and drafting conventions. GSAR material is shaded. Non-shaded material is non-regulatory. The shading distinguishes regulatory material from material that applies internally to GSA.

(c) *Agency policy.* Although GSAM requirements are not all regulatory, occasionally the requirements are mandatory for GSA personnel. The mandatory requirements reflect agency policy which must be followed to ensure uniformity or for other reasons.

(d) *Applicability.* The GSAM applies to contracts for supplies or services, including construction.

(e) *Acquisition of leasehold interests in real property.* [Part 570](#) establishes requirements for the acquisition of leasehold interests in real property. Other provisions of the GSAM do not apply to leases of real property unless specifically cross-referenced in [Part 570](#).

(f) *Availability.* The GSAM is available on the GSA Home Page at <http://www.gsa.gov>. Click on either "Government Agencies" or on "Business and Industry," then click on "Acquisition." You may also link to the GSAM on Insite at <http://insite.gsa.private>. Click on "Business Hot Links," then on "Acquisition."

### 501.171 Other GSA publications.

#### 501.171-1 GSA orders and handbooks.

(a) Heads of contracting activities (HCA's) may issue internal agency guidance, as described in FAR 1.301(a)(2), in the form of a GSA order or handbook.

(b) GSA orders and handbooks must not unnecessarily repeat, paraphrase, or otherwise restate the FAR, GSAR, or GSAM.

(c) The handbook, Writing GSA Internal Directives (OAD P 1832.3B), prescribes policies and procedures for issuing GSA orders and handbooks.

#### 501.171-2 Acquisition letters.

(a) Acquisition letters provide interim policies and procedures pending incorporation in GSA orders or handbooks.

(b) Acquisition letters expire one year after issuance, unless the letter indicates an earlier expiration date.

(c) The Senior Procurement Executive and HCAs, or designees, may issue acquisition letters.

(d) The issuing official must coordinate each acquisition letter with appropriate offices including Acquisition Policy, Counsel, and the Inspector General. Any proposed policy or procedure that affects the operation of the small business program, must be coordinated with the Office of Small Business Utilization (E).

(e) The issuing activity must identify each acquisition letter with an assigned number. The number should begin with the issuing office correspondence symbol, followed by the last two digits of the calendar year when issued, then numbered consecutively beginning with 1. For example, FC-97-5 would be the fifth acquisition letter issued by FSS in fiscal year 1997).

(f) The body of an acquisition letter should contain the following paragraphs, as appropriate:

- (1) Purpose.
- (2) Background.
- (3) Effective date.
- (4) Termination date.
- (5) Cancellation.
- (6) Applicability (offices to which the acquisition letter applies)
- (7) Reference to regulations (FAR or GSAR), handbooks, or orders.
- (8) Instructions/procedures.

(g) The issuing office is responsible for distributing its acquisition letters to affected contracting activities and the Office of Acquisition Policy. In addition copies should be distributed to:

- (1) For acquisition letters issued by the Office of Acquisition Policy or a Central Office Service:
  - (i) Associate General Counsel.
  - (ii) The Administrative Policy and Information Management Division (CAI).
- (2) For acquisition letters issued by a Region:
  - (i) Regional Counsel.
  - (ii) The regional clearance office as defined in the handbook, Writing GSA Internal Directives (OAD P 1832.3B).
  - (iii) Central office contracting activities, if appropriate.

(h) If an acquisition letter is distributed only electronically, then the issuing office may issue a notice to affected contracting activities, the Office of Acquisition Policy, and Associate General Counsel or Region Counsel in lieu of distributing paper copies. The notice must identify the subject, number, and location of the letter.

(i) Each issuing office must report on acquisition letters issued and canceled on a quarterly basis to the Office of Acquisition Policy. The Office of Acquisition Policy will issue a consolidated index of all acquisition letters issued or cancelled.

# AMENDMENT 2009–11 OCTOBER 19, 2009

## PART 514—SEALED BIDDING

*Sec.*

### **Subpart 514.2—Solicitation of Bids**

- 514.201 Preparation of invitations for bids.
- 514.201-1 Uniform contract format.
- 514.201-2 Part I—The Schedule.
- 514.201-6 Solicitation provisions.
- 514.201-7 Contract clauses.
- 514.201-70 GSA Form 1602.
- 514.202 General rules for solicitation of bids.
- 514.202-4 Bid samples.
- 514.202-5 Descriptive literature.
  
- 514.211 Release of acquisition information.
- 514.270 Aggregate awards.
- 514.270-1 Definition.
- 514.270-2 Justification for use.
- 514.270-3 Evaluation factors for award.
- 514.270-4 Grouping line items for aggregate award.
- 514.270-5 Evaluation methodologies for aggregate awards.
- 514.270-6 Guidelines for using the weight factors method.
- 514.270-7 Guidelines for using the price list method.

### **Subpart 514.3—Submission of Bids**

- 514.302 Bid Submission.
- 514.303 Modification or withdrawal of bids.
- 514.304 Late bids, late modifications of bids, or late withdrawal of bids.
- 514.370 Copies of bids required.

### **Subpart 514.4—Opening of Bids and Award of Contract**

- 514.401 Receipt and safeguarding of bids.
- 514.402 Opening of bids.
- 514.402-1 Unclassified bids.
- 514.402-70 Preferred practices for conducting bid openings.
- 514.403 Recording of bids.
- 514.404 Rejection of bids.
- 514.404-1 Cancellation of invitations after opening.
- 514.404-2 Rejection of individual bids.
- 514.407 Mistakes in bids.
- 514.407-3 Other mistakes disclosed before award.
- 514.407-4 Mistakes after award.
- 514.408 Award.
- 514.408-6 Equal low bids.
- 514.408-70 Forms for recommending award(s).

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## PART 514—SEALED BIDDING

**Subpart 514.2—Solicitation of Bids****514.201 Preparation of invitations for bids.****514.201-1 Uniform contract format.**

Include the following notice in each solicitation:

“The information collection requirements contained in this solicitation/contract, are either required by regulation or approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned OMB Control No. 3090-0163.”

**514.201-2 Part I—The Schedule.**

(a) When using Standard Form 33, Solicitation, Offer and Award, include the following cautionary notice:

“Notice to Bidders—Use Item 13 of the Standard Form 33, Solicitation, Offer and Award, to offer prompt payment discounts. The Prompt Payment clause of this solicitation sets forth payment terms. Do not insert any statement in Item 13 that requires payment sooner than the time stipulated in the Prompt Payment clause (See FAR 52.232-25, 52.232-26, or 52.232-27, as applicable). EXAMPLE: If you insert “NET 20” in Item 13, GSA will reject your bid as nonresponsive because the entry contradicts the 30 day payment terms specified in the Prompt Payment clause.”

(b) When using other authorized forms (e.g., Standard Form 1447, Solicitation/Contract; Standard Form 1449, Solicitation/Contract/Order for Commercial Items), include the notice in paragraph (a) of this section. Change the reference to the form number, form title, and item number accordingly.

**514.201-6 Solicitation provisions.**

When considering all or none bids, insert the provision at [552.214-70](#), “All or None” Bids, in the solicitation.

**514.201-7 Contract clauses.**

*Stock replenishment contracts.* For some stock replenishment contracts, individual contractors may be unable to furnish the Government’s monthly requirements. The contracting officer may determine that progressive awards will be more expedient. In such cases, insert a clause substantially the same as the clause at [552.214-71](#), Progressive Awards and Monthly Quantity Allocations, in the solicitation and contract.

