

DEPARTMENT OF DEFENSE

GENERAL SERVICES
ADMINISTRATION

NATIONAL AERONAUTICS AND
SPACE ADMINISTRATION

48 CFR Parts 1, 19, 42, and 53

[FAC 97-03; Item XIV]

Federal Acquisition Regulation;
Technical Amendments

AGENCIES: Department of Defense (DOD),
General Services Administration (GSA),
and National Aeronautics and Space
Administration (NASA).

ACTION: Corrections.

SUMMARY: This document makes
technical corrections to FAR sections
1.201-1, 19.811-1, and 42.203. SF 33,
SF 1435, SF 1436, and SF 1437 are
being reissued in order to reflect
changes to internal references as a result
of the rewrite of Part 15 of the Federal
Acquisition Regulation. SF 279 is being
reissued to provide accounting for
purchases under the commercial test.

EFFECTIVE DATE: December 9, 1997.

FOR FURTHER INFORMATION CONTACT: The
FAR Secretariat, Room 4035, GS
Building, Washington, DC 20405, (202)
501-4755.

Dated: December 1, 1997.

Edward C. Loeb,

Director, Federal Acquisition Policy Division.

Therefore, 48 CFR parts 1, 19, 42, and
53 are amended as set forth below:

1. The authority citation for 48 CFR
parts 1, 19, 42, and 53 continues to read
as follows:

Authority: 40 U.S.C. 486(c); 10 U.S.C.
chapter 137; and 42 U.S.C. 2473(c).

**PART 1—FEDERAL ACQUISITION
REGULATIONS SYSTEM**

1.201-1 [Amended]

2. Section 1.201-1 is amended in the
first sentence of paragraph (a) by
removing the word "Regulatory" and
inserting "Regulations" in its place.

**PART 19—SMALL BUSINESS
PROGRAMS**

3. Section 19.811-1 is amended in the
introductory text of paragraph (c) by
revising the first and second sentences
to read as follows:

19.811-1 Sole source.

* * * * *

(c) Except in procurements where the
SBA will make advance payments to its
8(a) contractor, the agency contracting
officer may, as an alternative to the
procedures in paragraphs (a) and (b) of
this subsection, use a single contract
document for both the prime contract
between the agency and the SBA and its
8(a) contractor. The single contract

document shall contain the information
in paragraphs (b) (1), (2), and (3) of this
subsection. * * *

* * * * *

**PART 42—CONTRACT
ADMINISTRATION**

42.203 [Amended]

4. Section 42.203 is amended at the
end of paragraph (a) by removing
"4.201(c)" and inserting "4.201(d)" in
its place.

PART 53—FORMS

53.204-2 [Amended]

5. Section 53.204-2 is amended in
paragraph (a) by revising the revision
date to read "(Rev. 10/97)".

53.214 [Amended]

6. Section 53.214 is amended in
paragraph (c) by revising the revision
date to read "(Rev. 9/97)".

53.215-1 [Amended]

7. Section 53.215-1 is amended in
paragraph (c) by revising the revision
date to read "(Rev. 9/97)".

53.249 [Amended]

8. Section 53.249 is amended in
paragraphs (a)(2), (a)(3), and (a)(4) by
revising the revision dates to read "(Rev.
9/97)", and by removing the last
sentence of each paragraph.

BILLING CODE 6820-EP-P

9. Section 53.301-33 is revised to read as follows:

53.301-33 Solicitation, Offer and Award.

SOLICITATION, OFFER AND AWARD			1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		RATING		PAGE OF PAGES						
2. CONTRACT NUMBER		3. SOLICITATION NUMBER		4. TYPE OF SOLICITATION. <input type="checkbox"/> SEALED BID (IFB) <input type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED		6. REQUISITION/PURCHASE NUMBER					
7. ISSUED BY				CODE		8. ADDRESS OFFER TO (If other than Item 7)							
<p>NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".</p> <p style="text-align: center;">SOLICITATION</p> <p>9. Sealed offers in original and _____ copies for furnishing the supplies or services in the Schedule will be received at the place specified in Item 8, or if handcarried, in the depository located in _____ until _____ local time _____ (Hour) _____ (Date)</p> <p>CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-1. All offers are subject to all terms and conditions contained in this solicitation.</p>													
10. FOR INFORMATION CALL:		A. NAME		B. TELEPHONE (NO COLLECT CALLS)			C. E-MAIL ADDRESS						
				AREA CODE	NUMBER	EXT.							
11. TABLE OF CONTENTS													
(X)	SEC.	DESCRIPTION			PAGE(S)	(X)	SEC.	DESCRIPTION					
PART I - THE SCHEDULE						PART II - CONTRACT CLAUSES							
	A	SOLICITATION/CONTRACT FORM					I	CONTRACT CLAUSES					
	B	SUPPLIES OR SERVICES AND PRICES/COSTS				PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.							
	C	DESCRIPTION/SPECS./WORK STATEMENT					J	LIST OF ATTACHMENTS					
	D	PACKAGING AND MARKING				PART IV - REPRESENTATIONS AND INSTRUCTIONS							
	E	INSPECTION AND ACCEPTANCE					K	REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS					
	F	DELIVERIES OR PERFORMANCE					L	INSTRS., CONDS., AND NOTICES TO OFFERORS					
	G	CONTRACT ADMINISTRATION DATA					M	EVALUATION FACTORS FOR AWARD					
	H	SPECIAL CONTRACT REQUIREMENTS											
OFFER (Must be fully completed by offeror)													
NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.													
12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.													
13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause No. 52.232-8)				10 CALENDAR DAYS (%)		20 CALENDAR DAYS (%)		30 CALENDAR DAYS (%)		CALENDAR DAYS (%)			
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated):				AMENDMENT NO.		DATE		AMENDMENT NO.		DATE			
15A. NAME AND ADDRESS OF OFFEROR		CODE		FACILITY		16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)							
15B. TELEPHONE NUMBER		AREA CODE		NUMBER		EXT.		15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.		17. SIGNATURE		18. OFFER DATE	
AWARD (To be completed by Government)													
19. ACCEPTED AS TO ITEMS NUMBERED				20. AMOUNT				21. ACCOUNTING AND APPROPRIATION					
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) () <input type="checkbox"/> 41 U.S.C. 253(c) ()						23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)				ITEM			
24. ADMINISTERED BY (If other than Item 7)				CODE		25. PAYMENT WILL BE MADE BY				CODE			
26. NAME OF CONTRACTING OFFICER (Type or print)						27. UNITED STATES OF AMERICA (Signature of Contracting Officer)				28. AWARD DATE			

