

Internal Revenue Service Acquisition Policy

FY 2020 Edition

Version 3.0

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FOREWORD

The Internal Revenue Service Acquisition Policy (IRSAP) is published and maintained by the Office of Procurement Policy, Policy and Procedures Section of the Internal Revenue Service (IRS). The contents of the IRSAP are intended to provide binding internal, non-codified policy to the IRS. The scope includes delegations of authority, assignments of responsibilities, work-flow procedures, internal reporting requirements, and all other procurement policies that facilitate the processing of IRS acquisitions. The IRSAP is a companion guide to the Department of the Treasury Acquisition Procedures and the Department of the Treasury Acquisition Regulation (DTAR), the latest version of which is codified at 48 CFR Chapter 10 and the FAR.

The arrangement of this edition corresponds to the Federal Acquisition Regulation (FAR), with parts, subparts, sections and subsections corresponding to their FAR counterparts. Furthermore, the IRSAP shares the same numbering system and naming convention as the FAR, DTAR, and DTAP for ease of cross- referencing and use. The IRSAP applies to all acquisitions of supplies and services involving the obligation of appropriated or non-appropriated funds. The Office of the Chief Procurement Officer (OCPO) is required to use the IRSAP to ensure adherence to IRS-specific policy. The IRSAP must be used in conjunction with the DTAP, DTAR and FAR to ensure adherence to all Treasury and IRS policies and federal procurement regulations.

Shanna R. Webbers
Chief Procurement Office

Internal Revenue Service Acquisition Policy (IRSAP) Part 1001

Internal Revenue Service Acquisition Policy (IRSAP)

Summary of Amendments

The following reflects the technical amendments made under this version of the subject edition.

- General:
 - Updated, as applicable, office names, existing hyperlinks and bookmarks
 - Corrected grammar, formatting and made other editorial changes
The following sections were amended to make significant revisions:
1001.105-290; 1001.301-9000; 1001.602; 1001.603; 1001.670; 1004.602;
1004.804; 1004.2103; 1004.7003; 1004.7004; 1004.7005; 1004.7102-1;
1004.7705; 1005.503; 1007.103; 1007.105; 1007.107-2; 1007.107-3;
1007.107-4; 1007.503; 1008.404; 1008.802; 1009.104-6; 1009.105;
1009.105-2; 1010.9000; 1013.106-3; 1013.201; 1013.390; 1015.403-1;
1017.7104; 1019.502-1; 1019.1505; 1023.302; 1023.405; 1023.703;
1023.7002; 1023.7003; 1033.103; 1033.203; 1039.9001; 1042.1502-90;
1046.102-90; 1049.101; 1049.111; 1049.402-8; IR1052.204-9000;
IR1052.224-9000; IR1052.239-9004; IR1052.239-9005; IR1052.239-9006;
IR1052.239-9007 and IR1052.239-9010.

The following sections were amended to make minor revisions: 1004.604;
1004.802-90; 1004.803; 1004.1301-90; 1004.1303-90; 1004.20; 1004.7006;
1004.7104-2; 1004.7501; 1004.7705; 1005.303; 1005.502; 1007.102;
1008.405-6; 1009.106; 1009.106-1; 1009.202; 1012.207; 1013.101;
1013.201; 1013.301; 1013.390; 1015.404-290; 1015.5; 1016.601; 1019.201;
1022.302; 1022.804-2; 1022.902; 1022.1406; 1023.204; 1023.404; 1023.703;
1023.7002; 1023.7003; 1024.203-90; 1024.9001; 1027.501; 1030.202-6;
1031.205-6; 1032.202-4; 1032.402; 1032.702-90; 1032.803; 1032.7002-90;
1033.102; 1033.103; 1033.104; 1033.209; 1033.212; 1036.602-2; 1037.104;
1037.112; 1037.203-90; 1039.203-90; 1039.9000; 1042.102; 1042.170-6;
1042.703-2; 1042.803; 1046.102-91; 1046.7002; IR1052.204-9001;
IR1052.204-9002; IR1052.215-9003; IR1052.216-9000; IR1052.224-9000;
IR1052.224-9001; IR1052.232-9000; IR1052.239-9008 and IR1052.239-9009.