**514.201-70 GSA Form 1602.**

The contracting officer may use GSA Form 1602, Notice Concerning Solicitation, to do any of the following:

- (a) Describe the type of contract, the duration of the contract, and the type of supplies or services being procured.
- (b) Direct the attention of prospective bidders to review and carefully consider the information at FAR 14.404-2 that may result in rejection of the bid. In addition, cite any special requirements which, if overlooked, may result in rejection of the bid.
- (c) Highlight significant changes from previous solicitations covering the same supplies or services.
- (d) Include other special notices, as appropriate.

**514.202 General rules for solicitation of bids.****514.202-4 Bid samples.**

(a) *Requirements for samples in invitations for bids.*

(1) When bid samples are required, the contracting officer shall require bidders to submit samples produced by the manufacturer whose products will be supplied under the contract.

(2) The FAR limits use of bid samples to cases where the contracting officer cannot describe some characteristics of a product adequately in the specification or purchase description. This usually applies to subjective characteristics. The contracting officer may determine that there is a need to examine objective characteristics of bid samples to determine the responsiveness of a bid. The contracting officer should base the determination on past experience or other valid considerations. In the solicitation, separately list “Subjective Characteristics” and “Objective Characteristics.”

(3) A provision appears at [552.214-72](#), Bid Sample Requirements. This provision may be modified to fit the circumstances of a procurement.

(b) *Handling bid samples.* (1) Samples from accepted bids must be retained for the period of contract performance. If there are no outstanding claims regarding the contract, the contracting officer may authorize disposal of the samples at the end of the contract term following the bidder’s instructions.

(2) If the contracting officer anticipates a claim regarding the contract, the contracting officer shall require that the bid samples be retained until the claim is resolved.

(3) The contracting officer shall require that samples from unsuccessful bids be retained until award. After award, these samples may be disposed of following the bidder’s instructions.

**514.202-5 Descriptive literature.**

*Requirements for Invitations for bids.* When using brand name or equal purchase descriptions, the provision at FAR 52.211-6 satisfies the requirement for descriptive literature.

**514.211 Release of acquisition information.**

Before award, the contracting officer and all other members of the acquisition team must limit access to information concerning the Government cost estimate to Government personnel whose official duties require knowledge of the estimate and to *non-Government* personnel with a need to know and who have signed a non-disclosure agreement (contracting officers may tailor the non-disclosure agreement at Figure 515.3-1 for these purposes). After award, the contracting officer may reveal the total amount of the Government estimate upon request. The contracting officer is not authorized to release the basis for calculating the estimate at any time.

**514.270 Aggregate awards.****514.270-1 Definition.**

“Aggregate award” means an arrangement whereby two or more separately priced line items are combined for award to that bidder whose bid will result in the lowest overall cost to the Government for the line items as a group. The individual price for each item does not have to be the lowest bid received. (See also the definition of a “line item” in FAR 3.302.)

**514.270-2 Justification for use.**

(a) GSA usually solicits prices and reserves the right to make award for individual line items. In some cases it serves GSA’s best interest to combine two or more line items for an aggregate award. Such cases include when:

(1) Users desire uniformity of design, style, and finish, (e.g., suites of household furniture).

(2) The articles will be assembled and used as a unit, and different manufacturers’ components may not be interchangeable.

(3) Users have high demand for certain articles, but demand for related articles is insufficient to attract competitive bids (e.g., various sizes of socket wrenches).

(4) Awarding the low-demand articles in conjunction with the high-demand articles may encourage competition.

(5) One location (delivery point) has a large requirement, and another location has a requirement too small to individually attract competitive bids.

(6) Awarding and administering numerous small contracts for similar articles or services is impractical.

(b) Before deciding to combine items for aggregate award, the contracting officer should consider the following factors:

(1) The capability of bidders to furnish the types and quantities of supplies or services in the aggregate.

(2) How grouping delivery points will affect bidders.

(3) Which combinations will accurately project the lowest overall cost to the Government.

(c) The contracting officer should not use an aggregate award if it will significantly restrict the number of eligible bidders.

**514.270-3 Evaluation factors for award.**

The solicitation should clearly state the basis for evaluating bids for aggregate award, require bidders to submit a price on each item within the group or a percentage to be added or subtracted from a list price, and advise bidders that failure to submit prices as required within a group makes a bid ineligible for award for that group.

**514.270-4 Grouping line items for aggregate award.**

(a) *Supplies and services.* This subsection applies to acquisitions of supplies and services.

(b) *Effect on competition.* Provide for full and open competition when grouping items for award. Grouping items for award may preclude a significant number of firms from bidding. This occurs if firms are unable to provide all the types or quantities of supplies or services, or make deliveries to the various delivery points included in the prospective aggregate group.

(c) *Grouping different articles.* Include only related articles in an aggregate group. Related articles are those normally manufactured or produced by a majority of prospective bidders. Grouping unrelated articles often restricts competition unnecessarily.

(d) Grouping geographic locations or delivery points. Consider the following guidelines before deciding to group different geographic locations or delivery points:

(1) A delivery point may have sufficient requirements so that individual shipments involve economic production runs and carload or truckload quantities. In this case, list it as a separate line item.

(2) The types of bidders (i.e., small or large firms, manufacturers or distributors, etc.) who responded to previous solicitations can provide important information. For example, if previous bidders are distributors with franchises in certain territories, grouping different territories could tend to restrict competition.

(3) Transportation costs can affect competition and pricing. They may constitute a significant portion of the total delivered cost. Obtain the advice and assistance of transportation specialists before grouping geographic locations or delivery points. Depending upon the supplies being acquired:

(i) Grouping widespread geographic locations or delivery points may reduce competition or result in higher prices. It can cause the loss of “area pricing” advantages provided by a supplier with a single production point.

(ii) Conversely, for many small commercial items (hand tools, locks, etc.), manufacturers may quote the same price for delivery anywhere in the U.S.

(iii) Tariff boundaries can also affect how manufacturers price deliveries to different areas.

#### 514.270-5 Evaluation methodologies for aggregate awards.

(a) *Definite quantity contracts without options.* For definite quantity contracts without options, the evaluated bid price is the total bid price, as adjusted for any price-related factors identified in the solicitation. This reflects the actual cost to the Government and will identify the most advantageous bid.

(b) *Indefinite quantity contracts, requirements contracts, and options.* Indefinite quantity and requirements contracts use estimated quantities. Options involve the probability of whether and when the options will be exercised. These situations may result in unbalanced bids (see FAR 15.404-1(g)), leading to inaccurate evaluation of the projected cost and award to other than the most advantageous bid. To avoid unbalanced bids, GSA has two preferred methods for evaluating bids for aggregate awards: weight factors and price list.

(1) *Weight factors method.* Assign a weight to each item in a group. The weight is based on the portion of quantities that item represents. To evaluate bids, multiply each unit price by its weight factor, then total the results.

(2) *Price list method.* Establish prices for bidders to use as a base for preparing their bids. Prepare a list that identifies a base price for each item in a group. Bidders bid a percentage factor to add to or subtract from the base price.

#### 514.270-6 Guidelines for using the weight factors method.

(a) Use the weight factors method when there are reliable estimates for the quantities needed in an acquisition. Reliable estimates of quantities form the foundation for:

(1) Accurate evaluation of the projected cost of each bid.

