DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(RESEARCH, DEVELOPMENT AND ACQUISITION)
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MEMORANDUM FOR DISTRIBUTION

SUBJECT: Change 08-11 to the Navy Marine Corps Acquisition Regulation Supplement (NMCARS)

The attached document identifies changes incorporated into the April 2008 edition of the NMCARS which are effective immediately. The online version of the NMCARS will reflect these changes shortly.

The point of contact for the NMCARS is Denise Randolph. She can be reached via telephone on (703) 614-9767 or email at Denise.Randolph@navy.mil.

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SUBJECT: Change 08-11 to the Navy Marine Corps Acquisition Regulation Supplement (NMCARS)

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NMCARS Change 08-11

The below table summarizes the changes to NMCARS:

(DPN = DFARS Publication Notice and FAC = Federal Acquisition Circular)

#	Reference	Description	Part/ Section
1	Administrative Change	SUBPART 5201.1 - PURPOSE, AUTHORITY, ISSUANCE, SECTION 5201.170 - Peer Reviews, is renumbered from (90) to (a) and (91) to (b) to align with DFARS numbering.	5201.170
2	Clarification	SUBPART 5201.6 - CAREER DEVELOPMENT, CONTRACTING AUTHORITY, AND RESPONSIBILITIES, section 5201.601-General, subsection 5201.601-90 - Department of the Navy authorities and responsibilities, is clarified to include the email addresses for submissions to DASN(AP).	5201.601-90
3	DPN 20110920	SUBPART 5201.6 - CAREER DEVELOPMENT, CONTRACTING AUTHORITY, AND RESPONSIBILITIES, section 5201.602 - Contracting officers, Subsection 5201.602-2 - Responsibilities, is deleted in its entirety because the DPN implements additional guidance at DFARS 201.602-2 and PGI 201.602-2 on the designation of a Contracting Officer's Representative. As a result, there is no need for supplemental NMCARS coverage.	5201.602-2
4	DPN 20120330	SUBPART 5203.8 - LIMITATIONS ON THE PAYMENT OF FUNDS TO INFLUENCE FEDERAL TRANSACTIONS, subsection 5203.806- Processing Suspected violations, is added to reflect new coverage in DFARS issued via the DPN implementing new reporting requirements for violations or potential violations of the Lobbying Disclosure Act.	5203.806
5	Clarification	SUBPART5206.3 - OTHER THAN FULL AND OPEN COMPETITION, section 5206.302 - Circumstances permitting other than full and open competition, subsection 5206.302-5 - Authorized or required by statute adds a sentence in 5206.302-5(b) - *Application*, and 5206.303- 2(S-90) - Content, noting a template for the required written SBIR Phase III justification is contained in Annex 13. Additionally, Subsection 5206.303- 2(S-90) - Content now contains an (a) and (b) to align paragraph numbering with the addition.	5206.302 5206.303
6	DPN 20110302 and Clarification	SUBPART 5207.1 -ACQUISITION PLANS, paragraph (h) under section 5207.103 (DFARS 207.103) - Agency-head responsibilities, is revised to clarify approval authority of PEOs, DRPMs or HCAs and their designees for acquisition plans of contracts valued less than $100M. Section 5207.106 - Additional requirements for major systems, is added to reflect DFARS coverage issued via the DPN.	5207.103 5207.106
7	Administrative Change	SUPBART 5211.2 - USING AND MAINTAINING REQUIREMENTS DOCUMENTS, section 5211.274 - Item identification and valuation requirements, revises the title to add the word "requirements". The DFARS citation in paragraph 5211.274-2(b)(1) is corrected from "DFARS 211.274-2(b)(i)" to "DFARS 211.274-2(b)(1)."	5211.274

