



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH, DEVELOPMENT AND ACQUISITION
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000

DEC 14 2006

MEMORANDUM FOR DISTRIBUTION

Subj: CHANGE 03-10 TO THE NAVY MARINE CORPS ACQUISITION
REGULATION SUPPLEMENT (NMCARS) AND CHANGE 03-7 TO THE
NAVY MARINE CORPS ACQUISITION GUIDE (NMCAG)

Encl: (1) NMCARS Change 03-10
(2) NMCAG Change 03-7

The changes identified in Enclosures (1) and (2) are hereby incorporated into the November 2003 NMCARS and the November 2003 NMCAG, respectively.

The NMCARS and NMCAG are hereby amended to reflect various DFARS Change Notices. These changes are effective immediately and will be reflected in the NMCARS and NMCAG online.

The point of contact for NMCARS/NMCAG is Katherine Petersen at (703) 614-9641.


M. F. Jaggard
Chief of Staff/Policy
for DASN(ACQ)

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The following changes are hereby incorporated into the November 2003 NMCARS:

1. Under SUBPART 5204.2--CONTRACT DISTRIBUTION, **5204.201 Procedures** is revised to change the DFARS reference (DFARS Change Notice 20051011) and to update the requirement to reflect direct posting to the DoD Electronic Document Access as follows:

5204.201 (PGI 204.201) Procedures.

DoN activities shall post an electronic copy of each newly executed procurement instrument (contracts, purchase orders, delivery orders, contract modifications, etc.) within two working days of execution, to the DoD Electronic Document Access (EDA) (<http://eda.ogden.disa.mil>) regardless of dollar value or method of payment. The preferable method of posting documents is via automated interface from the contract writing system. This posting constitutes required contract distribution for activities within DoD. All parts of an instrument that would have been provided to a recipient in paper should be made available electronically.

2. Under SUBPART 5204.6--CONTRACT REPORTING, **5204.600 Scope of subpart** is changed to **5204.670 Contract action reporting requirements** and reference to the DD Form 1057 deleted (DFARS Change Notice 20060808) as follows:

5204.670 (PGI 204.670) Contract action reporting requirements.

Contract action reporting will be in accordance with policies and procedures promulgated by the Deputy Commander for Contracting Management, NAVSUPSYSCOM.

3. Under SUBPART 5208.74--ENTERPRISE SOFTWARE AGREEMENTS, **5208.7403 Acquisition procedures** is revised to reference the PGI (DFARS Change Notice 20060711) as follows:

5208.7403 (PGI 208.7403) Acquisition procedures.

(5)(iii) The HCA is the designated management official. The management official shall coordinate any request for waiver with the Department of the Navy Chief Information Officer (DoN CIO).

4. Under SUBPART 5219.2--POLICIES, paragraph (d)(10)(A) of **5219.201 General policy** is revised to require review by small business specialists of orders under multiple award IDIQ contracts and Federal Supply Schedule orders over \$10,000, except those under \$100,000 that are totally set aside for small business concerns, (DFARS Change Notice 20060808) as follows:

5219.201 (DFARS 219.201) General policy.

(a) DoN policy is to utilize small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns to obtain its requirements. Such concerns shall have the maximum practicable opportunity to participate both as prime contractors and as subcontractors.

(d)(8) The HCA shall assign a small business technical advisor to each office where a resident SBA procurement center representative is located.

(10)(A) The review requirements are not applicable to--

(i) orders placed against single award indefinite delivery type contracts since the review is performed prior to award of the basic contract; or

(ii) awards under the Small Business Innovation Research (SBIR) Program since the SBIR is limited to qualified small business concerns.

5. Section 5222.101 Labor relations and **5222.101-1 (DFARS 222.101-1) General** are deleted and moved to NMCAG Subpart G5222.1 (DFARS Change Notice 20060412).

6. Under SUBPART 5242.15--CONTRACTOR PERFORMANCE INFORMATION, **5242.1503 Procedures** is renumbered and renamed (DFARS Change Notice 20051109) as follows:

5242.1502 (DFARS 242.1502) Policy.

The DoN Contractor Performance Assessment Reporting System (CPARS) shall be used when preparing performance evaluations. The CPARS is accessed via the internet at <http://www.cpars.navy.mil>.

7. Under SUBPART 5250.3--CONTRACT ADJUSTMENTS, **5250.305 Processing cases** is revised to delete the DFARS reference (DFARS Change Notice 20051109) as follows:

5250.305 Processing cases.

(b) The contracting activity responsible for processing a contractor's request for contractual adjustment under a DoN contract is responsible for establishing liaison and joint action with other Military Departments and other departments and agencies of the Government, until the case is submitted to the Navy Contract Adjustment Board for disposition.

8. Under Section 5250.306 Disposition, the DFARS reference for **5250.306-70 Record of disposition** is renumbered and changed to a PGI reference (DFARS Change Notice 20051109) as follows:

5250.306 (PGI 250.306) Record of disposition.

(1) When a contractor's request is denied below the Secretarial level, the contracting officer of the activity that forwarded the case to the board shall furnish a letter to the contractor explaining the denial.

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The following changes are hereby incorporated into the November 2003 NMCAG:

1. Under G5222.101 Labor relations, **G5222.101-1 General** is changed to incorporate language moved from the NMCARS (DFARS Change Notice 20060412) as follows:

G5222.101-1 (PGI 222.101-1) General.