(2) An appropriate determination of which bid is most advantageous to the Government for the aggregate group.

(b) Assign a weight factor to each item in a group. Develop the weight factor by calculating the portion of the total quantity in a defined group that each item represents.

(c) To evaluate bid prices, first multiply the price bid for each item (unit price X quantity) by its weight factor. Then, add the subtotals together to project the cost for the aggregate group.

(d) Estimated quantities may be reduced to smaller numbers by a common denominator. This may help facilitate the computations involved in evaluating bids.

(e) Consider all price-related factors identified in the solicitation. Award to the responsive and responsible bidder with the lowest evaluated overall cost to the Government for the aggregate group. This represents the most advantageous bid.

#### 514.270-7 Guidelines for using the price list method.

(a) *General.* The price list method helps avoid unbalanced bidding when making aggregate awards, but lack accurate estimates of anticipated quantities. This method establishes base prices for bidders to use in preparing their bids.

(b) *Solicitation requirements.* When using the price list method, in the solicitation:

(1) Include the price list.

(2) Include an estimate of requirements.

(3) Require the bidder to express its price as “net” or as a percentage added to or subtracted from the list prices for each group. Require the bidder to quote only one percentage factor for each group. This means that the bidder provides one percentage factor that applies to every item in a group; not a separate percentage for each item. “Net” indicates the bidder chooses to submit the list prices as its bid.

(4) Identify the percentage factor in (3) above as a price-related evaluation factor.

(c) *Developing list prices.* Price lists may be developed using one or more of the following sources:

(1) Industry published prices.

(2) Industry surveys.

(3) Government cost estimates based on knowledge of the supplies or services and previous contract prices.

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(d) *First time use for an item or service.* The first time the contracting officer uses list prices for an item or service, give prospective bidders an opportunity to review the proposed list. Also provide information on how GSA will use the list prices. This information may be provided in a draft solicitation.

(e) *Balanced prices.* Ensure that the list prices for the grouped items bear a reasonable and balanced relationship to one another. Prices may be used from previous awards made using the weight factors method to develop price lists. Review those prices first to ensure they did not result from unbalanced bidding.

(f) *Evaluation and award.* Consider all price-related factors identified in the solicitation. Award to the responsive and responsible bidder whose percentage factor produces the most favorable price to the Government. This represents the most advantageous bid.

(g) *Example.* The following illustrates a bidding schedule arrangement for a group of items for aggregate award under the price list method:

<b>Drills, Twist, High Speed, under Federal Specification (no. and date) and Amendment (no. and date), Wire gauge sizes, straight shank, short length, Type C</b>					
Item No.	National Stock Number	Drill Size	Est. Quantity	Unit	List Price
Group 1 (Items 1 through 5)					
1	5133-00-189-9246	1	2,800	Pkg	\$11.16
2	5133-00-189-9247	2	2,400	Pkg	\$11.16
3	5133-00-189-9248	3	2,800	Pkg	\$10.44
4	5133-00-189-9249	4	1,600	Pkg	\$10.80
5	5133-00-189-9250	5	2,000	Pkg	\$10.80
The bid on each item above is the list price shown minus/plus _____ percent. (Bidder, insert "net" or a single percentage amount in the blank space and cross out minus or plus, as appropriate.)					

(h) *Special considerations for contracts for store stock items.* Show estimated quantities only if estimates of demand for each item within a group can be derived from Government records or verified contractor sales reports. Use only current estimates. If the Government's needs cannot be estimated, the solicitation may include past orders. (See CG Decision, B-209037, 82-2 CPD para 323 (1982).)

(i) *Special considerations for repair and alteration contracts.* In the solicitation:

(1) List the estimated quantities for work to be performed during both normal working hours and outside of normal working hours.

(2) State the percent of work anticipated to be performed during normal working hours.

(3) List the unit prices for work to be performed during both normal working hours and outside of normal working hours.

(4) Define "normal" in terms of hours and days of the week.

(5) Advise bidders of the previous year's total expenditures or portions of that total attributable to the listed items.

(6) If providing quantity estimates, state that the estimates are for information only and do not constitute guarantees or commitments to order items under the contract.

(7) Solicit two percentage factors for the line item unit prices listed: one for the unit prices for work performed during normal working hours and the second for the unit prices for work performed outside of normal working hours.

(8) When the solicitation further groups unit prices by trade or business category, multiple percentages may be required.

(9) For the evaluated bid price, add together (i) and (ii):

(i) The percentage of work performed during normal work hours multiplied by the total estimate adjusted by the bidder's percentage factor for that portion of the work, plus

(ii) The percentage of work performed during other than normal working hours multiplied by the total estimate adjusted by the bidder's percentage factor for that portion of the work.

(10) Consider other price-related factors identified in the solicitation. Make award to the responsible and responsive bidder submitting the lowest overall evaluated bid price for the aggregate group. This represents the most advantageous bid.

## Subpart 514.3—Submission of Bids

### 514.302 Bid Submission.

GSA contracting officers shall not consider telegraphic bids communicated by telephone.

### 514.303 Modification or withdrawal of bids.

(a) A telegraphic modification or withdrawal of a bid by telephone under the circumstances in FAR 14.303(a) shall not be considered.

(b) The receipt required by FAR 14.303(b) for withdrawal of a bid in person should read:

I am a bona fide agent for or representative of \_\_\_\_\_ (Bidder's name and address) \_\_\_\_\_. I am authorized to withdraw the bid on IFB No. \_\_\_\_\_ scheduled for opening on \_\_\_\_\_, and acknowledge receipt of the unopened bid.

\_\_\_\_\_  
Name and telephone no.

\_\_\_\_\_  
Date

**514.304 Late bids, late modifications of bids, or late withdrawal of bids.**

Upon receiving a late bid, the bid custodian records it on the duplicate copy of the list of bidders. The bid custodian then immediately notifies the responsible contracting officer of the bid. The contracting officer must arrange for pick-up or delivery of the bid.

**514.370 Copies of bids required.**

Require each bidder to submit an original and at least one copy of its bid. This requirement does not apply to bids transmitted and received through an electronic commerce method authorized by the solicitation.

**Subpart 514.4—Opening of Bids and Award of Contract**

**514.401 Receipt and safeguarding of bids.**

(a) The specific location for receipt and safeguarding of bids and modifications shall be identified in the solicitation. Handle bids as follows:

(1) Authorized personnel mark the envelope (or other covering) of each package identified as a bid or modification with a time-stamp or the place, date, and time of receipt. They then deliver the bid by special handling to the bid custodian.

(2) Deposit hand-carried bids into the designated locked bid box, safe, or secured, restricted-access electronic bid box. At least once daily and immediately preceding the time scheduled for bid opening, the bid custodian removes and time stamps the bids. If a bidder hands a bid to the bid custodian or other GSA employee, the custodian or employee time stamps the bid immediately.

(3) When the solicitation authorizes telegraphic or facsimile bids and modifications, the bid custodian seals each in an envelope immediately upon receipt. The custodian labels the envelope with appropriate identification.

(4) For each invitation, the bid custodian prepares a bidders' list using GSA Form 1378, Record of, and Receipt for, Bids and Responses, or the appropriate bid abstract form. The list includes the name and address of all responses, including any bid modifications, received before bid opening time. The list also indicates withdrawn bids.

