

## Part II – CONTRACT CLAUSES

## SECTION I – CONTRACT CLAUSES

## I.1 NOTICE – Listing of Contract Clauses Incorporated by References

The following contract clauses pertinent to this section are hereby incorporated by reference:

## FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.202-1	JUL 2004	DEFINITIONS
52.203-3	APR 1984	GRATUITIES
52.203-5	APR 1984	COVENANT AGAINST CONTINGENT FEES
52.203-6	JUL 1995	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT
52.203-7	JUL 1995	ANTI-KICKBACK PROCEDURES
52.203-8	JAN 1997	CANCELLATION, RECISSION AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY
52.203-10	JAN 1997	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY
52.203-12	JUN 2003	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS
52.204-4	AUG 2000	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER
52.204-7	JUL 2006	CENTRAL CONTRACTOR REGISTRATION
52.209-6	SEPT 2006	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED OR PROPOSED FOR DEBARMENT
52.215-2	JUN 1999	AUDIT AND RECORDS – NEGOTIATIONS
52.215-8	OCT 1997	ORDER OF PRECEDENCE—UNIFORM CONTRACT FORMAT
52.215-10	OCT 1997	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA
52.215-11	OCT 1997	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA-MODS

52.215-12	OCT 1997	SUBCONTRACTOR COST OR PRICING DATA
52.215-13	OCT 1997	SUBCONTRACTOR COST OR PRICING -MODIFICATIONS
52.215-14	OCT 1997	INTEGRITY OF UNIT PRICES
52.215-15	OCT 2004	PENSION ADJUSTMENTS AND ASSETS REVERSIONS
52.215-17	OCT 1997	WAIVER OF FACILITIES CAPITAL COST OF MONEY
52.215-18	JUL 2005	REVERSION OR ADJUSTMENT OF PLANS FOR POSTRETIREMENT BENEFITS (PRB) OTHER THAN PENSIONS
52.215-21	OCT 1997	REQUIREMENT FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA
52.216-5	OCT 1997	PRICE REDETERMINATION-PROSPECTIVE
52.216-7	DEC 2002	ALLOWABLE COST AND PAYMENT
52.216-8	MAR 1997	FIXED FEE
52.219-4	JUL 2005	NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS
52.219-8	MAY 2004	UTILIZATION OF SMALL BUSINESS CONCERNS
52.219-9	OCT 2001	SMALL BUSINESS SUBCONTRACTING PLAN (ALTERNATE II)
52.219-16	JAN 1999	LIQUIDATED DAMAGES-CONTRACTING PLAN
52.222-3	JUN 2003	CONVICT LABOR
52.222-21	FEB 1999	PROHIBITION OF SEGREGATED FACILITIES
52.222-26	MAR 2007	EQUAL OPPORTUNITY
52.222-35	SEPT 2006	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS.
52.222-36	JUN 1998	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES
52.222-37	SEPT 2006	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS

52.222-41	JUL 2005	SERVICE CONTRACT ACT OF 1965, AS AMENDED
52.222-43	NOV 2006	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACTS ACT-PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)
52.223-5	AUG 2003	POLLUTION PREVENTION AND RIGHT-TO-KNOW
52.223-6	MAY 2001	DRUG-FREE WORKPLACE
52.223-14	AUG 2003	TOXIC CHEMICAL RELEASE REPORTING
52.224-1	APR 1984	PRIVACY ACT NOTIFICATION
52.224-2	APR 1984	PRIVACY ACT
52.225-13	FEB 2006	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES
52.227-1	JUL 1995	AUTHORIZATION AND CONSENT
52.227-17	JUN 1987	RIGHTS IN DATA-SPECIAL WORKS
52.228-5	JAN 1997	INSURANCE-WORK ON A GOVERNMENT INSTALLATION
52.229-3	APR 2003	FEDERAL, STATE AND LOCAL TAXES
52.230-2	MAR 1998	COST ACCOUNTING STANDARDS
52.230-3	APR 1998	DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES
52.230-6	APR 2005	ADMINISTRATION OF COST ACCOUNTING STANDARDS
52.232-7	FEB 2007	PAYMENTS UNDER TIME-AND- MATERIALS AND LABOR-HOUR CONTRACTS
52.232-8	FEB 2002	DISCOUNTS FOR PROMPT PAYMENT
52.232-9	APR 1984	LIMITATION ON WITHHOLDING OF PAYMENTS
52.232-17	JUN 1996	INTEREST
52.232-18	APR 1984	AVAILABILITY OF FUNDS
52.232-23	JAN 1986	ASSIGNMENT OF CLAIMS
52.232-25	OCT 2003	PROMPT PAYMENT (ALTERNATE I)
52.232-33	OCT 2003	PAYMENT BY ELECTRONIC FUNDS TRANSFER-CENTRAL CONTRACTOR REGISTRATION
52.233-1	JUL 2002	DISPUTES
52.233-2	SEP 2006	SERVICE OF PROTEST
52.233-3	AUG 1996	PROTEST AFTER AWARD
52.233-4	OCT 2004	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM

52.237-2	APR 1984	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATIONS
52.239-1	AUG 1996	PRIVACY OR SECURITY SAFEGUARDS
52.242-1	APR 1984	NOTICE OF INTENT TO DISALLOW COSTS
52.242-3	MAY 2001	PENALTIES FOR UNALLOWABLE COSTS
52.242-4	JAN 1997	CERTIFICATION OF FINAL INDIRECT COSTS
52.243-3	SEP 2000	CHANGES-TIME-AND-MATERIALS OR LABOR HOURS
52.243-7	APR 1984	NOTIFICATION OF CHANGES
52.244-2	AUG 1998	SUBCONTRACTS
52.244-6	MAR 2007	SUBCONTRACTS FOR COMMERCIAL ITEMS
52.245-1	APR 1984	PROPERTY RECORDS
52.245-4	JUN 2003	GOVERNMENT-FURNISHED PROPERTY (SHORT FORM)
52.246-25	FEB 1997	LIMITATION OF LIABILITY-SERVICES
52.249-6	MAY 2004	TERMINATION (COST REIMBURSEMENT)(ALTERNATE IV)
52.249-14	APR 1984	EXCUSABLE DELAYS
52.251.1	APR 1984	GOVERNMENT SUPPLY SOURCES
52.253-1	JAN 1991	COMPUTER GENERATED FORMS

**I-2. FAR 52.204-9 Personal Identity Verification of Contractor Personnel (Nov 2006)**

- (a) The Contractor shall comply with agency personal identity verification procedures identified in the contract that implement Homeland Security Presidential Directive-12 (HSPD-12), Office of Management and Budget (OMB) guidance M-05-24, as amended, and Federal Information Processing Standards Publication (FIPS PUB) Number 201, as amended.
- (b) The Contractor shall insert this clause in all subcontracts when the subcontractor is required to have routine physical access to a Federally-controlled facility and/or routine access to a Federally-controlled information system.

**52.215-19 Notification of Ownership Changes (Oct 1997)**

- (a) The Contractor shall make the following notifications in writing:
- (1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.
  - (2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.
- (b) The Contractor shall --
- (1) Maintain current, accurate, and complete inventory records of assets and their costs;
  - (2) Provide the ACO or designated representative ready access to the records upon request;
  - (3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and
  - (4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.
- (c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.408(k).

**I-2 52.216-18 ORDERING (OCT 1995)**

- (a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued through the Period of Performance as specified in Section B.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

### **I-3 52.216-19 ORDER LIMITATIONS (OCT 1995)**

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than the period of four months, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor any order for a single item in or combination of items in excess of 100% of the existing number of CSOs assigned to a given District per contract period for the Basic Rate. No limitations are set for Start-up costs; however, a limit does apply to the Overtime Rate. That limit is based upon the maximum quantity ordered by the Contracting Officer.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation (FAR)), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) of this section.

(d) Notwithstanding paragraphs (b) and (c) of this section, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 10 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

### **I-4 52.216-22 INDEFINITE QUANTITY (OCT 1995)**

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after the effective period of performance of the contract.

**I.5 52.216.29 TIME-AND MATERIALS LABOR-HOUR PROPOSAL  
REQUIREMENTS-NON-COMMERCIAL ITEM ACQUISITION WITH  
ADEQUATE PRICE COMPETITION (FEB 2007)**

- (a) The Government contemplates award of a Time-and-Materials or Labor-Hour type of contract resulting from this solicitation.
- (b) The offeror must specify fixed hourly rates in its offer that include wages, overhead, general and administrative expenses, and profit. The offeror must specify whether the fixed hourly rate for each labor category applies to labor performed by—
  - (1) The offeror;
  - (2) Subcontractors; and/or
  - (3) Divisions, subsidiaries, or affiliates of the offeror under a common control;
- (c) The offeror must establish fixed hourly rates using—
  - (1) Separate rates for each category of labor to be performed by each subcontractor and for each category of labor to be performed by the offeror, and for each category of labor to be transferred between

divisions, subsidiaries, or affiliates of the offer under a common control;

- (2) Blended rates for each category of labor to be performed by the offeror, including labor transferred between divisions, subsidiaries, or affiliates of the offeror under a common control, and all subcontractors; or
- (3) Any combination of separate and blended rates for each category of labor to be performed by the offeror, affiliates of the offeror under a common control, and subcontractors.