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PART 1001—IRSAP SYSTEM

SUBPART 1001.1—PURPOSE, AUTHORITY, ISSUANCE

1001.101 Purpose.

The Internal Revenue Service Acquisition Policy (IRSAP) is issued to implement and supplement statutory requirements, the [Federal Acquisition Regulation \(FAR\)](#), the [Department of the Treasury Acquisition Regulations \(DTAR\)](#), and the Department of the Treasury Acquisition Procedures (DTAP). The IRSAP establishes uniform IRS-wide acquisition policies and shall be used for internal IRS acquisition purposes.

1001.104 Applicability.

The IRSAP applies to IRS procurements. Unless specifically exempted, the IRSAP also applies to the Office of Business Solutions Acquisition (OBSA), Treasury Operations Branch and the Office of Information Technology Acquisition (OITA), Bureau of Engraving and Printing (BEP) Acquisitions Branch.

1001.105-290 Arrangement of the IRSAP.

(a) General. The IRSAP is divided into parts, subparts, sections, and subsections.

(b) Numbering.

(1) The IRSAP conforms to the arrangement and numbering system prescribed by [DTAP 1001.105-270](#). The IRSAP addresses the specific paragraphs for which supplementation or implementation applies.

(2) Coverage in the IRSAP that supplements the FAR, DTAR, or DTAP will use subchapter, section, and subsection numbers ending in "90" and up (e.g., 1001.202-90), in accordance with [DTAP 1001.303](#). For example, subsection 1001.105-290 supplements DTAP 1001.105-270; therefore, its numbering includes subsection number "90."

(3) Coverage in the IRSAP that implements the FAR, DTAR, or DTAP will use the identical number sequence and caption of the FAR, DTAR, or DTAP segment being implemented.

(4) The numbering convention described in this subsection shall apply to IRS Procedures, Guidance, and Information (PGIs).

SUBPART 1001.3—AGENCY ACQUISITION REGULATIONS

1001.301-7102 General.

On a semi-annual basis, Director, Office of Procurement Policy, shall review the IRSAP to ensure currency, accuracy, and necessity of a policy or an associated procedure; adopt and include innovative practices; and incorporate other revisions as necessary.

1001.301-9000 Definitions.

"Bureau Chief Procurement Officer (BCPO)" is the IRS CPO or Deputy CPO.

"Chief Procurement Officer (CPO)" for the purposes of the IRSAP, is used in lieu of BCPO.

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“Procedures, Guidance, and Information (PGI)” is a companion resource to the IRSAP, issued by the Office of Procurement Policy. PGIs provide mandatory, unless otherwise stated, direction, information, or procedures for implementing the IRSAP.

“Information Requests or Transmittal Memoranda (IRTs)” are memoranda used to transmit acquisition information.

1001.304-9000 Agency control and compliance procedures.

The IRSAP is under the direct oversight and control of the Director, Office of Procurement Policy, who is responsible for the development, review, and issuance of all IRS acquisition policies, procedures, guidance, and information. If an IRS acquisition policy conflicts with the FAR, DTAR, or DTAP, the order of precedence shall be the FAR, DTAR, and then the DTAP.

Conflicts identified in a policy, procedure, guidance, or information shall be reported to the Office of Procurement Policy, Policy and Procedures Section Chief.

SUBPART 1001.6–CAREER DEVELOPMENT, CONTRACTING AUTHORITY, AND RESPONSIBILITIES

1001.602 Contracting officers.

1001.602-1 Authority.

(a) IRS warrant levels are based on the dollar value of individual transactions.