(5) The bid custodian records each bid and modification delivered before bid opening on the bidders' list on the day of receipt. The custodian stores bids and modifications in a suitable secured cabinet.

(b) At the scheduled bid opening time, the bid custodian delivers all bids received in response to the invitation, with the original and one copy of the bidders' list, to the bid opening official or designee. The bid opening official or designee acknowledges receipt of the bids by signing the copy of the form and returning it to the bid custodian. The original list becomes part of the contract file.

(c) When a regional Small Business Utilization Center (SBUC) is designated to receive bids, the regional SBUC Director may designate an individual(s) working at a Field Office as a bid custodian, provided all the following conditions are met:

(1) The Field Office has adequate space and facilities.

(2) The individual(s) designated as a bid custodian has been trained.

(3) The Field Office has a Small Business Technical Advisor.

(4) The bid custodian(s) must submit monthly reports to the regional SBUC Director. The regional SBUC Director forwards these reports to the Office of Small Business Utilization (E).

**514.402 Opening of bids.**

**514.402-1 Unclassified bids.**

(a) *Location of bid openings.* Public bid openings take place in the regional SBUC if the bid custodian is in the regional SBUC. If the bid opening occurs elsewhere, inform the regional SBUC. Give the regional SBUC the invitation number and the location of the bid opening.

(b) *Bid opening officer.* (1) The contracting officer may appoint a qualified employee of the contracting office as assistant bid opening officer as provided in FAR 14.402-1(b).

(2) The distance between the regional SBUC and the contracting office may make it impracticable for the contracting officer to conduct bid opening. In this case, the contracting officer may request the HCA and the Associate Administrator for Small Business Utilization (E) in Central Office, or the SBUC Director in the Region, to authorize a qualified regional SBUC employee to open, read, and record bids.

(c) Bid openings are open to business representatives, members of the press, and the general public.

**514.402-70 Preferred practices for conducting bid openings.**

(a) To ensure that bid opening occurs at the exact time specified, verify the accuracy of the timepiece to be used.

(b) For the information of bidders present, provide an audible announcement approximately one minute prior to bid opening.

(c) Announce audibly when the exact time of opening arrives. In the announcement, identify the invitation(s) scheduled for opening.

(d) For construction contracts that provide for bid alternates, announce the amount of funds available for the award before opening bids.

(e) Open the bids in full view of the parties present.

(f) When practicable and feasible, announce the following information from each bid: the bidder’s name, item and unit price bid, and other pertinent information, such as delivery and discount terms.

(g) For bids submitted in multiple copies, one copy remains in the bid opening room for public examination until the bid abstract is substituted. The contracting activity uses the original. For bids submitted in original only, see FAR 14.402-1(c). The contracting activity retains all supplemental financial forms or other information submitted with a bid. Do not provide supplemental information for public examination.

(h) Forward any negotiable instruments submitted as bid guarantees to the appropriate Finance Office following procedures established by the Chief Financial Officer. After award, cancellation of the solicitation, or rejection of all bids, direct the appropriate Finance Office to refund the amount of the bid guarantee to unsuccessful bidders. The contracting officer may authorize return of a bid guarantee before award when requested by a bidder who is not in contention for the award. Retain other forms of bid guarantees (e.g., bid bonds, letters of credit, corporate and individual sureties, etc.) in the contract file.

(i) Prepare a record of the opening for the contract file. Include the names of persons attending the bid opening and the firms or organizations they represent.

(j) Verify the entries on all copies of a bid. Resolve any suspected mistake(s) following the procedures in FAR 14.407.

(k) Retain the envelopes in which bids and bid modifications are received until all awards are made. After award, retain those with notations concerning abnormal receipt or opening for identification in the solicitation file. The contracting officer may destroy the remainder.

**514.403 Recording of bids.**

(a) As soon as practicable, make a copy of the abstract of bids and any amendments available for public examination at the location of the bid opening. Make the abstract available for public examination for at least 30 calendar days. Include

late bids determined eligible for consideration on the bid abstract or, if necessary, in an amendment.

(b) In abstracts for aggregate awards, record: unit prices, weight factors, totals for each aggregate group, and any other information required for bid evaluation.

(c) For building services, contracting activities in PBS may use GSA Form 3471, Abstract of Offers, instead of the Standard Form 1409, Abstract of Offers.

**514.404 Rejection of bids.**

**514.404-1 Cancellation of invitations after opening.**

The HCA, or designee, makes any determinations required by FAR 14.404-1.

**514.404-2 Rejection of individual bids.**

(a) The contracting officer may use the “Remarks” Item on GSA Form 1535, Recommendation for Award(s), or other appropriate documentation to record findings with respect to rejected bids.

(b) Document any bid rejected for nonresponsiveness, nonresponsibility, ineligibility, or because the bid after evaluation is no longer low. Examples of bids which may no longer be low after evaluation include aggregate bids, “all or none” bids, bids evaluated for freight costs, and bids evaluated using Buy American differentials.

(c) For sensitive or controversial bid rejections, include all supporting documentation to justify awards. This includes copies of the bid to be rejected and the proposed awardee, statements from or records of conversations with the requisitioning activity, plant facilities and financial responsibility reports, and other relevant correspondence or reports (Certificates of Competency, copies of Congressional correspondence or other high level interest, etc.).

**514.407 Mistakes in bids.**

**514.407-3 Other mistakes disclosed before award.**

Delegation of authority by head of the agency. Under FAR 14.407-3(e), contracting directors (see [502.101](#)) are authorized, without power of redelegation, to make:

(a) The determinations regarding corrections and withdrawals under FAR 14.407-3(a), (b), and (c); and

(b) The corollary determinations not to permit withdrawal or correction under FAR 14.407-3(d).

**514.407-4 Mistakes after award.**

The contracting director and assigned counsel are required to review and approve the contracting officer’s determinations under FAR 14.407-4(b) and (c).

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**514.408 Award.**

**514.408-6 Equal low bids.**

To determine the status of bidders in a tie-bid situation, use the bidders' status as of the date the bids were signed.

mentation for Award(s), Continuation Sheet, to document proposed awards. One or more awards may be set forth on each form. Contracting activities have the discretion to use other means of documentation that meet their needs for information to support an award recommendation.

**514.408-70 Forms for recommending award(s).**

Contracting activities may use GSA Form 1535, Recommendation for Award(s), and GSA Form 1535-A, Recom-

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**PART 552—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

