MEMORANDUM FOR DISTRIBUTION

Subj: CHANGE 03-13 TO THE NAVY MARINE CORPS ACQUISITION REGULATION SUPPLEMENT (NMCARS) AND CHANGE 03-10 TO THE NAVY MARINE CORPS ACQUISITION GUIDE (NMCAG)

Encl: (1) NMCARS Change 03-13
(2) NMCAG Change 03-10

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

Distribution:
CMC (DC, I&L)
CNR
COMMARCORSYSCOM
COMNAVAIRSYSCOM
COMNAVFACENGCOM
COMNAVICP
COMNAVSEASYSCOM
COMNAVSUPSYSCOM
COMSC
COMSPAWARSYSCOM
DIRSSP
PEO (A)
PEO (C4I)
PEO (CARRIERS)
PEO (EIS)
PEO (IW)
PEO (JSF)
(continued next page)
Subj: CHANGE 03-13 TO THE NAVY MARINE CORPS ACQUISITION REGULATION SUPPLEMENT (NMCARS) AND CHANGE 03-10 TO THE NAVY MARINE CORPS ACQUISITION GUIDE (NMCAG)

(distribution continued)
PEO (LMW)
PEO (SHIPS)
PEO (SPACE)
PEO (SUB)
PEO (T)
PEO (W)
CHENG

Copy to:
AGC
DACM
DON OSBP
CMC (LB)
MARCORSYSCOM (02)
MSC (N10)
NAVAIRSYSCOM (2.0)
NAVFACENGCOM (ACQ)
NAVSEASYSCOM (02)
NAVSUPSYSCOM (02)
ONR (02)
SPAWARSYSCOM (02)
SSP (SPN)
NAVICP (02)
The following changes are hereby incorporated into the November 2003 NMCARS:

1. Wherever “DASN(ACQ)” appears in the text of the NMCARS, it is changed to read “DASN(A&LM)”. This change will be made in the version of the NMCARS available at http://acquisition.navy.mil/policy_and_guidance.

2. Wherever “Director, SADBU” appears in the text of the NMCARS, it is changed to read “Director, SBP”. This change will be made in the version of the NMCARS available at http://acquisition.navy.mil/policy_and_guidance.

3. Under SUBPART 5202.1—DEFINITIONS, 5202.101 Definitions is changed to reflect the current designations for DASN(A&LM) and Director, SBP as follows:


"ASN(FM&C)" means Assistant Secretary of the Navy (Financial Management and Comptroller).

"ASN(RD&A)" means Assistant Secretary of the Navy (Research, Development and Acquisition).

"CCO" means the “Chief of the Contracting Office”. The CCO is the official who has overall responsibility for managing the entire contracting office and includes the principal deputy to such official.

"DASN(A&LM)" means the Deputy Assistant Secretary of the Navy for Acquisition and Logistics Management, Office of the Assistant Secretary of the Navy (Research, Development and Acquisition). It also includes the Chief of Staff, DASN(A&LM) and the Director, Program Analysis & Business Transformation, DASN(A&LM).

"Deputy/Assistant Commander for Contracts" means the Deputy or Assistant Commander for Contracts or the equivalent at a Systems Command, the Headquarters, Naval Facilities Engineering Command; Deputy Commandant for Installations and Logistics, Headquarters Marine Corps; Office of Naval Research; Military Sealift Command; and Strategic Systems Programs. It also includes the principal deputy for these officials.

"Director, SBP" means the Director, Small Business Programs, Office of the Under Secretary of the Navy.

"DRPM" means Direct Reporting Program Manager.

"MSC" means the Military Sealift Command

"NAE" means the Navy Acquisition Executive. ASN(RD&A) is the NAE.

"NAVAIRSYSCOM" means the Naval Air Systems Command.

"NAVFACENGCOM" means the Naval Facilities Engineering Command.

"NAVSEASYSCOM" means the Naval Sea Systems Command.

"NAVSUPSYSCOM" means the Naval Supply Systems Command.

"Navy" or "DoN" means the Department of Navy including the Marine Corps, unless otherwise specified.

"NSPE" means Navy Senior Procurement Executive. ASN(RD&A) is the NSPE.

"PEO" means Program Executive Officer.

"SPAWARSYSCOM" means the Space and Naval Warfare Systems Command.