Individual transactions include the following:

- The dollar value of a contract award, including the dollar value of option periods.
- The dollar value of a modification award, and not the aggregate contract dollar value.
- The dollar value of a blanket purchase agreement award including the dollar value of option periods.
- The dollar value of a blanket purchase agreement modification award, and not the aggregate blanket purchase agreement dollar value.
- The dollar value of an order award against an indefinite delivery, indefinite quantity contract (e.g. Federal Supply Schedules, Governmentwide Acquisition Contracts, Multi-agency Contracts, agency- specific indefinite delivery, indefinite quantity contracts) including the dollar value of option periods, and not the aggregate contract dollar value.
- The dollar value of a modification award to an order against an indefinite delivery, indefinite quantity contract, and not the aggregate order dollar value.
- The dollar value of a purchase order.
- The dollar value of a modification to a purchase order and not the aggregate purchase order dollar value.

(b) If an individual transaction includes both additions and deductions, the aggregate, absolute value of the changes determines the warrant level required for award (e.g., the value of an individual action that adds \$35,000 of work and deducts \$80,000 is \$115,000).

1001.602-3 Ratification of unauthorized commitments.

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(b)(2) The Policy and Procedures Section shall review unauthorized commitment case files submitted for CPO approval and maintain the unauthorized commitment action log.

1001.603 Selection, appointment, and termination of appointment for contracting officers.

1001.603-4 Termination of appointment.

Upon separation from CO duties or a change in the warrant value/level, the CO shall return the SF 1402, Certificate of Appointment to their supervisor. Separation from CO duties includes resigning, retiring, transferring to a position within the Office of the Chief Procurement Officer that does not require a warrant (not applicable to managers holding warrants), transferring to another agency or an IRS office outside of OCPO, or recommendation of revocation of an appointment by an office director.

1001.603-90 General.

(a) The Treasury Acquisition Institute is the Bureau point of contact for FAC-C inquiries and shall:

- Maintain files for all active, pending and terminated appointments;
- Perform periodic audits at least annually to ensure warrant levels correspond to certification levels,
- Regulate the issuance and termination of contracting authority, and notify the Systems Support Division of any discrepancies; and
- Provide notification to the Systems Support Division, OBSA Treasury Operations Branch, and OITA BEP Acquisitions Branch of all additions, changes, and terminations of CO appointments.

(b) The Systems Support Division shall maintain the IRS contract writing system database and update the warranted CO listing for all IRS procurement offices, with the exception of the OBSA Treasury Operations and OITA BEP Acquisitions Branches.

(c) The OBSA Treasury Operations and OITA BEP Acquisitions Branches shall develop internal procedures for maintaining their contract writing system database and updating the warranted CO listing, as appropriate.

1001.670 Selection, Appointment, and Termination of Appointment for Contracting Officer's Representative

1001.670-1 General.

[The Treasury Acquisition Institute](#) is the Bureau point of contact for [FAC-COR Certification](#) inquiries.

1001.670-3 Appointment.

The CO shall appoint a COR:

(c) For all new actions exceeding the simplified acquisition threshold (SAT), including orders and blanket purchase agreements (BPAs). For all new actions that include contractor access to IRS systems or other sensitive data.

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SUBPART 1001.70—OTHER DETERMINATIONS, WAIVERS, EXCEPTIONS, APPROVALS, REVIEW, AND SUBMITTALS

1001.7000 Coordination and Approval.

(d) Documents requiring Chief Procurement Officer (CPO), Head of Contracting of Activity (HCA), SPE and/or Agency Head (AH) approval or notification shall be routed through the [Policy Quality Assurance Section](#) and General Legal Services (GLS) for review and concurrence. [The Office of Procurement Policy](#) will review and forward all documents to the CPO for signature and approval prior to submission to the HCA, SPE, and/or AH.

SUBPART 1001.90—RESTRICTED PURCHASE LIST

The [Restricted Purchase List \(RPL\)](#) provides guidance on supplies and services that IRS employees are prohibited from buying using a purchase card, or that can be purchased only with the appropriate approval.

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PART 1003—IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

SUBPART 1003.6—CONTRACTS WITH GOVERNMENT EMPLOYEES OR ORGANIZATIONS OWNED OR CONTROLLED BY THEM

1003.602 Exceptions.

Exceptions shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1004

PART 1004–ADMINISTRATIVE MATTERS SUBPART 1004.1–CONTRACT EXECUTION

1004.103 Contract clause.

There are no procedures necessary or requirements that meet FAR [52.204-1, Approval of Contract](#).