#	Reference	Description	Part/ Section
8	Administrative Change	SUBPART 5212 - SPECIAL REQUIREMENTS FOR THE ACQUISITION OF COMMERCIAL ITEMS, section 5212.207 - Contract type revises the title to add the DFARS citation "(DFARS 212.207)".	5212.207
9	FAC 2005-045	SUBPART 5215.4 - CONTRACT PRICING is revised to add the word "certified" before the words "cost or pricing data" in the titles of section 5215.403 and subsection 5215.403-1, as well as in the last sentence of paragraph (c) of 5215.406-90 under section 5215.406, to implement the FAC which changed the definition of cost or pricing data. Additionally, subsections 5215.403-1(c)(3)(b), 5215.403-1(c)(4)(A)(2), and 5215.403-1(c)(4)(B) are updated to clarify reporting directions.	5215.403 5215.406
10	FAC 2055-055	SUBPART 5217.5 - INTERAGENCY ACQUISITIONS UNDER THE ECONOMY ACT, is revised to: remove "UNDER THE ECONOMY ACT" in the SUBPART title to align with FAR; realign business case submission from 5217.502-2(90) to 5217.502-1(c) to conform to FAR coverage; conform to current FAR 17.5 coverage as updated in the FAC by revising the numbering and title from "5217.503 (c)(i) - Determination and findings requirements" to "5217.502-2 -The Economy Act"; incorporate Commander, Military Sealift Command in the list of DON agency head designees for approving D&Fs for interagency acquisitions; remove the requirement for Determination approval for Volpe Laboratories when contracting is NOT required; and, require the submission of business cases to DASN(AP) for Economy Act orders when for multi-agency contracts and governmentwide acquisition contracts may/will be used.	5217.502
11	DPN 20100810 and Administrative Change	SUBPART 5217.74 - UNDEFINITIZED CONTRACT ACTIONS, Section 5217.7402 (DFARS 217.7402) - Exceptions, is added implementing the DPN to reflect an advance reporting requirement pursuant to DFARS 217.7402(b). Additionally, editorial revisions are made to subsection 5217.7404-5 to conform to its corresponding DFARS subsection.	5217.7402 5217.7404
12	FAC 2005-54 and DPN 2012052	PART 5225 FOREIGN ACQUISTION, SUBPART titled "5225.7 PROHIBITED SOURCES" is added with three new sections: section 5225.702 - Prohibition on contracting with entities that conduct restricted business operations in Sudan, subsection 5225.702-4 - Waiver; section 5225.703 - Prohibition on contracting with entities that engage in certain activities relating to Iran, subsection 5225.703-4 - Waiver; and section 5225.770 - Prohibition of acquisition of United States Munitions List items from Communist Chinese military companies, subsection 5225.770-5 - Waiver of prohibition are added to reflect waiver submittal instructions.	5225.702 5225.703 5225.770

#	Reference	Description	Part/ Section
13	Clarification and Administrative Change	SUBPART 5225.7 - AUTHORIZATION ACTS, APPROPRIATION ACTS, AND OTHER STATUTORY RESTRICTIONS ON FOREIGN ACQUISITION, section 5225.7003 (DFARS 225.7003) - Restrictions on acquisitions of specialty metals, subsection 5225.7003-3 (DFARS 225.7003-3) - Exceptions, is revised to clarify reportable actions and to effect a minor editorial revision in the DFARS citation from "(DFARS 225-7003-3)" to "(DFARS 225.7003-3)".	5225.7003
14	DPN 20110311	PART 5232 CONTRACT FINANCING, SUBPART 5232.6 - CONTRACT DEBTS, Section 5232.601 - General, is deleted from NMCARS because current policy at FAR 32.602 and DFARS PGI 232.610 already address the responsibilities of contracting officers and the authority for deferments of debt collection. Section 5232.610 - Demand for payment of contract debt, is added to implement the DPN and to provide routing instructions to obtain approval from the Director of Defense Procurement and Acquisition Policy via DASN(AP) for deferment of contract debt collection.	5232.601 5232.610
15	Clarification	SUBPART 5237.1- SERVICE CONTRACTS GENERAL, section 5237.170 - Approval of contracts and task orders for services, subsection 5237.170-2 - Approval requirements, is updated to add subparagraph 5237.170-2(90) denoting that service contract approval requirements for acquisition of services through a contract or task order that is not performance based do not apply to A&E services.	5237.170
16	DPN 20110202	PART 5245 GOVERNMENT PROPERTY, SUBPART 5245.1 - GENERAL, Section 5245.102 (DFARS 245.102) – Policy, is added to reflect the DPN which established, among other requirements, the submission of the executed determinations and findings, pursuant to DFARS 245.102(4)(C)(1), to the DoD Unique Item Identification Policy Office via DASN(AP).	5245.102
17	Clarification	PART 5252: SOLICITATION PROVISIONS AND CONTRACT CLAUSES (90) - The link to the DON Matrix of FAR/DFARS and Other Government-Unique Provisions/Clauses for Commercial Item Acquisitions is changed from https://acquisition.navy.mil/rda/home/policy_and_guidance/nmcars to https://acquisition.navy.mil/content/download/8416/38911/version/1/file/Clause+Matrix.xlsx	5252.301