*Sec.*

552.000	Scope of part.	552.212-73	Evaluation—Commercial Items (Multiple Award Schedule).
	<b>Subpart 552.1—Instructions for Using Provisions and Clauses</b>	552.214-70	“All or None” Bids.
552.101-70	Using Part 552.	552.214-71	Progressive Awards and Monthly Quantity Allocations.
552.102	Incorporating provisions and clauses.	552.214-72	Bid Sample Requirements.
552.103	Identification of provisions and clauses.	552.215-70	Examination of Records by GSA.
552.104	Procedures for modifying and completing provisions and clauses.	552.215-71	Examination of Records by GSA (Multiple Award Schedule).
552.105	Procedures for using alternates.	552.215-72	Price Adjustment—Failure to Provide Accurate Information.
552.107-70	Provisions and clauses prescribed in Subpart 552.1.	552.216-70	Economic Price Adjustment—FSS Multiple Award Schedule Contracts.
	<b>Subpart 552.2—Text of Provisions and Clauses</b>	552.216-71	Economic Price Adjustment—Stock and Special Order Program Contracts.
552.200	Scope of subpart.	552.216-72	Placement of Orders.
552.203-5	[Reserved]	552.216-73	Ordering Information.
552.203-70	[Reserved]	552.217-70	Evaluation of Options.
552.203-71	Restriction on Advertising.	552.217-71	Notice Regarding Option(s).
552.211-8	Time of Delivery.	552.219-70	Allocation of Orders—Partially Set-aside Items.
552.211-15	Defense Priorities and Allocations System Requirements.	552.219-71	Notice to Offerors of Subcontracting Plan Requirements.
552.211-70	[Reserved]	552.219-72	Preparation, Submission, and Negotiation of Subcontracting Plans.
552.211-71	Standard References.	552.219-73	Goals for Subcontracting Plan.
552.211-72	Reference to Specifications in Drawings.	552.219-74	Section 8(a) Direct Award.
552.211-73	Marking.	552.219-75	GSA Mentor-Protégé Program.
552.211-74	Charges for Marking.	552.219-76	Mentor Requirements and Evaluation.
552.211-75	Preservation, Packaging and Packing.	552.223-70	Hazardous Substances.
552.211-76	Charges for Packaging and Packing.	552.223-71	Nonconforming Hazardous Materials.
552.211-77	Packing List.	552.223-72	Hazardous Material Information.
552.211-78	Commercial Delivery Schedule (Multiple Award Schedule).	552.227-70	Government Rights (Unlimited).
552.211-79	Acceptable Age of Supplies.	552.227-71	Drawings and Other Data to Become Property of Government.
552.211-80	Age on Delivery.	552.228-5	Government as Additional Insured.
552.211-81	Time of Shipment.	552.229-70	Federal, State, and Local Taxes.
552.211-82	Notice of Shipment.	552.229-71	Federal Excise Tax—DC Government.
552.211-83	Availability for Inspection, Testing, and Shipment/Delivery.	552.232-1	Payments.
552.211-84	Non-Compliance with Contract Requirements.	552.232-8	Discounts for Prompt Payment.
552.212-70	Preparation of Offer (Multiple Award Schedule).	552.232-23	Assignment of Claims.
552.212-71	Contract Terms and Conditions Applicable to GSA Acquisition of Commercial Items.	552.232-25	Prompt Payment.
552.212-72	Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to GSA Acquisition of Commercial Items.	552.232-70	Invoice Requirements.
		552.232-71	Adjusting Payments.
		552.232-72	Final Payment.
		552.232-73	Availability of Funds.
		552.232-74	Invoice Payments.
		552.232-75	Prompt Payment.

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552.232-76	Electronic Funds Transfer Payment.		by Certain Entities—Cooperative Purchasing.
552.232-77	Payment By Governmentwide Commercial Purchase Card.	552.238-80	Use of Federal Supply Schedule Contracts by Certain Entities—Recovery Purchasing.
552.232-78	Payment Information.	552.242-70	Status Report of Orders and Shipments.
552.232-79	Payment by Credit Card.	552.243-71	Equitable Adjustments.
552.232-81	Payments by Non-Federal Ordering Activities.	552.246-70	Source Inspection by Quality Approved Manufacturer.
552.232-82	Contractor’s Remittance (Payment) Address.	552.246-71	Source Inspection by Government.
552.232-83	Contractor’s Billing Responsibilities.	552.246-72	Final Inspection and Tests.
552.236-70	Definitions.	552.246-77	Additional Contract Warranty Provisions for Supplies of a Noncomplex Nature.
552.236-71	Authorities and Limitations.	552.246-78	Inspection at Destination.
552.236-72	Specialist.		
552.236-73	Basis of Award—Construction Contract.	552.252-5	Authorized Deviations in Provisions.
552.236-74	Working hours.	552.252-6	Authorized Deviations in Clauses.
552.236-75	Use of Premises.	552.270-1	Instructions to Offerors—Acquisition of Leasehold Interests in Real Property.
552.236-76	Measurements.	552.270-2	Historic Preference.
552.236-77	Specifications and Drawings.	552.270-3	Parties to Execute Lease.
552.236-78	Shop Drawings, Coordination Drawings, and Schedules.	552.270-4	Definitions.
552.236-79	Samples.	552.270-5	Subletting and Assignment.
552.236-80	Heat.	552.270-6	Maintenance of Building and Premises—Right of Entry.
552.236-81	Use of Equipment by the Government.	552.270-7	Fire and Casualty Damage.
552.236-82	Subcontracts.	552.270-8	Compliance with Applicable Law.
552.236-83	Requirement for a Project Labor Agreement.	552.270-9	Inspection—Right of Entry.
552.237-70	Qualifications of Offerors.	552.270-10	Failure in Performance.
552.237-71	Qualifications of Employees.	552.270-11	Successors Bound.
552.237-72	Prohibition Regarding “Quasi-Military Armed Forces.”	552.270-12	Alterations.
552.237-73	Restriction on Disclosure of Information.	552.270-13	Proposals for Adjustment.
552.238-70	Identification of Electronic Office Equipment Providing Accessibility for the Handicapped.	552.270-14	Changes.
552.238-71	Submission and Distribution of Authorized FSS Schedule Pricelists.	552.270-15	Liquidated Damages.
552.238-72	Identification of Products that have Environmental Attributes.	552.270-16	Adjustment for Vacant Premises.
552.238-73	Cancellation	552.270-17	Delivery and Condition.
552.238-74	Industrial Funding Fee and Sales Reporting.	552.270-18	Default in Delivery—Time Extensions.
552.238-75	Price Reductions.	552.270-19	Progressive Occupancy.
552.238-76	Definition (Federal Supply Schedules)—Recovery Purchasing.	552.270-20	Payment.
552.238-77	Definition (Federal Supply Schedules).	552.270-21	Effect of Acceptance and Occupancy.
552.238-78	Scope of Contract (Eligible Ordering Activities).	552.270-22	Default by Lessor During the Term.
552.238-79	Use of Federal Supply Schedule Contracts	552.270-23	Subordination, Nondisturbance and Attornment.
		552.270-24	Statement of Lease.
		552.270-25	Substitution of Tenant Agency.
		552.270-26	No Waiver.

or components. The provision or clause in effect based on the applicable regulation cited on the date the solicitation is issued applies unless otherwise stated herein. The following provisions and clauses are incorporated by reference:

*[The contracting officer should either check the provisions and clauses that apply or delete the provisions and clauses that do not apply from the list. The contracting officer may add the date of the provision or clause if desired for clarity.]*

(a) Provisions.

\_\_\_ [552.237-70](#) Qualifications of Offerors

(b) Clauses.