SUBPART 1004.6–CONTRACT REPORTING

1004.602 General.

(a)(3) The CO shall report data on sustainable acquisitions in FPDS.

1004.604 Responsibilities.

(a)(1)(i) The Directors, Office of Information Technology Acquisition and Office of Business Solutions Acquisitions shall ensure timely entry and maintenance of overall quality of data in the FPDS–NG.

(iii) The IRS FPDS–NG System Administrator resides in the Office of Procurement Policy.

(c)(1) The FPDS-NG System Administrator is responsible for performing duties prescribed by [DTAP 1004.604\(c\)\(1\)](#).

SUBPART 1004.8–GOVERNMENT CONTRACT FILES

1004.802-90 Electronic Contract Files.

The CO shall use [Procurement for Public Sector \(PPS\)](#), Folders Management application (official system of record) to store contract file documents. The terms “PPS” and “contract writing system” are used interchangeably throughout the document.

(c)(6) In accordance with [IRS Records Officer Guidance, dated November 17, 2005 Subject: Guidance on Retention of Hurricane Katrina](#), all records relating to Hurricane Katrina, resulting flooding, or its aftermath are to be maintained in a separate file.

1004.803 Contents of Contract Files.

(d) Official Contract Files (OCF) shall be structured and maintained in accordance with IRSAP 1004.802-90 and [PGI 1004.8 Government Contract Files](#). The CO shall complete the contract file checklist for all contract actions exceeding the SAT and include in the contract file within the Folders Management section of PPS.

1004.804 Closeout of contract files.

(a) Resources to assist with contract closeout are available on the [Treasury HUB](#) and the Samples column of the Policy Framework.

(b) A completed contract shall not be closed if the contract is in litigation, under investigation, pending termination action or if there is an outstanding claim.

1004.805 Storage, Handling, and Contract files.

The CO shall preserve IRS records in accordance with applicable statutory and regulatory requirements. See IRSAP 1004.7705 for records retention and disposition.

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SUBPART 1004.11–SYSTEM FOR AWARD MANAGEMENT

1004.1102-90 Policy.

The CO shall send an email to <mailto:CFOBFC.ElectronicObligations@irs.gov>, using the subject line: Expedite – Procurement Vendor Request - (insert vendor name here - e.g. - ABC Co.), to request a Non-SAM vendor code.

SUBPART 1004.13–PERSONAL IDENTITY VERIFICATION

1004.1301-90 Policy.

The Office of the Chief Procurement Officer (OCPO) shall collaborate with the Human Capital Office (HCO), Facilities Management, and Security Services (FMSS) to evaluate the program effectiveness of the policies, governing non- IRS employees requiring staff-like access. OCPO, HCO and FMSS shall perform periodic reviews no less than once every three years and implement changes if necessary, based on findings.

1004.1303-90 Contract Clauses.

The CO shall ensure that contracts, orders, and agreements that require contractor (including subcontractor) employees to have staff-like access to IRS Sensitive but Unclassified (SBU) information (electronic or paper-based) (see Part 1024), IRS facilities or information systems or assets that process, store or contain [IRS SBU](#) (see Part 1039), wherever the location, and irrespective of ownership of the information system or infrastructure in use include the following clause:

- IR1052.204-9000 Submission of Security Forms and Related Materials (JUN2020)
- IR1052.204-9001 Notification of Change in Contractor Personnel Employment Status, Assignment, or Standing (JUN 2020)

(b) If the Contractor employee's tasks involve Federal Information Security Modernization Act of 2014 (FISMA) duties or have a significant information/information technology security role, the CO shall include the following clauses:

- IR1052.204-9002 IRS Specialized Information Technology (IT) Security Training (Role- Based) Requirements (JUN 2020)

(c) The CO shall insert the following clause, if the contractor employee requires remote access to:

(1) develop, install, operate, or maintain IRS information systems on behalf of the IRS (or provide related services) outside of IRS owned or controlled facilities or the direct control of the IRS; and/or

(2) compile, process, or store SBU information on their own IT systems or that of a subcontractor or third-party service provider (as defined in FAR Part 2) other than that owned or controlled by the IRS.