- (1) Submit requests for departmental approval to DASN(ACQ).
- (2) Immediately notify DASN(ACQ).
- (3) Submit requests for agency head approval to DASN(ACQ).
- (4) Submit questions for the labor advisor to the Navy Labor Advisor in DASN(ACQ), except for questions involving the application of contract labor standards to NAVFACENGCOM contracts. Questions concerning labor issues on NAVFACENGCOM contracts should be submitted to the contract labor relations specialist in the appropriate NAVFACENGCOM division, or to the NAVFACENGCOMHQ labor advisor, NAVFACENGCOM (Code ACI), Washington Navy Yard, Building 33, 1322 Patterson Avenue SE, Suite 1000, Washington, DC 20374-5065.

2. PART G5211--DESCRIBING AGENCY NEEDS is deleted in its entirety and SUBPART G5223.8--OZONE DEPLETING SUBSTANCES is added (DFARS Change Notice 20051209). The language from **G5211.271-90 Policy** and **G5211.271-91 Solicitation provision** is moved to SUBPART G5223.8 OZONE DEPLETING SUBSTANCES.

SUBPART G5223.8—OZONE DEPLETING SUBSTANCES

G5223.803-90 Navy policy.

Chapter 6, “Management of Ozone Depleting Substances” of OPNAVINST 5090.1B, “Environmental and Natural Resources Program Manual” provides Department of the Navy (DoN) policy on Ozone Depleting Substance (ODS) procurement, recovery, use, recycling, material management, emission, substitution, and research, development, testing and evaluation.

G5223.803-91 Solicitation provision.

Offerors should be encouraged to share with the DoN any knowledge they might have regarding Class I ODS required by specifications or standards in a solicitation. The contracting officer may include a provision substantially similar to the provision at G5252.223-9001, Notice to Offerors - Use of Class I Ozone Depleting Substances, in solicitations, if considered appropriate

3. SUBPART G5225.6—TRADE SANCTIONS is deleted and SUBPART 5225.76—SECONDARY ARAB BOYCOTT OF ISRAEL is added (DFARS Change Notice 20061026). The text of **G5225.670-4 Waivers** is renumbered G5225.7604 as follows:

SUBPART G5225.76—SECONDARY ARAB BOYCOTT OF ISRAEL

G5225.7604 (PGI 225.7604) Waivers.

Submit waiver requests to USD(AT&L)DPAP through DASN(ACQ).

4. Under Subsection G5225.7009 Restrictions on ball and roller bearings, **G5225.7009-3 Waiver** is renumbered as G5225.7009-4 and revised (DFARS Change Notice 20061026) as follows:

G5225.7009-4 (PGI 225.7009-4) Waiver.

Submit the proposed Secretarial waiver to DASN(ACQ) in the form of a written D&F that contains a certification that:

- (a) Adequate domestic supplies are not available to meet DoD requirements on a timely basis; and
- (b) The acquisition must be made in order to acquire capability for national security purposes.

5. Under SUBPART G5232.5—PROGRESS PAYMENTS BASED ON COSTS, **G5232.501-2 Unusual progress payments** is revised to reference the PGI (DFARS Change Notice 20051220) as follows:

G5232.501-2 (PGI 232.501-2) Unusual progress payments.

Forward requests for unusual progress payments via DASN(ACQ).

6. Under SUBPART G5232.6—CONTRACT DEBTS, G5232.610 Demand for payment of contract debt is revised to correct numbering of paragraph cited (DFARS Change Notice 20051220) as follows:

G5232.610 (PGI 232.610) Demand for payment of contract debt.

(3) All requests for deferment shall be submitted to the contracting officer for review in accordance with FAR 32.613. The contracting officer shall forward the request, with a recommendation, to the ASN(FM&C) via DASN(ACQ).

7. Under SUBPART G5232.9—PROMPT PAYMENT, **G5232.905 Payment documentation process** is revised to delete the DFARS reference (DFARS Change Notice 20051220) as follows:

G5232.905 Payment documentation and process.

If a Technical Representative or Contracting Officer's Representative has been assigned in the contract, the contracting officer should designate that individual to receive an information copy of the invoice.

8. Under SUBPART 5252.2--TEXT OF PROVISIONS AND CLAUSES, the text of

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G5252.211-9000 NOTICE TO OFFERORS – USE OF OZONE DEPLETING SUBSTANCES is renumbered to G5252.223-9001 (DFARS Change Notice 20051209) as follows:

G5252.223-9001 NOTICE TO OFFERORS - USE OF OZONE DEPLETING SUBSTANCES

As described in G5223.803-91, a provision substantially the same as the following may be included in solicitations:

NOTICE TO OFFERORS--USE OF OZONE DEPLETING SUBSTANCES (AUG 93)

(a) In accordance with section 326 of Pub L.102-484, the Department of Defense is prohibited from awarding any contract which includes a DoD-directed specification or standard that requires the use of a Class I ozone depleting substance (ODS) or that can be met only through the use of such a substance unless such use has been approved by a senior acquisition official (SAO). The SAO approval is based on a technical certification that no suitable substitute for the ODS is currently available.

(b) To comply with this statute, the Navy has screened the specifications and standards associated with this solicitation. To the extent that ODS requirements were revealed by this review they are identified below:

Class I ODS Identified

Specification/Standard

(c) If offerors possess knowledge about any other Class I ODS required directly or indirectly by the specification or standards, the Navy would appreciate such information in your response to this solicitation. Offerors are under no obligation to comply with this request and no compensation can be provided for doing so.

(End of Notice)