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

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STANDARD FORM 33 (REV. 9-97)
Prescribed by GSA - FAR (48 CFR) 53.214(c)

10. Section 53.301-279 is revised to read as follows:

53.301-279 Federal Procurement Data System (FPDS)—Individual Contract Action Report.

FEDERAL PROCUREMENT DATA SYSTEM (FPDS) INDIVIDUAL CONTRACT ACTION REPORT				INTERAGENCY REPORT CONTROL NUMBER 0206-GSA-QU	
1. REPORTING AGENCY CODE (FIPS 95) (4 Pos.)		2. CONTRACT NUMBER (Left justified with no special characters) (15 Pos.)		3. MODIFICATION NUMBER (Left justified; cannot exceed 4 characters) (4 Pos.)	
4. CONTRACTING OFFICE ORDER NUMBER (Left justified; cannot exceed 15 characters) (15 Pos.)		5. CONTRACTING OFFICE CODE (5 alpha-numeric character code) (5 Pos.)		6. ACTION DATE (4 digit calendar year and 2 digit month, e.g., 200012) (6 Pos.)	
7. TYPE OF DATA ENTRY (1 Pos.)		8. REPORT PERIOD (4 digit fiscal year and 1 digit quarter, e.g., 20001) (5 Pos.)		9. KIND OF CONTRACT ACTION (1 Pos.)	
A. Original B. Deleting C. Correcting					
10. DOLLARS OBLIGATED OR DEOBLIGATED THIS ACTION (Right justified; round to nearest 1000; use lead zeros) (8 Pos.)		11. TYPE OF OBLIGATION (1 Pos.)		12. PRINCIPAL PRODUCT OR SERVICE (FPDS Product Service Code Manual) (4 Pos.)	
A. Obligated B. Deobligated					
13. PRINCIPAL STANDARD INDUSTRIAL CLASSIFICATION (SIC) CODE (OMB SIC Manual) (4 Pos.)		14. COMMERCIAL ITEM ACQUISITION (1 Pos.)		15. CONTRACTOR NAME (30 Pos.)	
		Y - Yes N - No			
16. CONTRACTOR IDENTIFICATION NUMBER (9 Pos.)		17a. PRINCIPAL PLACE OF PERFORMANCE (State and City Code FIPS 55) (7 Pos.)		17b. FOREIGN COUNTRY (FIPS 10-3) (2 Pos.)	
		STATE CITY			
18. CONTRACT FOR FOREIGN GOVT. OR INTERNATIONAL ORGANIZATION (1 Pos.)		19. TARIFF OR REGULATED (Pre-CICA) (1 Pos.)			
Y - Yes N - No		Y - Yes N - No			
20. MULTI-YEAR CONTRACT (1 Pos.)		21. RESERVED FOR FPDS (2 Pos.)		22. COUNTRY OF MANUFACTURE (FIPS 10-3) (2 Pos.)	
Y - Yes N - No					
23. SYNOPSIS OF PROCUREMENT PRIOR TO AWARD (1 Pos.)		24. TYPE OF CONTRACT OR MODIFICATION (1 Pos.)			
A. Synopsized prior to award B. Not synopsized due to urgency C. Not synopsized for other reason		A. Fixed-Price Redetermination J. Fixed-Price K. Fixed-Price with Economic Price Adjustment L. Fixed-Price Incentive R. Cost-Plus-Award-Fee		S. Cost - No Fee T. Cost-Sharing U. Cost-Plus-Fixed-Fee V. Cost-Plus-Incentive Y. Time and Materials Z. Labor Hour	
25. CICA APPLICABILITY (1 Pos.)		26. SOLICITATION PROCEDURES (Complete only if item 25 = A) (1 Pos.)			
A. CICA Applicable B. Purchase Orders/BPA Calls Using Simplified Acquisition Procedures C. Subject to Statute Other Than CICA		D. Pre-CICA E. Commercial Items Acquisition Under Test Program		A. Full and Open Competition - Sealed Bid B. Full and Open Competition - Competitive Proposal C. Full and Open Competition - Combination D. Architect - Engineer E. Basic Research F. Multiple Award Schedule G. Alternative Sources H. Reserved J. Reserved K. Set-Aside L. Other Than Full and Open Competition	