- IR1052.239-9009 Information Systems and Information Security Controls for Contracting Actions Subject to IRS Publication 4812 (JUN 2020)

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SUBPART 1004.20—PROHIBITION ON CONTRACTING FOR HARDWARE, SOFTWARE, AND SERVICES DEVELOPED OR PROVIDED BY KASPERSKY LAB

1004.2003 Notification.

See [APU 2019-01, Prohibition on Contracting for Hardware, Software, and Services Developed or Provided By Kaspersky Lab, for details on this FAR requirement. The Treasury Office of the Procurement Executive](#) in conjunction with the Treasury Office of the Chief Information Officer, developed a [Reporting Site for Covered Entities](#) (e.g. Kaspersky products and services).

The contracting officer shall input covered entities information into the site.

(b) The Procurement Analyst in the Policy and Compliance Branch has been designated as the point of contact to address permission access issues related to the Reporting Site for Covered Entities. The Director of each Operation Division shall ensure timely entry of information and use of the Reporting Site for Covered Entities.

SUBPART 1004.21 – PROHIBITION ON CONTRACTING FOR CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT

1004.2103 Procedures.

See [AB-19-02 Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment](#) for information on this FAR requirement for covered equipment or services produced by Huawei Technologies Company or ZTE Corporation, and other named prohibited sources (any subsidiary or affiliate of such named entities) as defined. The requirement applies to new contracts, extensions or renewal of contracts.

(a)(1)(i) Representation. If the contracting officer identifies a discrepancy in the “does not” representation in FAR [52.204-26](#) or FAR [52.212-3\(v\)](#), then the contracting officer shall consult with the requiring activity and GLS, as appropriate.

(a)(2)(ii) If the contracting officer identifies a discrepancy in the “will not” representation in FAR [52.204-24](#), then the contracting officer shall consult with the requiring activity and GLS, as appropriate.

(a)(2)(iii) If an offeror selects the “will” in paragraph (d) of the FAR [52.204- 24](#) provision, the offeror must provide the information required by paragraph (e) of the provision. When an offeror completes paragraph (e) of the provision 52.204-24, affirms its representation and has disclosed information as a part of the offer to the Contracting Officer (CO), the CO shall collaborate with the Requiring Activity and cognizant offices, as appropriate, to determine if:

(A) The exceptions at [FAR 4.2102\(b\)\(1\)](#) and [FAR 4.2102\(b\)\(2\)](#) apply; if the exceptions apply, the CO shall obtain CIO statement(s) as to the exception and include this documentation in the contract file.

(B) If the exception(s) do not apply - a waiver is required as per 1004.2104, and the contract action necessitates proceeding with the covered products or services with no other alternative products or no other alternative services offered to the Government and is determined to be in the Government’s best interest to proceed

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with the contract action.

(C) When the contract action is executed in conjunction with the approved waiver, the CO shall keep the approved waiver documentation in the contract file.

(D) COs or designees shall report any covered products or services by sending an email along with the documentation to the Policy and Procedures Section Chief in the Policy and Compliance Branch.

(b)(1) Reporting requirement. If the contractor reports information during contract performance, the contractor (including subcontractors at any tiers or by any other source), is required to provide detailed information on the mitigation actions pursuant to FAR [52.204-25](#). All documentation related to these actions shall be included in the contract file.

(b)(2) The CO shall consult with the Requiring Activity and cognizant offices on how to proceed with the contract.

(b)(3) The CO in collaboration with the Requiring Activity shall prepare and submit a waiver in accordance with 1004.2104 with the requiring office. The approved waiver shall be retained in the contract file.

(b)(4) COs or designees shall report any covered products or services by sending an email along with the documentation to the Office of Procurement Policy, Policy and Procedures Section Chief for retention.