\_\_\_ [552.203-71](#) Restriction on Advertising  
 \_\_\_ [552.211-73](#) Marking  
 \_\_\_ [552.215-70](#) Examination of Records by GSA  
 \_\_\_ [552.215-71](#) Examination of Records by GSA (Multiple Award Schedule)  
 \_\_\_ [552.215-72](#) Price Adjustment—Failure to Provide Accurate Information  
 \_\_\_ [552.219-70](#) Allocation of Orders—Partially Set-Aside Items  
 \_\_\_ [552.228-70](#) Workers' Compensation Laws  
 \_\_\_ [552.229-70](#) Federal, State, and Local Taxes  
 \_\_\_ [552.232-8](#) Discounts for Prompt Payment  
 \_\_\_ [552.232-23](#) Assignment of Claims  
 \_\_\_ [552.232-71](#) Adjusting Payments  
 \_\_\_ [552.232-72](#) Final Payment  
 \_\_\_ [552.232-73](#) Availability of Funds  
 \_\_\_ [552.232-78](#) Payment Information  
 \_\_\_ [552.237-71](#) Qualifications of Employees  
 \_\_\_ [552.238-71](#) Submission and Distribution of Authorized FSS Schedule Price List  
 \_\_\_ [552.238-74](#) Industrial Funding Fee and Sales Reporting  
 \_\_\_ [552.238-75](#) Price Reductions  
 \_\_\_ [552.242-70](#) Status Report of Orders and Shipments  
 \_\_\_ [552.243-72](#) Modifications (Multiple Award Schedule)  
 \_\_\_ [552.246-73](#) Warranty—Multiple Award Schedule  
 \_\_\_ [552.246-76](#) Warranty of Pesticides

(End of clause)

**552.212-72 Contract Terms and Conditions Required to Implement Statutes or Executive Orders Applicable to GSA Acquisition of Commercial Items.**

As prescribed in [512.301\(a\)\(3\)](#), insert the following clause:

CONTRACT TERMS AND CONDITIONS REQUIRED TO IMPLEMENT STATUTES OR EXECUTIVE ORDERS APPLICABLE TO GSA ACQUISITION OF COMMERCIAL ITEMS (SEP 2003)

The Contractor agrees to comply with any provision or clause that is incorporated herein by reference to implement provisions of law or Executive Orders applicable to acquisition of commercial items or components. The provision or clause in effect based on the applicable regulation cited on the date the solicitation is issued applies unless otherwise stated herein. The following provisions and clauses are incorporated by reference:

*[The contracting officer should either check the provisions and clauses that apply or delete the provisions and clauses that do not apply from the list. The contracting officer may add the date of the provision or clause if desired for clarity.]*

(a) Provisions.

\_\_\_ [552.223-72](#) Hazardous Material Information

(b) Clauses.

\_\_\_ [552.223-70](#) Hazardous Substances  
 \_\_\_ [552.223-71](#) Nonconforming Hazardous Material  
 \_\_\_ [552.238-70](#) Identification of Electronic Office Equipment Providing Accessibility for the Handicapped  
 \_\_\_ [552.238-72](#) Identification of Products that have Environmental Attributes

(End of clause)

**552.212-73 Evaluation—Commercial Items (Multiple Award Schedule).**

As prescribed in [512.301\(a\)\(4\)](#), insert the following provision:

EVALUATION—COMMERCIAL ITEMS (MULTIPLE AWARD SCHEDULE) (AUG 1997)

(a) The Government may make multiple awards for the supplies or services offered in response to this solicitation that meet the definition of a “commercial item” in FAR 52.202-1. Awards may be made to those responsible offerors that offer reasonable pricing, conforming to the solicitation, and will be most advantageous to the Government, taking into consideration the multiplicity and complexity of items of various manufacturers and the differences in performance required to accomplish or produce required end results, production and distribution facilities, price, compliance with delivery

requirements, and other pertinent factors. By providing a selection of comparable supplies or services, ordering activities are afforded the opportunity to fulfill their requirements with the item(s) that constitute the best value and that meet their needs at the lowest overall cost.

(b) A written notice of award or acceptance of an offer, mailed or otherwise furnished to the offeror within the time for acceptance specified in the offer, shall result in a binding contract without further action by either party. Before the offer's specified expiration time, the Government may accept an offer (or part of an offer), whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award.

(End of provision)

*Alternate I (Aug 1997).* When anticipating competition of identical items, add the following paragraph after paragraph (b) of the basic provision.

(c) The Government reserves the right to award only one contract for all or a part of a manufacturer's product line. When two or more offerors (e.g., dealers/resellers) offer the identical product, award may be made competitively to only one offeror on the basis of the lowest price. (Discounts for early payment will not be considered as an evaluation factor in determining the low offeror). During initial open season for an option period, any offers that are equal to or lower than the current contract price received for identical items will be considered. Current contractors will also be allowed to submit offers for identical items during this initial open season. The current contractor which has the identical item on contract will be included in the evaluation process. The Government will evaluate all offers and may award only one contract for each specified product or aggregate group.

**552.214-70 "All or None" Bids.**

As prescribed in [514.201-6](#), insert the following provision:

"ALL OR NONE" BIDS (OCT 2009)

(a) The Government reserves the right to evaluate bids and make awards on an "all or none" basis as provided below.

(b) A bid submitted on an "all or none" or similar basis will be evaluated as follows: The lowest acceptable bid exclusive of the "all or none" bid will be selected with respect to each item (or group of items when the solicitation provides for aggregate awards) and the total cost of all items thus determined shall be compared with the total of the lowest acceptable "all or none" bid. Award will be made to result in the lowest total cost to the Government.

(End of provision)

**552.214-71 Progressive Awards and Monthly Quantity Allocations.**

As prescribed in [514.201-7\(a\)](#), insert the following clause:

PROGRESSIVE AWARDS AND MONTHLY  
QUANTITY ALLOCATIONS (OCT 2009)

(a) *Monthly quantity allocation.* (1) Set forth below are the Government's estimated annual and monthly requirements for each stock item covered by this solicitation. Bids shall indicate, in the spaces provided, the monthly quantity which the bidder is willing to furnish of any item or group of items involving the use of the same production facilities. In making monthly allocations, bidders are urged to group as many items as possible. Such groupings will make it possible for the Government to make fullest use of the production capabilities of each bidder.

(2) Bidders need not limit their monthly allocations to the Government's estimated monthly requirements, since additional unanticipated needs may occur during the period of the contract. If a bid does not include monthly allocation quantities, it will be deemed to offer to furnish all of the Government's requirements, even though they may exceed the stated estimated requirements.

National Stock Number	Estimated Annual Requirements	Estimated Annual Requirements

Bidders Monthly Quantity Allocations

Items or Groups of Items	Monthly Allocation Quantity

(b) *Progressive awards.* If the low responsive bid's monthly quantity allocation is less than the Government's estimated requirements, the Government may make progressive awards beginning with the low responsive bid and including each next low responsive bid to the extent necessary to meet the estimated requirements.

(c) *Ordering procedures.* If progressive awards are made, orders will be placed first with the Contractor offering the lowest price on each item normally up to that Contractor's maximum quantity allocation and then, in the same manner, successively to other Contractors. When cumulative orders during any month, placed with a lower priced Contractor, equal or exceed 95 percent of its monthly quantity allocation, to avoid the placement of unduly small orders or the splitting of a subsequent order, the Government reserves the right to award the full quantity of the subsequent order to the next

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lower priced Contractor. In no case will orders be placed with any Contractor in excess of its monthly quantity allocation.

(End of clause)

**552.214-72 Bid Sample Requirements.**

As prescribed in [514.202-4\(a\)\(3\)](#), insert the following provision:

**BID SAMPLE REQUIREMENTS (OCT 2009)**

This provision supplements FAR 52.214-20, which is incorporated by reference. Samples shall be from the production of the manufacturer whose products will be supplied under resultant contracts.