**I.6 FAR 52.217-8 Option to Extend Services (Nov 1999)**

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor within 30 days.

**I.7 FAR 52.217-9 Option to Extend the Term of the Contract (Mar 2000)**

- (a) The Government may extend the term of this contract by written notice to the Contractor within 60 day provided, that the Government gives the Contractor a preliminary written notice of its intent to extend at least 30 before the contract expires. The preliminary notice does not commit the Government to an extension.
- (b) If the Government exercises this option, the extended contract shall be considered to include this option clause.
- (c) The total duration of this contract, including the exercise of any options under this clause, shall not exceed 4 years 10 months.

**I.8 FAR 52.222-1 Notice to the Government of Labor Disputes (Feb 1997)**

If the Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this contract, the Contractor shall immediately give notice, including all relevant information, to the Contracting Officer.

**I.9 FAR 52.222-39 NOTIFICATION OF EMPLOYEE RIGHTS CONCERNING PAYMENT OF UNION DUES OR FEES (Dec 2004)**

(a) Definition. As used in this clause--

"United States" means the 50 States, the District of Columbia, Puerto Rico, the Northern Mariana Islands, American Samoa, Guam, the U.S. Virgin Islands, and Wake Island.

(b) Except as provided in paragraph (e) of this clause, during the term of this contract, the Contractor shall post a notice, in the form of a poster, informing employees of their rights concerning union membership and payment of union dues and fees, in conspicuous places in and about all its plants and offices, including all places where notices to employees are customarily posted. The notice shall include the following information (except that the information pertaining to National Labor Relations Board shall not be included in notices posted in the plants or offices of carriers subject to the Railway Labor Act, as amended (45 U.S.C. 151-188)).

#### Notice to Employees

Under Federal law, employees cannot be required to join a union or maintain membership in a union in order to retain their jobs. Under certain conditions, the law permits a union and an employer to enter into a union-security agreement requiring employees to pay uniform periodic dues and initiation fees. However, employees who are not union members can object to the use of their payments for certain purposes and can only be required to pay their share of union costs relating to collective bargaining, contract administration, and grievance adjustment.

If you do not want to pay that portion of dues or fees used to support activities not related to collective bargaining, contract administration, or grievance adjustment, you are entitled to an appropriate reduction in your payment. If you believe that you have been required to pay dues or fees used in part to support activities not related to collective bargaining, contract administration, or grievance adjustment, you may be entitled to a refund and to an appropriate reduction in future payments.

For further information concerning your rights, you may wish to contact the National Labor Relations Board (NLRB) either at one of its Regional offices or at the following address or toll free number:

National Labor Relations Board  
Division of Information  
1099 14th Street, N.W.

Washington, DC 20570  
1-866-667-6572  
1-866-316-6572 (TTY)

To locate the nearest NLRB office, see NLRB's website at  
<http://www.nlr.gov>

- (c) The Contractor shall comply with all provisions of Executive Order 13201 of February 17, 2001, and related implementing regulations at 29 CFR Part 470, and orders of the Secretary of Labor.
- (d) In the event that the Contractor does not comply with any of the requirements set forth in paragraphs (b), (c), or (g), the Secretary may direct that this contract be cancelled, terminated, or suspended in whole or in part, and declare the Contractor ineligible for further Government contracts in accordance with procedures at 29 CFR part 470, Subpart B--Compliance Evaluations, Complaint Investigations and Enforcement Procedures. Such other sanctions or remedies may be imposed as are provided by 29 CFR Part 470, which implements Executive Order 13201, or as are otherwise provided by law.
- (e) The requirement to post the employee notice in paragraph (b) does not apply to--
  - (1) Contractors and subcontractors that employ fewer than 15 persons;
  - (2) Contractor establishments or construction work sites where no union has been formally recognized by the Contractor or certified as the exclusive bargaining representative of the Contractor's employees;
  - (3) Contractor establishments or construction work sites located in a jurisdiction named in the definition of the United States in which the law of that jurisdiction forbids enforcement of union-security agreements;
  - (4) Contractor facilities where upon the written request of the Contractor, the Department of Labor Deputy Assistant Secretary for Labor-Management Programs has waived the posting requirements with respect to any of the Contractor's facilities if the Deputy Assistant Secretary finds that the Contractor has demonstrated that--
    - (i) The facility is in all respects separate and distinct from activities of the Contractor related to the performance of a contract; and

