

PART II - CONTRACT CLAUSES

SECTION I - CONTRACT CLAUSES

I.1 LISTING OF CLAUSES INCORPORATED BY REFERENCE

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

I. FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

CLAUSE 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, RESCISSION 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
52.204-2	AUG 1996	SECURITY REQUIREMENTS
52.204-4	AUG 2000	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER
52.204-7	OCT 2003	CENTRAL CONTRACTOR REGISTRATION
52.209-6	JUL 1995	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
52.211-15	SEP 1990	DEFENSE PRIORITY AND ALLOCATION REQUESTS
52.215-2	JUN 1999	AUDIT AND RECORDS--NEGOTIATION
52.215-8	OCT 1997	ORDER OF PRECEDENCE - UNIFORM CONTRACT FORMAT
52.215-11	OCT 1997	PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA-- MODIFICATIONS
52.215-13	OCT 1997	SUBCONTRACTOR COST OR PRICING DATA - MODIFICATIONS
52.215-17	OCT 1997	WAIVER OF FACILITIES CAPITAL COST OF MONEY
52.215-19	OCT 1997	NOTIFICATION OF OWNERSHIP CHANGES
52.215-21	OCT 1997	REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA -- MODIFICATIONS
52.216-7	DEC 2002	ALLOWABLE COST AND PAYMENT
	Insert:	30th in Paragraph (a)(3)

52.216-18	OCT 1995	ORDERING
52.217-9	MAR 2000	OPTION TO EXTEND THE TERM OF THE CONTRACT
	Insert:	"30" and "60", respectively, in paragraph (a) "10 years" in paragraph (c)
52.219-4	OCT 2004	NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS
52.219-8	MAY 2004	UTILIZATION OF SMALL BUSINESS CONCERNS
52.219-9	JAN 2002	SMALL BUSINESS SUBCONTRACTING PLAN (ALTERNATE II) (OCT 2001)
52.219-16	JAN 1999	LIQUIDATED DAMAGES SUBCONTRACTING PLAN
52.219-23	JUN 2003	NOTICE OF PRICE EVALUATION ADJUSTMENT FOR SMALL DISADVANTAGED BUSINESS CONCERNS
	Insert:	10% in Paragraph (b) (1)
52.219-25	OCT 1999	SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM—DISADVANTAGED STATUS AND REPORTING
52.222-1	FEB 1997	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES
52.222-3	JUN 2003	CONVICT LABOR
52.222-21	FEB 1999	PROHIBITION OF SEGREGATED FACILITIES
52.222-26	APR 2002	EQUAL OPPORTUNITY
52.222-29	JUN 2003	NOTIFICATION OF VISA DENIAL
52.222-35	DEC 2001	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	DEC 2001	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS
52.222-41	MAY 1989	SERVICE CONTRACT ACT OF 1965, AS AMENDED
52.223-3	JAN 1997	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (ALTERNATE I) (JUL 1995)
52.223-5	AUG 2003	POLLUTION PREVENTION AND RIGHT TO KNOW INFORMATION
52.223-10	AUG 2000	WASTE REDUCTION PROGRAM
52.224-1	APR 1984	PRIVACY ACT NOTIFICATION
52.224-2	APR 1984	PRIVACY ACT
52.225-1	JUN 2003	BUY AMERICAN ACT—SUPPLIES
52.225-13	DEC 2003	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES
52.227-1	JUL 1995	AUTHORIZATION AND CONSENT