1004.2104 Waivers.

(a)(1)(iii) The one-time waiver, along with the laydown/phase-out plan or mitigation plan for this prohibition, shall be submitted in accordance with DTAP 1001.7000(d). The requirements office shall request to waive the prohibition through the contracting office, then through the Treasury Senior Procurement Executive (SPE), on a one-time basis, not to extend beyond August 13, 2021 to be approved by the Head of the Department of the Treasury in order to proceed with the contract action. The CO shall include the approved waiver in the contract file and distribute to the affected offices for record.

SUBPART 1004.70–SMALL BUSINESS REVIEW PROCEDURES

1004.7003 General.

(b)(1) Requirements entered into the electronic Small Business Review System (SBRS) will be automatically forwarded to the Director, Office of Small and Disadvantaged Business Utilization (OSDBU) for approval, after the approval of the Small Business Specialist (SBS). See [PGI 1004.70 Small Business Review Procedures](#), for the list of supplemental documentation needed for OSDBU Reviews.

(2) The OSDBU shall perform the review and, if approved, forward to the Small Business Administration (SBA) Procurement Center Representative (PCR). If an action is disapproved during any level of the review process, it is returned to the author (CO/CS) for revisions as necessary.

1004.7004 Small Business Review Requirements.

(a) See [PGI 1004.70 Small Business Review Procedures](#).

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(1) Review is not required for any action that is limited or set-aside for small business, unless the action includes a Justification & Approval (J&A) document. See [PGI 1004.70 Small Business Review Procedures](#) for submission of actions limited or set-aside for small business with a J&A.

(2) All modifications to the approved small business review, regardless of dollar value, must be submitted directly to the [SBS](#), referencing the SBRS number, for processing.

1004.7005 SBRS documentation requirements.

(a) The CO shall enter requirements into the SBRS for processing within three (3) business days of receipt of a complete requisition package. Exceptions to this requirement are:

(1) Acquisitions for expert witnesses. Small business review for expert witness acquisitions shall be approved by the Area Office SBS.

(2) Area Office conducting open-market unrestricted actions. The Area Office SBS shall forward the requirement to the National Headquarters Office SBS for review.

1004.7006 SBRS review time frames.

(a) The SBS shall review the information entered in the SBRS and inform the CO of errors and/or omissions within five (5) business days.

SUBPART 1004.71–REVIEW AND APPROVAL PROCEDURES

1004.7101 General Procedures.

(a) See [PGI 1004.71 Review and Approval Procedures](#).

1004.7104 Contract Review Board. 1004.7104-1 General.

The IRS Contract Review Board (CRB) shall review all sensitive and high-profile acquisitions that warrant the attention of the CPO. Actions shall include, but not be limited to acquisitions in which interest has been expressed by Treasury Inspector General for Tax Administration (TIGTA), other Government entity, or multiple bureau/complex procurement actions.

Office Directors are responsible for:

- a. ensuring execution of pre-solicitation and pre-award reviews within their respective divisions;
- b. identifying actions requiring review and coordination with the CRB; and
- c. notifying the CPO of actions that pose risk to the IRS after award.

1004.7102-1 General.

(b)(1) The CO shall prepare a Determination and Finding (D&F) in accordance with DTAP 1043.102-70 when a modification is expected to increase the total value of the contract or task/ delivery order in excess of 10 percent. See “Good To Know” column under PART 1004 - Administrative Matters of the Policy Framework for an explanation of the threshold applicability.

(b)(5) The CO shall prepare a D&F for CPO approval as required, per IRSAP

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1043.102-90 when a modification whose cumulative effect increases the total originally awarded contract value by 20 percent. CPO approval for “within scope” D&Fs shall be submitted in accordance with IRSAP subpart 1001.7000(d), including supporting documentation. CPO approval is not required if the modification is for the exercise of options evaluated and included as part of the initial award; meets one of the exceptions listed at DTAP 1043.102 (b)(1)(i); or if the estimated modification value is under the SAT.

1004.7104-2 Review Requirements.

See [PGI 1004.71 Review and Approval Procedures](#) pre-award actions, allow eight business days for Quality Assurance Section review.

SUBPART 1004.73–EVALUATION AND CERTIFICATION OF TREASURY PROCUREMENT FUNCTION

1004.7301 General.

The CPO is responsible for monitoring and evaluating the IRS procurement function.