- (ii) Such a waiver will not interfere with or impede the effectuation of the Executive order; or
- (5) Work outside the United States that does not involve the recruitment or employment of workers within the United States.
- (f) The Department of Labor publishes the official employee notice in two variations; one for contractors covered by the Railway Labor Act and a second for all other contractors. The Contractor shall--
  - (1) Obtain the required employee notice poster from the Division of Interpretations and Standards, Office of Labor-Management Standards, U.S. Department of Labor, 200 Constitution Avenue, NW, Room N-5605, Washington, DC 20210, or from any field office of the Department's Office of Labor-Management Standards or Office of Federal Contract Compliance Programs;
  - (2) Download a copy of the poster from the Office of Labor-Management Standards website at <http://www.olms.dol.gov>; or
  - (3) Reproduce and use exact duplicate copies of the Department of Labor's official poster.
- (g) The Contractor shall include the substance of this clause in every subcontract or purchase order that exceeds the simplified acquisition threshold, entered into in connection with this contract, unless exempted by the Department of Labor Deputy Assistant Secretary for Labor-Management Programs on account of special circumstances in the national interest under authority of 29 CFR 470.3(c). For indefinite quantity subcontracts, the Contractor shall include the substance of this clause if the value of orders in any calendar year of the subcontract is expected to exceed the simplified acquisition threshold. Pursuant to 29 CFR Part 470, Subpart B--Compliance Evaluations, Complaint Investigations and Enforcement Procedures, the Secretary of Labor may direct the Contractor to take such action in the enforcement of these regulations, including the imposition of sanctions for noncompliance with respect to any such subcontract or purchase order. If the Contractor becomes involved in litigation with a subcontractor or vendor, or is threatened with such involvement, as a result of such direction, the Contractor may request the United States, through the Secretary of Labor, to enter into such litigation to protect the interests of the United States.

**I-10 52.222-42 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)**

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

This Statement is for Information Only:

It is not a Wage Determination

Employee Class	Monetary Wage-Fringe Benefits	
<u>Court Security Officer</u>	<u>GS-6 (see below)</u>	
3 <sup>rd</sup> Circuit	Shreveport, LA	Texarkana, TX
	Monroe, LA	Marshall, TX
Wilmington, DE	Alexandria, LA	Sherman, TX
	Lake Charles, LA	Lufkin, TX
Newark, NJ	Lafayette, LA	Plano, TX
Trenton, NJ	Baton Rouge, LA	Houston, TX
Camden, NJ		Galveston, TX
		Laredo, TX
Philadelphia, PA	Oxford, MS	Victoria, TX
Reading, PA	Greenville, MS	McAllen, TX
Easton, PA	Aberdeen, MS	Brownsville, TX
Allentown, PA	Jackson, MS	Corpus Christi, TX
Scranton, PA	Hattiesburg, MS	San Antonio, TX
Harrisburg, PA	Biloxi, MS	Austin, TX
Wilkes-Barre, PA	Gulfport, MS	El Paso, TX
Williamsport, PA	Gulfport, MS	Midland, TX
Pittsburgh, PA	Natchez, MS	Waco, TX
Erie, PA		Del Rio, TX
Johnstown, PA	Dallas, TX	Pecos, TX
	Abilene, TX	Alpine, TX
St. Thomas, VI	Amarillo, TX	
St. Croix, VI	Fort Worth, TX	
	Lubbock, TX	
	San Angelo, TX	
5 <sup>th</sup> Circuit	Tyler, TX	12 <sup>th</sup>
New Orleans, LA	Beaumont, TX	Washington, DC
		Arlington, VA

**I-11 52.232-18 AVAILABILITY OF FUNDS (APR 1984)**

Funds are not presently available for this contract. The Government's obligation under this contract is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the Government for any payment may arise until funds are made available to the Contracting Officer for this contract and until the Contractor receives notice of such availability, to be confirmed in writing by the Contracting Officer.

**I-12 52.252-2 CLAUSES INCORPORATED BY REFERENCE (FEB 1998)**

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

<http://www.arnet.gov>

**I.13 Authorized Deviations in Clauses (Apr 1984)**

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.
- (b) The use in this solicitation or contract of any DEPARTMENT OF JUSTICE ACQUISITION REGULATION (JAR) (48 CFR clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

**I.14 Alterations in Contract (Apr 1984)**

Portions of this contract are altered as follows:

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