52.227-2	AUG 1996	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
52.227-11	JUN 1997	PATENT RIGHTS RETENTION BY THE CONTRACTOR (SHORT FORM) AS MODIFIED BY NFS 1852.227-11
52.227-14	JUN 1987	RIGHTS IN DATA--GENERAL As modified by 1852.227-14 NASA FAR Supplement (OCT 1995)
52.227-16	JUN 1987	ADDITIONAL DATA REQUIREMENTS
52.228-7	MAR 1996	INSURANCE--LIABILITY TO THIRD PERSONS
52.230-2	APR 1998	COST ACCOUNTING STANDARDS
52.230-6	NOV 1999	ADMINISTRATION OF COST ACCOUNTING STANDARDS
52.232-17	JUN 1996	INTEREST
52.232-22	APR 1984	LIMITATION OF FUNDS
52.232-23	JAN 1986	ASSIGNMENT OF CLAIMS
52.232-25	OCT 2003	PROMPT PAYMENT (ALTERNATE I) (FEB 2002)
52.232-34	MAY 1999	PAYMENT BY ELECTRONIC FUNDS TRANSFER-- OTHER THAN CENTRAL CONTRACTOR REGISTRATION
	Insert:	no later than 15 days prior to submission of first request for payment in Paragraph (b)(1)
52.233-1	JUL 2002	DISPUTES (ALTERNATE I)(DEC 1991)
52.233-3	AUG 1996	PROTEST AFTER AWARD (ALTERNATE I) (JUN 1985)
52.233-4	OCT 2004	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM
52.237-2	APR 1984	PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT, AND VEGETATION
52.237-7	JAN 1997	INDEMNIFICATION AND MEDICAL LIABILITY INSURANCE
	Insert:	\$1,000,000
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
52.242-13	JUL 1995	BANKRUPTCY
52.243-2	AUG 1987	CHANGES—COST REIMBURSEMENT (ALTERNATE II) (APR 1984)
52.244-2	AUG 1998	SUBCONTRACTS (ALTERNATE I) (AUG 1998)
52.244-5	DEC 1996	COMPETITION IN SUBCONTRACTING
52.244-6	JUL 2004	SUBCONTRACTS FOR COMMERCIAL ITEMS
52.245-5	MAY 2004	GOVERNMENT PROPERTY (COST-REIMBURSEMENT, TIME-AND- MATERIAL, OR LABOR-HOUR CONTRACTS)
52.245-19	APR 1984	GOVERNMENT PROPERTY FURNISHED "AS IS"
52.246-25	FEB 1997	LIMITATION OF LIABILITY-- SERVICES
52.247-1	APR 1984	COMMERCIAL BILL OF LADING NOTATIONS
52.247-63	JUN 2003	PRFERENCE FOR U.S. FLAG AIR CARRIERS
52.249-6	MAY 2004	TERMINATION (COST-REIMBURSEMENT)
52.249-14	APR 1984	EXCUSABLE DELAYS
52.251-1	APR 1984	GOVERNMENT SUPPLY SOURCES

52.251-2	JAN 1991	INTERAGENCY FLEET MANAGEMENT SYSTEMS VEHICLES AND RELATED SERVICES
52.253-1	JAN 1991	COMPUTER GENERATED FORMS

II. NASA FAR SUPPLEMENT (48 CFR CHAPTER 18) CLAUSES

CLAUSE NUMBER	DATE	TITLE
1852.216-89	JUL 1997	ASSIGNMENT AND RELEASE FORMS
1852.219-74	SEP 1990	USE OF RURAL AREA SMALL BUSINESSES
1852.219-76	JUL 1997	NASA 8 PERCENT GOAL
1852.223-74	MAR 1996	DRUG AND ALCOHOL-FREE WORKFORCE
1852.227-84	DEC 1989	PATENT RIGHTS CLAUSES
1852.231-70	JUN 1995	PRECONTRACT COSTS
1852.237-70	DEC 1988	EMERGENCY EVACUATION PROCEDURES
1852.242-78	APR 2001	EMERGENCY MEDICAL SERVICES AND EVACUATION
1852.243-70	OCT 2001	ENGINEERING CHANGE PROPOSALS (ALTERNATE I) (JUL 1997) (ALTERNATE II) (SEP 1990)
1852.243-71	MAR 1997	SHARED SAVINGS

(End of Clause)

I.2 APPROVAL OF CONTRACT (FAR 52.204-1) (DEC 1989)

This contract is subject to the written approval of the NASA JSC Procurement Officer and shall not be binding until so approved.

(End of Clause)

I.3 PAYMENT FOR OVERTIME PREMIUMS (FAR 52.222-2) (JUL 1990)

(a) The use of overtime is authorized under this contract if the overtime premium does not exceed _____*TBD_____ or the overtime premium is paid for work-

(1) Necessary to cope with emergencies such as those resulting from accidents, natural disasters, breakdowns of production equipment, or occasional production bottlenecks of a sporadic nature;

(2) By indirect-labor employees such as those performing duties in connection with administration, protection, transportation, maintenance, standby plant protection, operation of utilities, or accounting;

(3) To perform tests, industrial processes, laboratory procedures, loading or unloading of transportation conveyances, and operations in flight or afloat that are continuous in nature and cannot reasonably be interrupted or completed otherwise; or

(4) That will result in lower overall costs to the Government.