4. Under SUBPART 5209.4—DEBARMENT, SUSPENSION, AND INELIGIBILITY, procedures for debarment and suspension are changed to reflect the current name of the Navy’s office for Acquisition Integrity as follows:

5209.406 Debarment.

Refer all matters to Assistant General Counsel (Acquisition Integrity).

5209.407 Suspension.

Refer all matters to Assistant General Counsel (Acquisition Integrity).

5. Add SUBPART 5213.5—TEST PROGRAM FOR CERTAIN COMMERCIAL ITEMS and 5213.500 General to delegate the authority to make a determination under 41 U.S.C. 428a as follows:

5213.500 (FAR 13.500) General.
(e)(1) HCAs are delegated the authority to make the determinations described in FAR 13.500(e)(1).

6. SUBPART 5215.4—CONTRACT PRICING and 5215.403 Obtaining cost or pricing data are added as follows:

5215.403 Obtaining cost or pricing data.

5215.403-1 (DFARS 215.403-1) Prohibition on obtaining cost or pricing data (10 U.S.C 2306a and 41 U.S.C. 254b).
(c)(3)(B) Annual report of contracting officer determinations that commercial item exceptions apply under FAR 15.403-1(b)(3) shall be submitted to DASN(A&LM) by October 31st of each year. In addition to the information required by PGI 215.403-1(c)(3)(B), reports to DoN are to include award date, contracting officer’s name, and contracting officer’s telephone number.
(c)(4)(B) Annual report of Truth in Negotiations Act waivers shall be submitted to DASN(A&LM) by October 31st of each year. In addition to the information required by PGI 215.403-1(c)(4)(B), reports to DoN are to include award date, contracting officer’s name, and...
contracting officer’s telephone number.

7. Under SUBPART 5217.1—MULTI-YEAR CONTRACTING, 5217.170 General is added as follows:

5217.170 (DFARS 217.170) General.
   (d)(4) Congressional notifications for multi-year contracting should be submitted for signature through DASN(A&LM). This includes the notification requirements of FAR 17.108(b) and those requirements repeated in DFARS 217.171, 217.172, and 217.174.

8. Under SUBPART 5219.8—CONTRACTING WITH THE SMALL BUSINESS ADMINISTRATION (THE 8(a) PROGRAM), the DFARS reference for 5219.804-2 Agency offering is changed as follows (Change Notice 20070426):

   (b) and (c) Contracting activities shall provide a copy of 8(a) Program offering letters to the Director, SBP concurrent with submission to the cognizant SBA district office.

9. Under SUBPART 5237.1—SERVICE CONTRACTS GENERAL, 5237.104 Personal services contracts is added to provide agency procedures for certain health care personal service contracts as follows:

5237.104 (DFARS 237.104) Personal services contracts.
   (b)(ii)(C)(2) Commands outside the Bureau of Medicine and Surgery (BUMED) claimancy shall obtain review and approval of Statements of Work for clinical counselors, family advocacy program staff, and victim's services representatives as described in DFARS 237.104(b)(ii)(A)(3) from the Naval Medical Logistics Command, (NAVMEDLOGCOM). See BUMEDINST 4200.2A, or version currently in effect, for information on appropriate contract procedures.

10. Under SUBPART 5237.5—MANAGEMENT OVERSIGHT OF SERVICE CONTRACTS, 5237.503 Agency head responsibilities is changed to update the reference to the Navy’s MOPAS policy as follows:

5237.503 Agency-head responsibilities.
   All acquisitions of services in excess of the simplified acquisition threshold shall comply with the policy and procedures set forth in the "Department of the Navy (DoN) Management and Oversight Process for the Acquisition of Services (Revised) (MOPAS 2)" dated December 1, 2006. HCAs/PEOs/DRPMs shall issue implementing procedures to ensure compliance.
The following changes are hereby incorporated into the November 2003 NMCAG:

1. Wherever “DASN(ACQ)” appears in the text of the NMCAG, it is changed to read “DASN(A&LM)”. This change will be made in the version of the NMCAG available at http://acquisition.navy.mil/policy_and_guidance.

2. Wherever “Director, SADBU” appears in the text of the NMCAG, it is changed to read “Director, SBP”. This change will be made in the version of the NMCAG available at http://acquisition.navy.mil/policy_and_guidance.

