



MILITARY SEALIFT COMMAND

Government Contracting Regulations

Prepared for Military Sealift Command
by Emprise Corporation

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Learning Objectives

- **The overarching objective of this module is to introduce you to the regulations that govern MSC contracting actions.**
- **At the conclusion of this module, you will understand and be able to describe the following:**
 - **Federal Acquisition Regulations**
 - **Defense Federal Acquisition Regulations Supplement**
 - **Navy and Marine Corps Acquisition Regulations**
 - **Master Agreement for Repair and Alteration of Vessels (MSRA)**



Federal Acquisition Regulations

- **Jointly prepared and maintained by:**
 - **Secretary of Defense**
 - **Administrator of General Services**
 - **Administrator of National Aeronautics and Space Administration**
- **Legally binding for federal government acquisitions**



Acquisition Regulation Supplements

- **Federal agencies may issue additional regulations to implement, or supplement the FAR; for example:**
 - **Defense Federal Acquisition Regulations Supplement (DFARS)**
 - **Navy and Marine Corps Acquisition Regulation Supplement (NMCARS)**



FAR Parts

- **FAR consists of 53 parts**
- **Parts with which N7 personnel particularly need to be familiar include:**
 - **Part 3, Improper Business Practices and Personal Conflicts of Interest**
 - **Part 5, Publicizing Contract Actions**
 - **Part 6, Competition Requirements**
 - **Part 7, Acquisition Planning**
 - **Part 8, Required Sources of Supplies and Services**
 - **Part 10, Market Research**
 - **Part 11, Describing Agency Needs**
 - **Part 12, Acquisition of Commercial Items**
 - **Part 13, Simplified Acquisition Procedures**
 - **Part 15, Contracting by Negotiation**
 - **Part 16, Types of Contracts**
 - **Part 33, Protests, Disputes, and Appeals**
 - **Part 43, Contract Modifications**
 - **Part 46, Quality Assurance**



FAR Part 3

- **Improper Business Practices and Personal Conflicts of Interest**
 - **Soliciting or accepting any gratuity, gift, favor, entertainment, loan, or anything of monetary value**
 - **Financial conflicts of interest**
 - **Post-government employment and/or activities**
 - **Disclosure of contractor bid or proposal information**



FAR Part 5

- **Publicizing Contract Actions**

- Contracting Officers must publicize proposed contracting actions > \$15K at least 15 days before issuance of solicitation, except in certain prescribed circumstances
- Contracting Officer must allow at least 30-days between date of issuance of solicitation and bid/proposal submission deadline if proposed contract action is expected to exceed simplified acquisition threshold, except in certain prescribed circumstances



FAR Part 6

- **Competition Requirements**
 - **Contracting Officers are required to provide for full and open competition, with certain limited exceptions**
 - Full and open competition after exclusion of sources
 - Other than full and open competition



FAR Part 7

- **Acquisition Planning**

- Agencies shall perform acquisition planning and conduct market research for all acquisitions to ensure Government meets its needs in most effective, economical, and timely manner
- Written acquisition plans are required when total cost of all contracts for acquisition program is estimated at \$50 million or more for all years, or \$25 million or more for any fiscal year



FAR Part 8

- **Required Sources of Supplies and Services**
 - **Agencies shall procure supplies from, or through:**
 - **Inventories of requiring agency**
 - **Excess from other agencies**
 - **Federal Prison Industries, Inc.**
 - **Procurement List maintained by Committee for Purchase From People Who Are Blind or Severely Disabled**
 - **Wholesale supply sources,**
 - **Agencies shall procure services from Procurement List maintained by Committee for Purchase From People Who Are Blind or Severely Disabled**
 - **Agencies shall procure printing and related supplies from, or through the Government Printing Office (GPO)**



FAR Part 10

- **Market Research**

- **Agencies must conduct market research appropriate to solicitation circumstances for :**

- **Acquisitions with an estimated value in excess of simplified acquisition threshold**
 - **Acquisitions with an estimated value less than simplified acquisition threshold when adequate procurement information is not available and the circumstances justify its cost**
 - **Indefinite-Delivery, Indefinite-Quantity (IDIQ) contracts for a non-commercial item in excess of simplified acquisition threshold**
 - **On an ongoing basis, in order to take advantage of commercially available market information to identify capabilities of small businesses and new entrants in marketplace**