(b) Any request for estimated overtime premiums that exceeds the amount specified above shall include all estimated overtime for contract completion and shall-

(1) Identify the work unit; e.g., department or section in which the requested overtime will be used, together with present workload, staffing, and other data of the

affected unit sufficient to permit the Contracting Officer to evaluate the necessity for the overtime;

- (2) Demonstrate the effect that denial of the request will have on the contract delivery or performance schedule;
- (3) Identify the extent to which approval of overtime would affect the performance or payments in connection with other Government contracts, together with identification of each affected contract; and
- (4) Provide reasons why the required work cannot be performed by using multishift operations or by employing additional personnel.

* Insert either "zero" or the dollar amount agreed to during negotiations. The inserted figure does not apply to the exceptions in paragraph (a)(1) through (a)(4) of the clause.

(End of Clause)

I.4 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (FAR 52.222-42) (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
SEE SECTION J-3, WAGE DETERMINATION	

(End of Clause)

I.5 DRUG-FREE WORKPLACE (FAR 52.223-6) (MAY 2001)

(a) Definitions. As used in this clause-

"*Controlled substance*" means a controlled substance in schedules I through V of section 202 of the Controlled Substances Act (21 U.S.C. 812) and as further defined in regulation at 21 CFR 1308.11 - 1308.15.

"*Conviction*" means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

"*Criminal drug statute*" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, possession, or use of any controlled substance.

"*Drug-free workplace*" means the site(s) for the performance of work done by the Contractor in connection with a specific contract where employees of the Contractor are prohibited from engaging in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance.

"*Employee*" means an employee of a Contractor directly engaged in the performance of work under a Government contract. "Directly engaged" is defined to include all direct

cost employees and any other Contractor employee who has other than a minimal impact or involvement in contract performance.

"*Individual*" means an offeror/contractor that has no more than one employee including the offeror/contractor.

(b) The Contractor, if other than an individual, shall- within 30 days after award (unless a longer period is agreed to in writing for contracts of 30 days or more performance duration), or as soon as possible for contracts of less than 30 days performance duration-

(1) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

(2) Establish an ongoing drug-free awareness program to inform such employees about-

(i) The dangers of drug abuse in the workplace;

(ii) The Contractor's policy of maintaining a drug-free workplace;

(iii) Any available drug counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(3) Provide all employees engaged in performance of the contract with a copy of the statement required by paragraph (b)(1) of this clause;

(4) Notify such employees in writing in the statement required by paragraph (b)(1) of this clause that, as a condition of continued employment on this contract, the employee will-

(i) Abide by the terms of the statement; and

(ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 days after such conviction;

(5) Notify the Contracting Officer in writing within ten days after receiving notice under subdivision (b)(4)(ii) of this clause, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee;

(6) Within 30 days after receiving notice under subdivision (b)(4)(ii) of this clause of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:

(i) Taking appropriate personnel action against such employee, up to and including termination; or

(ii) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and

(7) Make a good faith effort to maintain a drug-free workplace through implementation of paragraphs (b)(1) through (b)(6) of this clause.

(c) The Contractor, if an individual, agrees by award of the contract or acceptance of a purchase order, not to engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance while performing this contract.

(d) In addition to other remedies available to the Government, the Contractor's failure to comply with the requirements of paragraph (b) or (c) of this clause may, pursuant to FAR 23.506, render the Contractor subject to suspension of contract payments, termination of the contract or default, and suspension or debarment.

(End of Clause)

I.6 TAXES-FOREIGN COST-REIMBURSEMENT CONTRACTS (FAR 52.229-8)
(MAR 1990)

(a) Any tax or duty from which the United States Government is exempt by agreement with the Government of Russia or any other foreign government, or from which the Contractor or any subcontractor under this contract is exempt under the laws of Russia or any other foreign government, shall not constitute an allowable cost under this contract.

(b) If the Contractor or subcontractor under this contract obtains a foreign tax credit that reduces its Federal income tax liability under the United States Internal Revenue Code (Title 26, U.S. Code) because of the payment of any tax or duty that was reimbursed under this contract, the amount of the reduction shall be paid or credited at the time of such offset to the Government of the United States as the Contracting Officer directs.

(End of Clause)

I.7 STATE OF NEW MEXICO GROSS RECEIPTS AND COMPENSATING TAX
(FAR 52.229-10) (APR 2003)

(a) Within thirty (30) days after award of this contract, the Contractor shall advise the State of New Mexico of this contract by registering with the State of New Mexico, Taxation and Revenue Department, Revenue Division, pursuant to the Tax Administration Act of the State of New Mexico and shall identify the contract number.