3. Under G5209.4 DEBARMENT, SUSPENSION, AND INELIGIBILITY, **G5209.402 Policy and G5209.404 Excluded Parties List System** are changed to reflect the current designation of the Navy’s Acquisition Integrity Office as follows:

**G5209.402 (FAR 9.402) Policy.**

(d) The Assistant General Counsel (Acquisition Integrity) is the Department of the Navy’s Suspending and Debarring Official (SDO). Attorneys in the Acquisition Integrity Office have the responsibility for processing and recommending suspension or debarment action to the SDO.

**G5209.404 (FAR 9.404) Excluded Parties List System.**

(c) The Acquisition Integrity Office has the responsibility for entering data, updating, and performing all other administrative functions regarding the EPLS for the DoN.

4. Under SUBPART 5215.4—CONTRACT PRICING, add the following (Change Notice 20070531):

**G5215.403 Obtaining cost or pricing data.**

**G5215.403-1 (PGI 215.403-1) Prohibition on obtaining cost or pricing data (10 U.S.C. 2306a and 41 U.S.C. 254b).**

(c)(4)(A)(2) Senior procurement executive coordination. Submit exceptional case TINA waivers that exceed $100 million to DASN(A&LM) for coordination prior to approval.

5. Under SUBPART 5219.8—CONTRACTING WITH THE SMALL BUSINESS ADMINISTRATION (THE 8(a) PROGRAM), the DFARS reference for **G5219.803** is changed to reflect the transfer of text to the PGI as follows (Change Notice 20070426):

**G5219.803 (PGI 219.803) Selecting acquisitions for the 8(a) Program.**

(b)(i) Contracting officers, in evaluating SBA requests for 8(a) Program support, or independently considering other acquisition requirements that may be accomplished by 8(a) firms, should coordinate such efforts with the activity small business specialist and cognizant
technical personnel.

(ii) Where possible, procurement activity should be suspended pending final disposition of SBA requests. If the contracting officer determines that urgent mission requirements preclude further consideration, declination responses to SBA should factually explain such determinations.

6. Under Part G5222 APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS, the heading for SUBPART G5222.10 is changed to uppercase letters for consistency with other NMCAG Subpart Headings as follows:

**SUBPART G5222.10—SERVICE CONTRACT ACT OF 1965, AS AMENDED**

7. Under SUBPART G5225.8--OTHER INTERNATIONAL AGREEMENTS AND COORDINATION, **G5225.802 Procedures for acquisitions that can only be satisfied by European sources** is changed to add regions other than Europe and reflect current designations for field offices as follows:

**G5225.802(90) Procedures for acquisitions that can be satisfied only by sources outside the United States.**

(a) Naval activities having requirements that can be satisfied only by European sources should forward their requisitions to Fleet and Industrial Supply Center (FISC), Sigonella Detachment Naples for procurements in Southern Europe, the Mediterranean, and Africa; to FISC Sigonella Detachment Bahrain for procurements in the Middle East; or FISC Sigonella Detachment London for procurements in Northern Europe, including the United Kingdom and Iceland. Naval activities having requirements that can be satisfied only by Asian sources should forward their requirements to FISC Yokosuka for procurements in Japan or Korea; or FISC Yokosuka Detachment Singapore for procurements in Asia/Pacific other than Japan or Korea. This does not relieve activities from complying with current Balance of Payments directives.

(b) **Exceptions.** The following are exceptions to paragraph (1) above:

(i) Contracts for complete vessels or aircraft.

(ii) Contracts for equipment requiring servicing by representatives of foreign companies.

(iii) Contracts within an activity's authorized purchase authority when material is readily available overseas (outside CONUS).

(iv) Other specific exceptions as may be granted by NAVSUPSYSCOM.

(3) Contracting Officers utilizing any of the above exceptions, prior to negotiating with an overseas supplier, should contact the applicable FISC for assistance and support.

8. Under SUBPART G5225.8--OTHER INTERNATIONAL AGREEMENTS AND COORDINATION, the provision under **G5225.872-3 Solicitation procedures** is renumbered to comply with a DFARS change as follows (Change Notice 20070426):

Enclosure (2)
(e)(4) Submit requests for concurrence through DASN(A&LM).

9. Add SUBPART G5237.1--SERVICE CONTRACTS—GENERAL and G5237.102-71 Limitation on service contracts for flight simulators as follows (DFARS Change Notice 20070906):

SUBPART G5237.1—SERVICE CONTRACTS—GENERAL

G5237.102-71 (PGI 237.102-71) Limitations on service contracts for flight simulators.

(1) and (2) Submit requests for waivers and required economic analysis for the congressional defense committees through DASN(A&LM).