27. AUTHORITY FOR OTHER THAN FULL AND OPEN COMPETITION (Complete only if item 26 = L) (1 Pos.)		28. NUMBER OF OFFERS RECEIVED (Complete only if item 26 = A or E) (1 Pos.)		29. EXTENT COMPETED (1 Pos.)	
A. Unique Source B. Follow-on Contract C. Unsolicited Research Proposal D. Patent/Data Rights E. Utilities F. Standardization G. Only One Source - Other H. Urgency J. Mobilization, Essential R&D Capability, or Expert Services K. Reserved L. International Agreement M. Authorized by Statute N. Authorized for Resale O. National Security P. Public Interest		A. 1 B. 2-5 C. 6-10 D. 11-15 E. 16-20 F. 21-50 G. Over 50		A. Competed Action B. Not Available for Competition C. Follow-on to Competed Action D. Not Competed	
30. TYPE OF CONTRACTOR (1 Pos.)		31. WOMEN-OWNED BUSINESS (1 Pos.)		32. PREFERENCE PROGRAM (1 Pos.)	
A. Small Disadvantaged Business B. Other Small Business C. Large Business D. JWOD Nonprofit Agency E. Nonprofit Educational Organization F. Nonprofit Hospital G. Other Nonprofit Organization H. State/Local Govt - Educational J. State/Local Govt - Hospital K. Other State/Local Government L. Foreign Contractor M. Domestic Contractor Performing Outside U.S. U. Historically Black College/University or Minority Institution (HBCU/MI)		Y - Yes N - No		A. Directed to JWOD Nonprofit Agency B. BIA Contract Award C. Reserved D. Small Business Set-Aside E. Reserved F. Reserved G. Buy Indian/Self-Determination H. No Preference Program or Not Listed J. Small Disadvantaged Business Set-Aside	
33. SUBCONTRACTING PLAN (Small, Small Disadvantaged, and Women-Owned Small Business) (1 Pos.)		34. SUBJECT TO LABOR STATUTES (1 Pos.)		35. ESTIMATED CONTRACT COMPLETION DATE (4 digit calendar year and 2 digit month, e.g., 200012) (6 Pos.)	
A. Required B. Not Required		A. Walsh-Healey Act B. Reserved C. Service Contract Act D. Davis-Bacon Act E. Not Subject to Walsh-Healey, Service Contract, or Davis-Bacon			
37. COMMON PARENT'S NAME (30 Pos.)		38. COMMON PARENT'S TIN (9 Pos.)			
39. RESERVED FOR FPDS (4 Pos.)		40. RESERVED FOR FPDS (1 Pos.)		41. RESERVED FOR FPDS (5 Pos.)	
SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM (Applicable to AGR, DOD, DOE, DOI, DOT, EPA, GSA, HHS, NASA, and VA)					
42. DEMONSTRATION TEST PROGRAM (1 Pos.)		43. EMERGING SMALL BUSINESS (1 Pos.)		44. EMERGING SMALL BUSINESS RESERVE AWARD (1 Pos.)	
Y - Yes N - No		Y - Yes N - No		Y - Yes N - No	
45. SIZE OF SMALL BUSINESS (1 Pos.)		NUMBER OF EMPLOYEES		OR AVERAGE ANNUAL GROSS REVENUE	
		A. 50 or Less B. 51 - 100 C. 101 - 250 D. 251 - 500 E. 501-750 F. 751 - 1,000 G. Over 1,000		M. 1,000,000 or Less N. 1,000,001 - 2,000,000 P. 2,000,001 - 3,500,000 R. 3,500,001 - 5,000,000 S. 5,000,001 - 10,000,000 T. 10,000,001 - 17,000,000 Z. Over 17,000,000	
46. RESERVED FOR FPDS (10 Pos.)		47. OPTIONAL REPORTED DATA ELEMENTS (30 Pos.)			
48. FOR AGENCY INTERNAL USE					
49. CONTRACTING OFFICER OR REPRESENTATIVE					
a. TYPED NAME		b. SIGNATURE		c. TELEPHONE	
				AREA CODE NUMBER	
				d. DATE SUBMITTED	

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STANDARD FORM 279 (REV. 10-97)
Prescribed by GSA-FAR (48 CFR) 53.204-2(a)

11. Section 53.301-1435 is revised to read as follows:

53.301-1435 Settlement Proposal (Inventory Basis).