(b) The Contractor shall pay the New Mexico gross receipts taxes, pursuant to the Gross Receipts and Compensating Tax Act of New Mexico, assessed against the contract fee and costs paid for performance of this contract, or any part or portion thereof, within the State of New Mexico. The allowability of any gross receipts taxes or local option taxes lawfully paid to the State of New Mexico by the Contractor or its subcontractors will be determined in accordance with the Allowable Cost and Payment clause of this contract except as provided in paragraph (d) of this clause.

(c) The Contractor shall submit applications for Nontaxable Transaction Certificates, Form CSR-3C, to the State of New Mexico Taxation and Revenue Department, Revenue Division, P.O. Box 630, Santa Fe, New Mexico 87509. When the Type 15 Nontaxable Transaction Certificate is issued by the Revenue Division, the Contractor shall use these certificates strictly in accordance with this contract, and the agreement between the National Aeronautics and Space Administration and the New Mexico Taxation and Revenue Department.

(d) The Contractor shall provide Type 15 Nontaxable Transaction Certificates to each vendor in New Mexico selling tangible personal property to the Contractor for use in the performance of this contract. Failure to provide a Type 15 Nontaxable Transaction

Certificate to vendors will result in the vendor's liability for the gross receipt taxes and those taxes, which are then passed on to the Contractor, shall not be reimbursable as an allowable cost by the Government.

(e) The Contractor shall pay the New Mexico compensating user tax for any tangible personal property which is purchased pursuant to a Nontaxable Transaction Certificate if such property is not used for Federal purposes.

(f) Out-of-state purchase of tangible personal property by the Contractor which would be otherwise subject to compensation tax shall be governed by the principles of this clause. Accordingly, compensating tax shall be due from the contractor only if such property is not used for Federal purposes.

(g) The National Aeronautics and Space Administration may receive information regarding the Contractor from the Revenue Division of the New Mexico Taxation and Revenue Department and, at the discretion of the National Aeronautics and Space Administration, may participate in any matters or proceedings pertaining to this clause or the above-mentioned Agreement. This shall not preclude the Contractor from having its own representative nor does it obligate the National Aeronautics and Space Administration to represent its Contractor.

(h) The Contractor agrees to insert the substance of this clause, including this paragraph (h), in each subcontract which meets the criteria in 29.401-4(b)(1) through (3) of the Federal Acquisition Regulation, 48 CFR Part 29.

(i) Paragraphs (a) through (h) of this clause shall be null and void should the Agreement referred to in paragraph (c) of this clause be terminated; provided, however, that such termination shall not nullify obligations already incurred prior to the date of termination.

(End of Clause)

I.8 CONTINUITY OF SERVICES (FAR 52.237-3) (JAN 1991)

(a) The Contractor recognizes that the services under this contract are vital to the Government and must be continued without interruption and that, upon contract expiration, a successor, either the Government or another contractor, may continue them. The Contractor agrees to-

(1) Furnish phase-in training; and

(2) Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

(b) The Contractor shall, upon the Contracting Officer's written notice, (1) furnish phase-in, phase-out services for up to 90 days after this contract expires and (2) negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the Contracting Officer's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this contract are maintained at the required level of proficiency.

(c) The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees

are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

(d) The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (*i.e.*, costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract.

(End of Clause)

I.9 CLAUSES INCORPORATED BY REFERENCE (FAR 52.252-2) (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 these addresses:

<http://www.arnet.gov/far/>

<http://www.hq.nasa.gov/office/procurement/regs/nfstoc.htm>

(End of Clause)

I.10 SECURITY REQUIREMENTS FOR UNCLASSIFIED INFORMATION TECHNOLOGY RESOURCE (NFS 1852.204-76) (NOV 2004)

(a) The Contractor shall be responsible for Information Technology security for all systems connected to a NASA network or operated by the Contractor for NASA, regardless of location. This clause is applicable to all or any part of the contract that includes information technology resources or services in which the Contractor must have physical or electronic access to NASA's sensitive information contained in unclassified systems that directly support the mission of the Agency. This includes information technology, hardware, software, and the management, operation, maintenance, programming, and system administration of computer systems, networks, and telecommunications systems. Examples of tasks that require security provisions include:

- (1) Computer control of spacecraft, satellites, or aircraft or their payloads;
- (2) Acquisition, transmission or analysis of data owned by NASA with significant replacement cost should the contractor's copy be corrupted; and
- (3) Access to NASA networks or computers at a level beyond that granted the general public, e.g. bypassing a firewall.