(a) Two bid samples are required for each of the following items in this solicitation:

(b) Two representative samples shall be submitted for each of the following items upon which a bid is submitted:

Items	Acceptable Representative Samples

NOTE: Bidders that propose to furnish an item or group of items from more than one manufacturer or production point must submit two samples from the production of each manufacturer or production point.

(c) Samples will be evaluated to determine compliance with all characteristics listed below:

Subjective Characteristics	Objective Characteristics

(d) Forward samples addressed to the Sample Room indicated below. Except for samples delivered by U.S. Mail, deliveries will be accepted between the hours of \_\_\_\_\_ Mondays through Fridays, official holidays excluded.

**CAUTION: USE PROPER ADDRESS FOR METHOD OF SHIPMENT SELECTED.**

Mail and Parcel Post	Freight or Express
[Insert Address of Bid Sample Room]	[Insert address of Bid Sample Room]

(e) Contracting Officer insert address.

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(End of provision)

**552.215-70 Examination of Records by GSA.**

As prescribed in [514.201-7\(b\)](#) and [515.209-70\(a\)](#) insert the following clause:

**EXAMINATION OF RECORDS BY GSA (FEB 1996)**

The Contractor agrees that the Administrator of General Services or any duly authorized representatives shall, until the expiration of 3 years after final payment under this contract, or of the time periods for the particular records specified in Subpart 4.7 of the Federal Acquisition Regulation (48 CFR 4.7), whichever expires earlier, have access to and the right to examine any books, documents, papers, and records of the Contractor involving transactions related to this contract or compliance with any clauses thereunder. The Contractor further agrees to include in all its subcontracts hereunder a provision to the effect that the subcontractor agrees that the Administrator of General Services or any authorized representatives shall, until the expiration of 3 years after final payment under the subcontract, or of the time periods for the particular records specified in Subpart 4.7 of the Federal Acquisition Regulation (48 CFR 4.7), whichever expires earlier, have access to and the right to examine any books, documents, papers, and records of such subcontractor involving transactions related to the subcontract or compliance with any clauses thereunder. The term “subcontract” as used in this clause excludes (a) purchase orders not exceeding \$100,000 and (b) subcontracts or purchase orders for public utility services at rates established for uniform applicability to the general public.

(End of clause)

**552.215-71 Examination of Records by GSA (Multiple Award Schedule).**

As prescribed in [515.209-70\(c\)](#) insert the following clause:

**EXAMINATION OF RECORDS BY GSA  
(MULTIPLE AWARD SCHEDULE) (JUL 2003)**

The Contractor agrees that the Administrator of General Services or any duly authorized representative shall have access to and the right to examine any books, documents, papers and records of the Contractor involving transactions related to this contract for overbillings, billing errors, compliance with the Price Reduction clause and compliance with the Industrial Funding Fee and Sales Reporting clause of this contract. This authority shall expire 3 years after final payment.

The basic contract and each option shall be treated as separate contracts for purposes of applying this clause.

(End of clause)

**552.215-72 Price Adjustment—Failure to Provide Accurate Information.**

As prescribed in [515.408\(d\)](#), insert the following clause:

PRICE ADJUSTMENT—FAILURE TO PROVIDE ACCURATE INFORMATION (AUG 1997)

(a) The Government, at its election, may reduce the price of this contract or contract modification if the Contracting Officer determines after award of this contract or contract modification that the price negotiated was increased by a significant amount because the Contractor failed to:

- (1) Provide information required by this solicitation/contract or otherwise requested by the Government; or
- (2) Submit information that was current, accurate, and complete; or
- (3) Disclose changes in the Contractor's commercial pricelist(s), discounts or discounting policies which occurred after the original submission and prior to the completion of negotiations.

(b) The Government will consider information submitted to be current, accurate and complete if the data is current, accurate and complete as of 14 calendar days prior to the date it is submitted.

(c) If any reduction in the contract price under this clause reduces the price for items for which payment was made prior to the date of the modification reflecting the price reduction, the Contractor shall be liable to and shall pay the United States—

- (1) The amount of the overpayment; and
- (2) Simple interest on the amount of such overpayment to be computed from the date(s) of overpayment to the Contractor to the date the Government is repaid by the Contractor at the applicable underpayment rate effective each quarter prescribed by the Secretary of Treasury under 26 U.S.C. 6621(a)(2).

(d) Failure to agree on the amount of the decrease shall be resolved as a dispute.

(e) In addition to the remedy in paragraph (a) of this clause, the Government may terminate this contract for default. The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law or under this contract.

(End of clause)

**552.216-70 Economic Price Adjustment—FSS Multiple Award Schedule Contracts.**

As prescribed in [516.203-4\(a\)](#), insert the following clause:

ECONOMIC PRICE ADJUSTMENT—FSS MULTIPLE AWARD SCHEDULE CONTRACTS (SEP 1999)

Price adjustments include price increases and price decreases. Adjustments will be considered as follows:

(a) Contractors shall submit price decreases anytime during the contract period in which they occur. Price decreases will be handled in accordance with the provisions of the Price Reduction Clause.

(b) Contractors may request price increases under the following conditions:

- (1) Increases resulting from a reissue or other modification of the Contractor's commercial catalog/pricelist that was used as the basis for the contract award.
- (2) Only three increases will be considered during the contract period.
- (3) Increases are requested after the first 30 days of the contract period and prior to the last 60 days of the contract period.
- (4) At least 30 days elapse between requested increases.

(c) The aggregate of the increases in any contract unit price under this clause shall not exceed \_\_\_\_\_\* percent of the original contract unit price. The Government reserves the right to raise this ceiling where changes in market conditions during the contract period support an increase.

(d) The following material shall be submitted with the request for a price increase:

- (1) A copy of the commercial catalog/pricelist showing the price increase and the effective date for commercial customers.
- (2) Commercial Sales Practice format regarding the Contractor's commercial pricing practice relating to the reissued or modified catalog/price- list, or a certification that no change has occurred in the data since completion of the initial negotiation or a subsequent submission.

(3) Documentation supporting the reasonableness of the price increase.

(e) The Government reserves the right to exercise one of the following options:

- (1) Accept the Contractor's price increases as requested when all conditions of (b), (c), and (d) of this clause are satisfied;