SETTLEMENT PROPOSAL (INVENTORY BASIS)					OMB No.: 9000-0012 Expires: 05/31/98		
Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (MVR), Federal Acquisition Policy Division, GSA, Washington, DC 20405.							
FOR USE BY A FIXED-PRICE PRIME CONTRACTOR OR FIXED-PRICE SUBCONTRACTOR							
THIS PROPOSAL APPLIES TO (Check one) <input type="checkbox"/> A PRIME CONTRACT WITH THE GOVERNMENT <input type="checkbox"/> SUBCONTRACT OR PURCHASE ORDER				COMPANY			
SUBCONTRACT OR PURCHASE ORDER NO(S).				STREET ADDRESS			
CONTRACTOR WHO SENT NOTICE OF TERMINATION				CITY AND STATE (Include ZIP Code)			
NAME				NAME OF GOVERNMENT AGENCY			
ADDRESS (Include ZIP Code)				GOVERNMENT PRIME CONTRACT NO.			
If moneys payable under the contract have been assigned, give the following: NAME OF ASSIGNEE				CONTRACTOR'S REFERENCE NO.			
ADDRESS (Include ZIP Code)				PROPOSAL NO.		CHECK ONE <input type="checkbox"/> INTERIM <input type="checkbox"/> FINAL	
SF 1439, SCHEDULE OF ACCOUNTING INFORMATION <input type="checkbox"/> IS <input type="checkbox"/> IS NOT ATTACHED (If not, explain below)							
SECTION I - STATUS OF CONTRACT OR ORDER AT EFFECTIVE DATE OF TERMINATION							
PRODUCTS COVERED BY TERMINATED CONTRACT OR PURCHASE ORDER (a)		FINISHED			UNFINISHED OR NOT COMMENCED		TOTAL COVERED BY CONTRACT OR ORDER (g)
		PREVIOUSLY SHIPPED AND INVOICED (b)	PAYMENT TO BE RECEIVED THROUGH INVOICING (c)	INCLUDED IN THIS PROPOSAL (d)	TO BE COMPLETED (Partial termination only) (e)	NOT TO BE COMPLETED (f)	
QUANTITY							
\$							
QUANTITY							
\$							
QUANTITY							
\$							
SECTION II - PROPOSED SETTLEMENT							
NO.	ITEM (a)	(Use Columns (b) and (c) only where previous proposal has been filed)		TOTAL PROPOSED TO DATE (d)	FOR USE OF CONTRACTING AGENCY ONLY (e)		
		TOTAL PREVIOUSLY PROPOSED (b)	INCREASE OR DECREASE BY THIS PROPOSAL (c)				
1	METALS						
2	RAW MATERIALS (other than metals)						
3	PURCHASED PARTS						
4	FINISHED COMPONENTS						
5	MISCELLANEOUS INVENTORY						
6	WORK-IN-PROCESS						
7	SPECIAL TOOLING AND SPECIAL TEST EQUIPMENT						
8	OTHER COSTS (from Schedule B)						
9	GENERAL AND ADMINISTRATIVE EXPENSES (from Schedule C)						
10	TOTAL (Items 1 to 9 inclusive)						
11	PROFIT (explain in Schedule D)						
12	SETTLEMENT EXPENSES (from Schedule E)						
13	TOTAL (Items 10 to 12 inclusive)						
14	SETTLEMENTS WITH SUBCONTRACTORS (from Schedule F)						
15	ACCEPTABLE FINISHED PRODUCT						
16	GROSS PROPOSED SETTLEMENT (Items 13 thru 15)						
17	DISPOSAL AND OTHER CREDITS (from Schedule G)						
18	NET PROPOSED SETTLEMENT (Item 16 less 17)						
19	ADVANCE, PROGRESS & PARTIAL PAYMENTS (from Schedule H)						
20	NET PAYMENT REQUESTED (Item 18 less 19)						
(When the space provided for any information is insufficient, continue on a separate sheet.)							
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SCHEDULE A - ANALYSIS OF INVENTORY COST (Items 4 and 6)

Furnish the following information (unless not reasonably available) for inventories of finished components and work-in-progress included in this proposal:

	TOTAL DIRECT LABOR	TOTAL DIRECT MATERIALS	TOTAL INDIRECT EXPENSES	TOTAL
FINISHED COMPONENTS				
WORK-IN-PROGRESS				

NOTE: Individual items of small amounts may be grouped into a single entry in Schedules B, C, D, and G.

SCHEDULE B - OTHER COSTS (Item 8)

ITEM	EXPLANATION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

SCHEDULE C - GENERAL AND ADMINISTRATIVE EXPENSES (Item 9)

DETAIL OF EXPENSES	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

SCHEDULE D - PROFIT (Item 11)

EXPLANATION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

(Where the space provided for any information is insufficient, continue on a separate sheet.)

SCHEDULE E - SETTLEMENT EXPENSES (Item 12)

ITEM	EXPLANATION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

SCHEDULE F - SETTLEMENTS WITH IMMEDIATE SUBCONTRACTORS AND SUPPLIERS (Item 14)

NAME AND ADDRESS OF SUBCONTRACTOR	BRIEF DESCRIPTION OF PRODUCT CANCELED	AMOUNT OF SETTLEMENT	FOR USE OF CONTRACTING AGENCY ONLY

SCHEDULE G - DISPOSAL AND OTHER CREDITS (Item 17)

DESCRIPTION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

(If practicable, show separately amount of disposal credits applicable to acceptable finished product included in Item 15.)