SUBPART 1004.75–PROCURE-STAT PROGRAM

1004.7501 Responsibilities and Accountability.

(b)(1) Systems Support Division [designs](#), develops and implements performance measures and reports that facilitate continuous improvement in performance and results across Procurement.

SUBPART 1004.77–RECORDS MANAGEMENT

1004.7705 Contracting Officer Responsibilities.

(a) See “Good To Know” column under PART 1004 - Administrative Matters of the Policy Framework for a list of assigned Information Resource Coordinators (IRCs).

(d) See “Good To Know” column under PART 1004 - Administrative Matters of the Policy Framework for resources and instructions for records retention and disposition.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1005

PART 1005–PUBLICIZING CONTRACT ACTIONS

SUBPART 1005.2–SYNOPSIS OF PROPOSED CONTRACT ACTIONS

1005.202 Exceptions.

(a)(1) Determination shall be submitted in accordance with 1001.7000(d).

SUBPART 1005.3–SYNOPSIS OF CONTRACT AWARDS

1005.303 Announcement of Contract Awards.

(b)(3) The CO shall submit press/media/video releases and contractor's publicity requests to Office of Procurement Policy, Policy and Procedures Section for review and approval prior to contractor release. [See PGI 1005.3, Announcement of Contract Awards](#) for procedures.

(b)(4) The CO shall provide notification to the CPO and agency legislative affairs personnel for contracts that have received official Congressional interest/inquiry.

(b)(5) The CO shall provide notification to agency public affairs personnel for contract awards in excess of \$20 million.

SUBPART 1005.5–PAID ADVERTISEMENTS

1005.502 Authority.

(a) The CPO delegates to the Directors, Office of Information Technology Acquisition and the Office of Business Solutions Acquisition, the authority to approve the publication of paid advertisements in newspapers.

1005.503 Procedures.

In accordance with [Treasury Guidance on Public Law No. 116-93](#), the CO shall provide notification to the CPO and agency legislative affairs for Advertising, Public Relations consulting services or similar services for actions in excess of \$5,000 for a new award or additional obligations on an existing award. Advance notification of such obligation shall be transmitted to Congress. See [OMB Circular A-87, \(Pub. L. 116-93, Sec. 633\)](#).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1006

PART 1006–COMPETITION REQUIREMENTS

SUBPART 1006.2–FULL AND OPEN COMPETITION AFTER EXCLUSION OF SOURCES

1006.202 Establishing or maintaining alternative sources.

(b)(1) D&Fs shall be submitted in accordance with 1001.7000(d).

SUBPART 1006.3–OTHER THAN FULL AND OPEN COMPETITION

1006.302-7 Public interest.

(c)(1)(ii) Justifications and D&Fs shall be submitted in accordance with 1001.7000(d).

1006.304 Approval of the justification.

(a)(2) Justifications greater than \$700,000 shall be submitted in accordance with 1001.7000(d). The Competition Advocate Coordinator or Competition Advocate may require that a Competition Review Board be convened prior to submission for signature of the next higher approval level (See [PGI 1006](#)).

(a)(4) Justifications greater than \$68,000,000 shall be submitted in accordance with 1001.7000(d) (See [PGI 1006](#)).

SUBPART 1006.5–ADVOCATES FOR COMPETITION

1006.501 Requirement.

The [Senior Tax Analyst, Office of Wage & Investment, Operation Support](#), has been appointed as the Alternate Advocate for Competition.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1007

PART 1007 – ACQUISITION PLANNING SUBPART 1007.1 – ACQUISITION PLANS

1007.102 Policy.

(a) The CO supporting an IT effort shall require CIO signature on Acquisition Plans for acquisitions with a value greater than or equal to \$10M or a performance period of more than 5 years.

(d) The procedures for CIO acquisition plan approval is at PGI 1007.1 Acquisition Plans.

1007.103 Agency-head responsibilities.

(j)(1) Delegation Order IT-2-1-2 Summary is located under the “Good To Know” column at PART 1007 – Acquisition Planning of the Policy Framework. The summary details the review and approval criteria (e.g., thresholds) in support of IT acquisition plans for contracts with a Total Contract Value (TCV) greater than the SAT or with periods of performance greater than 5 years.