(b) The Contractor shall provide, implement, and maintain an IT Security Plan. This plan shall describe the processes and procedures that will be followed to ensure appropriate security of IT resources that are developed, processed, or used under this contract. The plan shall describe those parts of the contract to which this clause applies. The Contractor's IT Security Plan shall be compliant with Federal laws that include, but are not limited to, the Computer Security Act of 1987 (40 U.S.C. 1441 et seq.) and the Government Information Security Reform Act of 2000. The plan shall meet IT security requirements in accordance with Federal and NASA policies and procedures that include, but are not limited to:

- (1) OMB Circular A-130, Management of Federal Information Resources, Appendix III, Security of Federal Automated Information Resources;

- (2) NASA Procedures and Guidelines (NPR) 2810.1, Security of Information Technology; and
- (3) Chapter 3 of NPR 1620.1, NASA Security Procedural Requirements.
- (c) Within 30 days after contract award, the contractor shall submit for NASA approval an IT Security Plan. This plan must be consistent with and further detail the approach contained in the offeror's proposal or sealed bid that resulted in the award of this contract and in compliance with the requirements stated in this clause. The plan, as approved by the Contracting Officer, shall be incorporated into the contract as a compliance document.
- (d) (1) Contractor personnel requiring privileged access or limited privileged access to systems operated by the Contractor for NASA or interconnected to a NASA network shall be screened at an appropriate level in accordance with NPR 2810.1, Section 4.5; NPR 1620.1, Chapter 3; and paragraph (d)(2) of this clause. Those Contractor personnel with non-privileged access do not require personnel screening. NASA shall provide screening using standard personnel screening National Agency Check (NAC) forms listed in paragraph (d)(3) of this clause, unless contractor screening in accordance with paragraph (d)(4) is approved. The Contractor shall submit the required forms to the NASA Center Chief of Security (CCS) within fourteen (14) days after contract award or assignment of an individual to a position requiring screening. The forms may be obtained from the CCS. At the option of the government, interim access may be granted pending completion of the NAC.
- (2) Guidance for selecting the appropriate level of screening is based on the risk of adverse impact to NASA missions. NASA defines three levels of risk for which screening is required (IT-1 has the highest level of risk):
- (i) IT-1 -- Individuals having privileged access or limited privileged access to systems whose misuse can cause very serious adverse impact to NASA missions. These systems include, for example, those that can transmit commands directly modifying the behavior of spacecraft, satellites or aircraft.
- (ii) IT-2 -- Individuals having privileged access or limited privileged access to systems whose misuse can cause serious adverse impact to NASA missions. These systems include, for example, those that can transmit commands directly modifying the behavior of payloads on spacecraft, satellites or aircraft; and those that contain the primary copy of "level 1" data whose cost to replace exceeds one million dollars.
- (iii) IT-3 -- Individuals having privileged access or limited privileged access to systems whose misuse can cause significant adverse impact to NASA missions. These systems include, for example, those that interconnect with a NASA network in a way that exceeds access by the general public, such as bypassing firewalls; and systems operated by the contractor for NASA whose function or data has substantial cost to replace, even if these systems are not interconnected with a NASA network.
- (3) Screening for individuals shall employ forms appropriate for the level of risk as follows:
- (i) IT-1: Fingerprint Card (FC) 258 and Standard Form (SF) 85P, Questionnaire for Public Trust Positions;
- (ii) IT-2: FC 258 and SF 85, Questionnaire for Non-Sensitive Positions; and
- (iii) IT-3: NASA Form 531, Name Check, and FC 258.

(4) The Contracting Officer may allow the Contractor to conduct its own screening of individuals requiring privileged access or limited privileged access provided the Contractor can demonstrate that the procedures used by the Contractor are equivalent to NASA's personnel screening procedures. As used here, equivalent includes a check for criminal history, as would be conducted by NASA, and completion of a questionnaire covering the same information as would be required by NASA.

(5) Screening of contractor personnel may be waived by the Contracting Officer for those individuals who have proof of –

- (i) Current or recent national security clearances (within last three years);
- (ii) Screening conducted by NASA within last three years; or
- (iii) Screening conducted by the Contractor, within last three years, that is equivalent to the NASA personnel screening procedures as approved by the Contracting Officer under paragraph (d)(4) of this clause.