(Where the space provided for any information is insufficient, continue on a separate sheet.)

SCHEDULE H - ADVANCE, PROGRESS AND PARTIAL PAYMENTS <i>(Item 19)</i>			
DATE	TYPE OF PAYMENT	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

(Where the space provided for any information is insufficient, continue on a separate sheet.)

CERTIFICATE

This is to certify that the undersigned, individually, and as an authorized representative of the Contractor, has examined this termination settlement proposal and that, to the best knowledge and belief of the undersigned:

(a) AS TO THE CONTRACTOR'S OWN CHARGES. The proposed settlement (exclusive of charges set forth in Item 14) and supporting schedules and explanations have been prepared from the books of account and records of the Contractor in accordance with recognized commercial accounting practices; they include only those charges allocable to the terminated portion of this contract; they have been prepared with knowledge that they will, or may, be used directly or indirectly as the basis of settlement of a termination settlement proposal or claim against an agency of the United States; and the charges as stated are fair and reasonable.

(b) AS TO THE SUBCONTRACTORS' CHARGES. (1) The Contractor has examined, or caused to be examined, to an extent it considered adequate in the circumstances, the termination settlement proposals of its immediate subcontractors (exclusive of proposals filed against these immediate subcontractors by their subcontractors); (2) The settlements on account of immediate subcontractors own charges are fair and reasonable, the charges are allocable to the terminated portion of this contract, and the settlements were negotiated in good faith and are not more favorable to its immediate subcontractors than those that the Contractor would make if reimbursement by the Government were not involved; (3) The Contractor has received from all its immediate subcontractors appropriate certificates with respect to their termination settlement proposals, which certificates are substantially in the form of this certificate; and (4) The Contractor has no information leading it to doubt (i) the reasonableness of the settlements with more remote subcontractors or (ii) that the charges for them are allocable to this contract. Upon receipt by the Contractor of amounts covering settlements with its immediate subcontractors, the Contractor will pay or credit them promptly with the amounts so received, to the extent that it has not previously done so. The term "subcontractors," as used above, includes suppliers.

NOTE: The Contractor shall, under conditions stated in FAR 15.403, be required to submit a Certificate of Current Cost or Pricing Data (see FAR 15.406-2 and 15.408 Table 15-2).

NAME OF CONTRACTOR	BY <i>(Signature of authorized official)</i>	
	TITLE	DATE
NAME OF SUPERVISORY ACCOUNTING OFFICIAL	TITLE	

12. Section 53.301-1436 is revised to read as follows:

53.301-1436 Settlement Proposal (Total Cost Basis).

SETTLEMENT PROPOSAL (TOTAL COST BASIS)						OMB No.: 9000-0012 Expires: 05/31/98	
Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (MVR), Federal Acquisition Policy Division, GSA, Washington, DC 20405.							
FOR USE BY A FIXED-PRICE PRIME CONTRACTOR OR FIXED-PRICE SUBCONTRACTOR							
THIS PROPOSAL APPLIES TO (Check one) <input type="checkbox"/> A PRIME CONTRACT WITH THE GOVERNMENT <input type="checkbox"/> SUBCONTRACT OR PURCHASE ORDER NOIS.				COMPANY			
CONTRACTOR WHO SENT NOTICE OF TERMINATION				STREET ADDRESS			
NAME				CITY AND STATE (Include ZIP Code)			
ADDRESS (Include ZIP Code)				NAME OF GOVERNMENT AGENCY			
If moneys payable under the contract have been assigned, give the following:				GOVERNMENT PRIME CONTRACT NO.		CONTRACTOR'S REFERENCE NO.	
NAME OF ASSIGNEE				EFFECTIVE DATE OF TERMINATION			
ADDRESS (Include ZIP Code)				PROPOSAL NO.		CHECK ONE <input type="checkbox"/> INTERIM <input type="checkbox"/> FINAL	
SF 1439, SCHEDULE OF ACCOUNTING INFORMATION <input type="checkbox"/> IS <input type="checkbox"/> IS NOT ATTACHED (If not, explain below)							
SECTION I - STATUS OF CONTRACT OR ORDER AT EFFECTIVE DATE OF TERMINATION							
PRODUCTS COVERED BY TERMINATED CONTRACT OR PURCHASE ORDER (a)		PREVIOUSLY SHIPPED AND INVOICED (b)	FINISHED ON HAND		UNFINISHED OR NOT COMMENCED		TOTAL COVERED BY CONTRACT OR ORDER (g)
			PAYMENT TO BE RECEIVED THROUGH INVOICING (c)	PAYMENT NOT TO BE RECEIVED THROUGH INVOICING (d)	SUBSEQUENTLY COMPLETED AND INVOICED* (e)	NOT TO BE COMPLETED (f)	
QUANTITY							
\$							
QUANTITY							
\$							
QUANTITY							
\$							
SECTION II - PROPOSED SETTLEMENT							
NO.	ITEM (a)	(Use Columns (b) and (c) only where previous proposal has been filed)		TOTAL PROPOSED TO DATE (d)	FOR USE OF CONTRACTING AGENCY ONLY (e)		
		TOTAL PREVIOUSLY PROPOSED (b)	INCREASE OR DECREASE BY THIS PROPOSAL (c)				
1	DIRECT MATERIAL						
2	DIRECT LABOR						
3	INDIRECT FACTORY EXPENSE (from Schedule A)						
4	SPECIAL TOOLING AND SPECIAL TEST EQUIPMENT (SF 1432)						
5	OTHER COSTS (from Schedule B)						
6	GENERAL AND ADMINISTRATIVE EXPENSES (from Schedule C)						
7	TOTAL COSTS (Items 1 thru 6)						
8	PROFIT (Explain in Schedule D)						
9	TOTAL (Items 7 and 8)						
10	DEDUCT FINISHED PRODUCT INVOICED OR TO BE INVOICED*						
11	TOTAL (Item 9 less Item 10)						
12	SETTLEMENT EXPENSES (from Schedule E)						
13	TOTAL (Items 11 and 12)						
14	SETTLEMENTS WITH SUBCONTRACTORS (from Schedule F)						
15	GROSS PROPOSED SETTLEMENT (Items 13 thru 14)						
16	DISPOSAL AND OTHER CREDITS (from Schedule G)						
17	NET PROPOSED SETTLEMENT (Item 15 less 16)						
18	ADVANCE, PROGRESS & PARTIAL PAYMENTS (from Schedule H)						
19	NET PAYMENT REQUESTED (Item 17 less 18)						