# AMENDMENT 2009-09 SEPTEMBER 14, 2009

552.300

GENERAL SERVICES ADMINISTRATION ACQUISITION MANUAL

P/C	Number	Reference.	Title	Sup	Serv	Const	A-E	SAT	Util	Leas
C	<a href="#">552.216-72</a>	<a href="#">516.506(a)</a>	Placement of Orders	WR				WR		
P	<a href="#">552.216-73</a>	<a href="#">516.506(e)</a>	Ordering Information	WR	WR			WR		
P	<a href="#">552.217-70</a>	<a href="#">517.208(a)</a>	Evaluation of Options	WR				WR		
P	<a href="#">552.217-71</a>	<a href="#">517.208(b)</a>	Notice Regarding Option(s)	WR	WR	WR	WR	WR		
C	<a href="#">552.219-70</a>	<a href="#">519.508</a>	Allocation of Orders—Partially Set-aside Items	WR						
P	<a href="#">552.219-71</a>	<a href="#">519.708-70(a)</a>	Notice to Offerors of Subcontracting Plan Requirements	WR	WR	WR	WR			WR
P	<a href="#">552.219-72</a>	<a href="#">519.708-70(b)</a>	Preparation, Submission, and Negotiation of Subcontracting Plans	WR	WR	WR	WR			WR
P	<a href="#">552.219-73</a>	<a href="#">519.708-70(c)</a>	Goals for Subcontracting Plan	WR	WR	WR	WR			WR
C	<a href="#">552.219-74</a>	<a href="#">519.870-8(a)</a>	Section 8(a) Direct Award	WR	WR	WR	WR	WR		WR
C	<a href="#">552.219-75</a>	<a href="#">519.7017(a)</a>	GSA Mentor-Protégé Program	R	R	R	R		R	R
C	<a href="#">552.219-76</a>	<a href="#">519.7017(b)</a>	Mentor Requirements and Evaluation	WR	WR	WR	WR		WR	WR
C	<a href="#">552.223-70</a>	<a href="#">523.303(a)</a>	Hazardous Substances	WR				WR		
C	<a href="#">552.223-71</a>	<a href="#">523.303(b)</a>	Nonconforming Hazardous Materials	WR				WR		
P	<a href="#">552.223-72</a>	<a href="#">523.370</a>	Hazardous Material Information	WR				WR		
C	<a href="#">552.227-70</a>	<a href="#">527.409(a)</a>	Government Rights (Unlimited)				WR			
C	<a href="#">552.227-71</a>	<a href="#">527.409(b)</a>	Drawings and Other Data to Become Property of Government				WR			
C	<a href="#">552.228-5</a>	<a href="#">528.310</a>	Government as Additional Insured	WR	R	WR	WR			WR
C	<a href="#">552.229-70</a>	<a href="#">529.401-70</a>	Federal, State, and Local Taxes		WR	WR	WR	R		
C	<a href="#">552.229-71</a>	<a href="#">529.401-71</a>	Federal Excise Tax—DC Government	WR	WR			WR		
C	<a href="#">552.232-71</a>	<a href="#">532.7103(a)</a>	Payments		WR					
C	<a href="#">552.232-8</a>	<a href="#">532.206</a>	Discounts for Prompt Payment	WR	WR					
C	<a href="#">552.232-23</a>	<a href="#">532.806</a>	Assignment of Claims	WR	WR					
C	<a href="#">552.232-25</a>	<a href="#">532.908(a)(2)</a>	Prompt Payment	WR	WR			WR		
C	<a href="#">552.232-70</a>	<a href="#">532.111(a)</a>	Invoice Requirements	WR	WR	WR	WR	WR	WR	WR
C	<a href="#">552.232-71</a>	<a href="#">532.111(b)</a>	Adjusting Payments		WR					
C	<a href="#">552.232-72</a>	<a href="#">532.111(c)</a>	Final Payment		WR					
C	<a href="#">552.232-73</a>	<a href="#">532.705-1</a>	Availability of Funds		WR			WR		
C	<a href="#">552.232-74</a>	<a href="#">532.908(a)(1)</a>	Invoice Payments	WR	WR			WR		
C	<a href="#">552.232-75</a>	<a href="#">532.908(b)(1)</a>	Prompt Payment							R
C	<a href="#">552.232-76</a>	<a href="#">532.908(b)(2)</a>	Electronic Funds Transfer Payment							WR
C	<a href="#">552.232-77</a>	<a href="#">532.7003</a>	Payment By Governmentwide Commercial Purchase Card	WR	WR			WR		
C	<a href="#">552.232-78</a>	<a href="#">532.908(c)</a>	Payment Information	R	R	R	R	R	R	R
C	<a href="#">552.232-79</a>	<a href="#">532.7003(c)</a>	Payment by Credit Card	WR	WR					
C	<a href="#">552.232-81</a>	<a href="#">532.206(b)</a>	Payments by Non-Federal Ordering Activities	WR	WR					
C	<a href="#">552.232-82</a>	<a href="#">532.206(c)</a>	Contractor's Remittance (Payment) Address	WR	WR					
C	<a href="#">552.232-83</a>	<a href="#">532.206(d)</a>	Contractor's Billing Responsibilities	WR	WR					
C	<a href="#">552.236-70</a>	<a href="#">536.570-1</a>	Definitions			WR	WR	WR		
C	<a href="#">552.236-71</a>	<a href="#">536.570-2</a>	Authorities and Limitations			WR	WR			
C	<a href="#">552.236-72</a>	<a href="#">536.570-3</a>	Specialist			WR		WR		
P	<a href="#">552.236-73</a>	<a href="#">536.570-4</a>	Basis of Award—Construction Contract			WR				
C	<a href="#">552.236-74</a>	<a href="#">536.570-5</a>	Working Hours			R				
C	<a href="#">552.236-75</a>	<a href="#">536.570-6</a>	Use of Premises			R		WR		
C	<a href="#">552.236-76</a>	<a href="#">536.570-7</a>	Measurements			R		WR		
C	<a href="#">552.236-77</a>	<a href="#">536.570-8</a>	Specifications and Drawings			R				
C	<a href="#">552.236-78</a>	<a href="#">536.570-9</a>	Shop Drawings, Coordination Drawings, and Schedules			R				
C	<a href="#">552.236-79</a>	<a href="#">536.570-10</a>	Samples			WR		WR		



# CHANGE 39 OCTOBER 19, 2009

## PART 553—FORMS

*Sec.*

<b>Subpart 553.1—General</b>		
553.101	Requirements for use of forms.	553.370-1766 GSA Form 1766, Structured Approach Profit/Fee Objective.
553.102	Current editions.	553.370-2689 GSA Form 2689, Procurement Not Set Aside.
553.170	Establishing and revising GSA Forms.	553.370-2728 GSA Form 2728, Procurement Contract Register.
<b>Subpart 553.3—Illustrations of Forms</b>		
553.300	Scope of subpart.	553.370-3186 GSA Form 3186, Order for Supplies or Services.
553.300-70	Forms not illustrated.	553.370-3186B GSA Form 3186B, Order for Supplies or Services (EDI).
553.370-618D	[Removed]	553.370-3410 GSA Form 3410, Request for Appointment.
553.370-1378	GSA Form 1378, Record of, and Receipt for, Bids and Responses.	553.370-3471 GSA Form 3471, Abstract of Offers.
553.370-1458	GSA Form 1458, Motor Vehicle Shop Work Order, Repair and Purchase Order.	553.370-3521 Blanket Purchase Agreement.
553.370-1535A	GSA Form 1535A, Recommendation for Award(s) (Continuation).	553.370-3577 [Removed]
553.370-1602	GSA Form 1602, Notice Concerning Solicitation.	553.370-3611 GSA Form 3611, Cover Page Source Selection Information.
553.370-1678	GSA Form 1678, Status Report of Orders and Shipments.	553.370-8002A GSA Form 8002A, Motor Vehicle Requisition Status.
553.370-1720	GSA Form 1720, Request for Release of Classified Information to U.S. Industry.	553.370-8002B GSA Form 8002B, Motor Vehicle Delivery Order.

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PART 553—FORMS

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**553.370-3577 [Removed]**

[GSA Form 3577 has been removed.]

553.370-3611 GSA Form 3611, Cover Page Source Selection Information.

## Cover Page

[503.104-5(b)(1)]

# Source Selection Information

See FAR 3.104

This document contains source selection information related to the conduct of a Federal agency procurement, the disclosure of which is restricted by Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423). The unauthorized disclosure of such information may subject both the discloser and recipient of the information to contractual, civil, and/or criminal penalties as provided by law.