FAR Part 11

- **Describing Agency Needs**
 - Specify agency needs in a manner designed to promote full and open competition to the maximum extent practicable
 - Only include restrictive provisions or conditions to the extent necessary to satisfy the needs of the agency or as authorized by law
 - State requirements for acquisition of goods or services in terms of the functions to be performed, performance required, and essential salient characteristics



FAR Part 12

- **Acquisition of Commercial Items**
 - **Commercial items shall be procured to the maximum extent feasible to satisfy agency needs**
 - **“Commercial items” defined as goods (other than real property) or services customarily offered to, sold to, leased by, or licensed for use by general public or non-Governmental entities for non-Governmental purposes**



FAR Part 13

- **Simplified Acquisition Procedures**

- **Apply in instances in which:**

- **Goods or services are not available through required sources in FAR Part 8**
 - **Aggregate amount of acquisition does not exceed simplified acquisition threshold**
 - **No other procurement instrument is in place to satisfy requirement**



FAR Part 15

- **Contracting by Negotiation**
 - **Negotiated acquisitions with aggregate value greater than simplified acquisition threshold**



FAR Part 16

- **Types of Contracts**

- **Describes types of contracts that may be used for government acquisitions**
 - **Fixed-Price contracts**
 - **Cost-Reimbursement contracts**
 - **Indefinite-Delivery contracts**
 - **Incentive contracts**
 - **Time-and-Materials contracts**
 - **Labor-Hour contracts**
 - **Letter contracts**
 - **Agreements**



FAR Part 33

- **Protests, Disputes, and Appeals**
 - Prescribes policies and procedures for filing protests and processing contract disputes and appeals with:
 - Agency awarding contract
 - U.S. Government Accountability Office (GAO)
 - U.S. Court of Federal Claims



FAR Part 43

- **Contract Modifications**

- Only a Contracting Officer acting within scope of his or her authority is empowered to execute contract modifications on behalf of Government
- Other government personnel shall not:
 - Execute contract modifications
 - Act in such a manner as to cause contractor to believe they have the authority to bind the government
 - Direct or encourage a contractor to perform work that should be the subject of a contract modification



FAR Part 46

- **Quality Assurance**
 - Prescribes policies and procedures to ensure that supplies and services acquired under a government contract conform to contract requirements prior to acceptance by government
 - Includes inspection, acceptance, warranty, and other measures associated with quality requirements



Master Agreement for Repair and Alteration of Vessels (MSRA)

- **Written instrument of understanding between contracting activity and contractor**
 - Does not constitute a contract
 - Identifies fundamental contract clauses, terms, and conditions that are mutually agreed to be applicable to future contracts for repairs, alterations, and/or additions to naval vessels



MSRA Clauses

- **Key contract clauses invoked by MSRA include:**
 - 252.217-7003, Changes
 - 252.217-7004, Job Orders and Compensation
 - 252.217-7005, Inspection and Manner of Doing Work
 - 252.217-7006, Title
 - 252.217-7007, Payments
 - 252.217-7009, Default
 - 252.217-7010, Performance
 - 252.217-7011, Access to Vessel
 - 252.217-7012, Liability and Insurance
 - 252.217-7013, Guarantees
 - 252.217-7014, Discharge of Liens



Let's Review

- Are the FAR, DFARS, and NMCARS compulsory or discretionary in nature?
- Who is obligated to comply with the FAR, DFARS, and NMCARS ?
- What is the purpose of the Master Agreement for Repair and Alteration of Vessels?



Summary

- **During this module we have discussed:**
 - **Federal Acquisition Regulations (FAR)**
 - **Defense Federal Acquisition Regulations Supplement (DFARS)**
 - **Navy and Marine Corps Acquisition Regulations Supplement (NMCARS)**
 - **Master Agreement for Repair and Alteration of Vessels (MSRA)**



Additional Information

- **For additional information, please refer to:**
 - **Federal Acquisition Regulations (FAR),**
<https://www.acquisition.gov/far/index.html>
 - **Defense Federal Acquisition Regulations Supplement (DFARS),**
<http://www.acq.osd.mil/dpap/dars/dfarspgi/current/>
 - **DFARS 217.71, Master Agreement for Repair and Alteration of Vessels**
 - **Navy and Marine Corps Acquisition Regulation Supplement (NMCARS),**
<http://farsite.hill.af.mil/vfnapsa.htm>
 - **Summary of FAR Provisions Handout**



Final Questions





Revision History

Date	Version	Description	Author
5/7/19	1.0	Revised slide template.	Gary Fields
7/6/20	1.1	Updated simplified acquisition threshold values; Minor editorial and clarification revisions	Gary Fields