*Column (e), Section I, should only be used in the event of a partial termination, in which the total cost reported in Section II should be accumulated to date of completion of the continued portion of the contract and the deduction for finished product (Item 10, Section II) should be the contract price of finished product in Column (b), (c), and (e), Section I.

NOTE: File inventory schedules (SF 1426, 1428, 1430, and 1432) for allocable inventories on hand at date of termination (See 49.206).

(When the space provided for any information is insufficient, continue on a separate sheet.)

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STANDARD FORM 1436 (REV. 9-97)
Prescribed by GSA - FAR (48 CFR) 53.249(a)(3)

SCHEDULE A - INDIRECT FACTORY EXPENSE (Item 3)

DETAIL OF EXPENSES	METHOD OF ALLOCATION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

NOTE: Individual items of small amounts may be grouped into a single entry in Schedules B, C, D, E, and G.

SCHEDULE B - OTHER COSTS (Item 5)

ITEM	EXPLANATION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

SCHEDULE C - GENERAL AND ADMINISTRATIVE EXPENSES (Item 6)

DETAIL OF EXPENSES	METHOD OF ALLOCATION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

SCHEDULE D - PROFIT (Item 8)

EXPLANATION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

(Where the space provided for any information is insufficient, continue on a separate sheet.)

SCHEDULE E - SETTLEMENT EXPENSES (Item 12)

ITEM	EXPLANATION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

SCHEDULE F - SETTLEMENTS WITH IMMEDIATE SUBCONTRACTORS AND SUPPLIERS (Item 14)

NAME AND ADDRESS OF SUBCONTRACTOR	BRIEF DESCRIPTION OF PRODUCT CANCELED	AMOUNT OF SETTLEMENT	FOR USE OF CONTRACTING AGENCY ONLY

SCHEDULE G - DISPOSAL AND OTHER CREDITS (Item 16)

DESCRIPTION	AMOUNT	FOR USE OF CONTRACTING AGENCY ONLY

(If practicable, show separately amount of disposal credits applicable to acceptable finished product included on SF 1428.)

(Where the space provided for any information is insufficient, continue on a separate sheet.)

[illegible]

(Where the space provided for any information is insufficient, continue on a separate sheet.)

CERTIFICATE

This is to certify that the undersigned, individually, and as an authorized representative of the Contractor, has examined this termination settlement proposal and that, to the best knowledge and belief of the undersigned:

(a) AS TO THE CONTRACTOR'S OWN CHARGES. The proposed settlement (exclusive of charges set forth in Item 14) and supporting schedules and explanations have been prepared from the books of account and records of the Contractor in accordance with recognized commercial accounting practices; they include only those charges allocable to the terminated portion of this contract; they have been prepared with knowledge that they will, or may, be used directly or indirectly as the basis of settlement of a termination settlement proposal or claim against an agency of the United States; and the charges as stated are fair and reasonable.