(e) The Contractor shall ensure that its employees, in performance of the contract, receive annual IT security training in NASA IT Security policies, procedures, computer ethics, and best practices in accordance with NPR 2810.1, Section 4.3 requirements. The contractor may use web-based training available from NASA to meet this requirement.

(f) The Contractor shall afford NASA, including the Office of Inspector General, access to the Contractor's and subcontractors' facilities, installations, operations, documentation, databases and personnel used in performance of the contract. Access shall be provided to the extent required to carry out a program of IT inspection, investigation and audit to safeguard against threats and hazards to the integrity, availability and confidentiality of NASA data or to the function of computer systems operated on behalf of NASA, and to preserve evidence of computer crime.

(g) The Contractor shall incorporate the substance of this clause in all subcontracts that meet the conditions in paragraph (a) of this clause.

(End of Clause)

I.11 OMBUDSMAN (NFS 1852.215-84) (OCT 2003)

(a) An ombudsman has been appointed to hear and facilitate the resolution of concerns from offerors, potential offerors, and contractors during the preaward and postaward phases of this acquisition. When requested, the ombudsman will maintain strict confidentiality as to the source of the concern. The existence of the ombudsman is not to diminish the authority of the contracting officer, the Source Evaluation Board, or the selection official. Further, the ombudsman does not participate in the evaluation of proposals, the source selection process, or the adjudication of formal contract disputes. Therefore, before consulting with an ombudsman, interested parties must first address their concerns, issues, disagreements, and/or recommendations to the contracting officer for resolution.

(b) If resolution cannot be made by the contracting officer, interested parties may contact the installation ombudsman:

Shannon Lucid
 Mail Code CB
 NASA Johnson Space Center
 2101 NASA Parkway
 Houston, TX 77058-3696

Phone: 281-244-8938

(c) Concerns, issues, disagreements, and recommendations which cannot be resolved at the installation may be referred to the NASA ombudsman:

James A Balinskas
 Director, Contract Management Division
 Suite 1940D-2
 NASA Headquarters
 Washington DC 20546-0001

Phone: 202-358-0445 FAX: 202-358-3083

e-mail: james.a.balinskas@nasa.gov

Please do not contact the ombudsman to request copies of the solicitation, verify offer due date, or clarify technical requirements. Such inquiries shall be directed to the contracting officer or as specified elsewhere in this document.

(End of Clause)

I.12 SMALL BUSINESS SUBCONTRACTING REPORTING (NFS 1852.219-75) (MAY 1999)

(a) The Contractor shall submit the Summary Subcontract Report (Standard Form (SF) 295) semiannually for the reporting periods specified in block 4 of the form. All other instructions for SF 295 remain in effect.

(b) The Contractor shall include this clause in all subcontracts that include the clause at FAR 52.219-9.

(End of Clause)

I.13 MINIMUM INSURANCE COVERAGE (NFS 1852.228-75) (OCT 1988)

The Contractor shall obtain and maintain insurance coverage as follows for the performance of this contract:

(a) Worker's compensation and employer's liability insurance as required by applicable Federal and state workers' compensation and occupational disease statutes. If occupational diseases are not compensable under those statutes, they shall be covered under the employer's liability section of the insurance policy, except when contract operations are so commingled with the Contractor's commercial operations that it would not be practical. The employer's liability coverage shall be at least \$100,000, except in States with exclusive or monopolistic funds that do not permit workers' compensation to be written by private carriers.

(b) Comprehensive general (bodily injury) liability insurance of at least \$500,000 per occurrence.

(c) Motor vehicle liability insurance written on the comprehensive form of policy which provides for bodily injury and property damage liability covering the operation of all motor vehicles used in connection with performing the contract. Policies covering motor vehicles operated in the United States shall provide coverage of at least \$200,000 per person and \$500,000 per occurrence for bodily injury liability and \$20,000 per occurrence for property damage. The amount of liability coverage on other policies shall be commensurate with any legal requirements of the locality and sufficient to meet normal and customary claims.

(d) Comprehensive general and motor vehicle liability policies shall contain a provision worded as follows:

"The insurance company waives any right of subrogation against the United States of America which may arise by reason of any payment under the policy."

(e) When aircraft are used in connection with performing the contract, aircraft public and passenger liability insurance of at least \$200,000 per person and \$500,000 per occurrence for bodily injury, other than passenger liability, and \$200,000 per occurrence for property damage. Coverage for passenger liability bodily injury shall be at least \$200,000 multiplied by the number of seats or passengers, whichever is greater.

(End of Clause)

[END OF SECTION]