(b) AS TO THE SUBCONTRACTORS' CHARGES. (1) The Contractor has examined, or caused to be examined, to an extent it considered adequate in the circumstances, the termination settlement proposals of its immediate subcontractors (exclusive of proposals filed against these immediate subcontractors by their subcontractors); (2) The settlements on account of immediate subcontractors own charges are fair and reasonable, the charges are allocable to the terminated portion of this contract, and the settlements were negotiated in good faith and are not more favorable to its immediate subcontractors than those that the Contractor would make if reimbursement by the Government were not involved; (3) The Contractor has received from all its immediate subcontractors appropriate certificates with respect to their termination settlement proposals, which certificates are substantially in the form of this certificate; and (4) The Contractor has no information leading it to doubt (i) the reasonableness of the settlements with more remote subcontractors or (ii) that the charges for them are allocable to this contract. Upon receipt by the Contractor of amounts covering settlements with its immediate subcontractors, the Contractor will pay or credit them promptly with the amounts so received, to the extent that it has not previously done so. The term "subcontractors," as used above, includes suppliers.

NOTE: The Contractor shall, under conditions stated in FAR 15.403, be required to submit a Certificate of Current Cost or Pricing Data (see FAR 15.406-2 and 15.408 Table 15-2).

NAME OF CONTRACTOR	BY <i>(Signature of authorized official)</i>	
	TITLE	DATE
NAME OF SUPERVISORY ACCOUNTING OFFICIAL	TITLE	

13. Section 53.301-1437 is revised to read as follows:

53.301-1437 Settlement Proposal for Cost—Reimbursement Type Contracts.

SETTLEMENT PROPOSAL FOR COST-REIMBURSEMENT TYPE CONTRACTS		OMB No.: 9000-0012 Expires: 05/31/98	
Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the FAR Secretariat (MVR), Federal Acquisition Policy Division, GSA, Washington, DC 20405.			
To be used by prime contractors submitting settlement proposals on cost-reimbursement type contracts under Part 49 of the Federal Acquisition Regulation. Also suitable for use in connection with terminated cost-reimbursement type subcontracts.			
COMPANY		PROPOSAL NUMBER	CHECK ONE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL
STREET ADDRESS		GOVERNMENT PRIME CONTRACT NO.	REFERENCE NO.
CITY AND STATE (Include ZIP Code)		EFFECTIVE DATE OF TERMINATION	
ITEM (a)	TOTAL PREVIOUSLY SUBMITTED (b)	INCREASE OR DECREASE BY THIS PROPOSAL (c)	TOTAL SUBMITTED TO DATE (d)
1. DIRECT MATERIAL	\$	\$	\$
2. DIRECT LABOR			
3. INDIRECT FACTORY EXPENSE			
4. SPECIAL TOOLING AND SPECIAL TEST EQUIPMENT			
5. OTHER COSTS			
6. GENERAL AND ADMINISTRATIVE EXPENSE			
7. TOTAL COST (Items 1 thru 6)	\$	\$	\$
8. FEE			
9. SETTLEMENT EXPENSES			
10. SETTLEMENTS WITH SUBCONTRACTORS			
11. GROSS PROPOSED SETTLEMENT (Items 7 thru 10)			
12. DISPOSAL AND OTHER CREDITS			
13. NET PROPOSED SETTLEMENT (Item 11 less 12)	\$	\$	\$
14. PRIOR PAYMENTS TO CONTRACTOR	\$	\$	\$
15. NET PAYMENT REQUESTED (Item 13 less 14)	\$	\$	\$

CERTIFICATE

This is to certify that the undersigned, individually, and as an authorized representative of the Contractor, has examined this termination settlement proposal and that, to the best knowledge and belief of the undersigned:

(a) **AS TO THE CONTRACTOR'S OWN CHARGES.** The proposed settlement (exclusive of charges set forth in Item 10) and supporting schedules and explanations have been prepared from the books of account and records of the Contractor in accordance with recognized commercial accounting practices; they include only those charges allocable to the terminated portion of this contract; they have been prepared with knowledge that they will, or may, be used directly or indirectly as the basis of settlement of a termination settlement proposal or claim against an agency of the United States; and the charges as stated are fair and reasonable.

(b) **AS TO THE SUBCONTRACTORS' CHARGES.** (1) The Contractor has examined, or caused to be examined, to an extent it considered adequate in the circumstances, the termination settlement proposals of its immediate subcontractors (exclusive of proposals filed against these immediate subcontractors by their subcontractors); (2) The settlements on account of immediate subcontractors' own charges are fair and reasonable, the charges are allocable to the terminated portion of this contract, and the settlements were negotiated in good faith and are not more favorable to its immediate subcontractors than those that the Contractor would make if reimbursement by the Government were not involved; (3) The Contractor has received from all its immediate subcontractors appropriate certificates with respect to their termination settlement proposals, which certificates are substantially in the form of this certificate; and (4) The Contractor has no information leading it to doubt (i) the reasonableness of the settlements with more remote subcontractors or (ii) that the charges for them are allocable to this contract. Upon receipt by the Contractor of amounts covering settlements with its immediate subcontractors, the Contractor will pay or credit them promptly with the amounts so received, to the extent that it has not previously done so. The term "subcontractors," as used above, includes suppliers.

NOTE: The Contractor shall, under conditions stated in FAR 15.403, be required to submit a Certificate of Current Cost or Pricing Data (see FAR 15.406-2 and 15.408 Table 15-2).

NAME OF CONTRACTOR	BY (Signature of authorized official)	
	TITLE	DATE
NAME OF SUPERVISORY ACCOUNTING OFFICIAL	TITLE	

[FR Doc. 97-31827 Filed 12-8-97; 8:45 am]
BILLING CODE 6820-EP-C

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter I

Federal Acquisition Regulation; Small Entity Compliance Guide

AGENCIES: Department of Defense (DOD),
General Services Administration (GSA),

and National Aeronautics and Space
Administration (NASA).

ACTION: Small Entity Compliance Guide.

SUMMARY: This document is issued under the joint authority of the Secretary of Defense, the Administrator of General Services, and the Administrator for the National Aeronautics and Space Administration as the Federal Acquisition Regulation (FAR) Council. This *Small Entity Compliance Guide* has been prepared in accordance with Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 (Public Law 104-121). It consists of a summary of the rules appearing in Federal Acquisition

Circular (FAC) 97-03 which amends the FAR. The rules marked with an asterisk (*) are those for which a final regulatory flexibility analysis has been prepared in accordance with 5 U.S.C. 604. Further information regarding these rules may be obtained by referring to FAC 97-03 which precedes this notice. This document may be obtained from the Internet at <http://www.arnet.gov/far>.

FOR FURTHER INFORMATION CONTACT: The FAR Secretariat, (202) 501-4755.

LIST OF RULES IN FAC 97-03

Item	Subject	FAR Case	Analyst
I	Part 30 Deviations	97-014	Nelson.
II*	Information Technology Management Reform Act of 1996	96-319	Nelson.
III	Final Overhead Settlement	95-017	Klein.
IV*	Reorganization of FAR Part 13, Simplified Acquisition Procedures	94-772	Linfield.
V	Reporting Trade Sanction Exemptions	97-021	Linfield.
VI	New Mexico Gross Receipts and Compensating Tax	97-018	Moss
VII	Compensation of Certain Contractor Personnel	96-325	Nelson.
VIII	Independent Research and Development/Bid and Proposal Costs for Fiscal Year 1996 and Beyond	95-032	Nelson.
IX	Travel Reimbursement (Interim)	97-007	Nelson.
X	Protests to GAO	97-009	O'Neill.
XI	Novation and Related Agreements	95-034	Klein
XII	Commercial Bills of Lading, Small Package Shipments	97-017	Klein
XIII	Standard Form 1406, Preaward Survey of Prospective Contractor—Quality Assurance	96-022	Klein
XIV	Technical Amendments.		

Item I—Part 30 Deviations (FAR Case 97-014)

This final rule amends FAR 1.402 to remove the prohibition against authorizing deviations from FAR Part 30, Cost Accounting Standards Administration, except for subsections 30.201-3 and 30.201-4, or the Cost Accounting Standards Board rules and regulations.

Item II—Information Technology Management Reform Act of 1996 (FAR Case 96-319)

The interim rule published as Item I of FAC 90-41 is converted to a final rule. This rule implements the Information Technology Management Reform Act of 1996 (Division E of Public Law 104-106). The final rule differs from the interim rule in that it makes a clarifying revision to paragraph (c) of the definition of "information technology" at FAR 2.101.

Item III—Final Overhead Settlement (FAR Case 95-017)

This final rule amends FAR Parts 4, 42, and 52 to improve the process of final settlement of contractor indirect cost rates under cost-reimbursement contracts by (1) extending the time period within which a contractor must

submit an indirect cost rate proposal from 90 days to 6 months after the end of the contractor's fiscal year, (2) permitting extensions to the 6-month time period for exceptional circumstances only, and (3) providing a specific reference to the Defense Contract Audit Agency pamphlet that contains guidance on what generally constitutes an adequate final indirect cost rate proposal and supporting data.

Item IV—Reorganization of FAR Part 13, Simplified Acquisition Procedures (FAR Case 94-772)

This final rule revises FAR Part 13 to reorganize its contents in a more process-oriented manner and to emphasize the use of electronic contracting and the Governmentwide commercial purchase card. FAR Part 52 is amended to permit agency provisions and clauses to be incorporated by reference in solicitations and contracts, if the full text of the provisions and clauses may be accessed electronically by prospective contractors. A new clause is added at FAR 52.213-4 for use in simplified acquisitions; the clause is a compilation of the required and most commonly used clauses that apply to simplified acquisitions, and may be

used in lieu of individual clauses prescribed in the FAR.

Item V—Reporting Trade Sanction Exemptions (FAR Case 97-021)

This final rule amends FAR Subpart 25.10 to eliminate requirements for agencies to notify Congress when exercising the authority at FAR 25.1002(c) for exemption of certain procurements from trade sanctions imposed by the President. The rule instead requires agencies to notify the United States Trade Representative of such exemptions within 30 days after contract award.

Item VI—New Mexico Gross Receipts and Compensating Tax (FAR Case 97- 018)

This final rule amends FAR 29.401-6 to identify the Defense Special Weapons Agency as an agency that has entered into an agreement with the State of New Mexico regarding taxation.

Item VII—Compensation of Certain Contractor Personnel (FAR Case 96- 325)

The interim rule published as Item XI of FAC 90-45 is converted to a final rule with a minor clarifying amendment at FAR 31.205-6(p)(1). The rule