1007.107-2 Consolidation.

(a) Determination shall be submitted in accordance with 1001.7000(d).

1007.107-3 Bundling.

(a) Determination shall be submitted in accordance with 1001.7000(d).

1007.107-4 Substantial bundling.

(a) Determination shall be submitted in accordance with 1001.7000(d).

SUBPART 1007.4–EQUIPMENT LEASE OR PURCHASE

1007.402 Acquisition methods.

(c) The CO shall record capital leases as an asset and fund in accordance with the [Office of Management and Budget \(OMB\) “Circular A-11, Part 7, Planning, Budgeting, Acquisition, and Management of Capital Assets”](#) (Circular A-11);

(d) The CO shall adhere to the procedures and guidance outlined in [PGI 1007.4, Planning, Acquiring, and Managing Equipment, Software, and Other Capital Assets](#), and [Internal Revenue Manual \(IRM\) 1.35.6.10, Property and Equipment Capitalization](#).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1008

PART 1008–REQUIRED SOURCES OF SUPPLIES AND SERVICES

1008.002 Use of other sources.

1008.002-70 Review of and Exceptions to Using Treasury Mandatory Sources.

(d) Individual and class exceptions shall be submitted in accordance with 1001.7000(d).

SUBPART 1008.1–EXCESS PERSONAL PROPERTY

1008.102 Policy.

Prior to purchasing new furniture, the CO shall contact the local [FMSS Property Officer](#) to determine whether excess furniture is available.

SUBPART 1008.4–FEDERAL SUPPLY SCHEDULES

1008.404 Use of Federal Supply Schedules.

(b)(90) Shopping Carts shall include approval from the [Office of Service-wide Policy, Directives and Electronic Research \(SPDER\)](#) or the Office of Small Business/Self Employed (SBSE) for the following: SPDER approval for (1) commercial multi-license electronic research services, (2) locator services, and (3) electronic assets, and SBSE for credit bureau information services. The CO shall not execute an award for these services until the required approval is obtained.

(h)(3)(ii) (A) [Treasury SF 1025, Determination & Findings for Time-and-Material/Labor Hour Orders Under Federal Supply Schedule](#) shall be submitted in accordance with 1001.7000(d).

(C) [D&F](#) shall be submitted in accordance with 1001.7000(d).

1008.405-6 Limited Sources.

(b)(3)(ii)(C) Determination shall be submitted in accordance with 1001.7000(d).
(d)(3)(ii) [Treasury SF 1012, Limited Sources Justification](#) shall be submitted in accordance with 1001.7000(d).

(d)(4) [Treasury SF 1012, Limited Sources Justification](#) shall be submitted in accordance with 1001.7000(d).

SUBPART 1008.8–ACQUISITION OF PRINTING AND RELATED SUPPLIES

1008.802 Policy.

(b) In accordance with [IRM 1.17.9.2.5 Procurement of All Published Products](#), Media and Publications Publishing is the only organization authorized to produce or procure printing and publishing services for the IRS. Requestors shall visit <http://caps-as.enterprise.irs.gov/psr/app> to submit publishing request.

SUBPART 1008.11–LEASING OF MOTOR VEHICLES

1008.1102-90 Pre-solicitation requirements.

The CO shall route requirements for specialized surveillance vans along with a copy of Office of Asset Management approval to the Director, Business Operations.

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PART 1009–CONTRACTOR QUALIFICATIONS

SUBPART 1009.1–RESPONSIBLE PROSPECTIVE CONTRACTORS

1009.104-6 Federal Awardee Performance and Integrity Information System.

(c)(2) Notifications to the SDO shall be submitted in accordance with 1001.7000(d).

1009.105 Procedures.

(a) Contracting Officers are encouraged to conduct their contractor responsibility determinations using the Robotic Process Automation (RPA) or “Bot”. In addition to past event information, other predictive data analytics tools may be used to assess the likelihood of a prospective contractors to perform successfully. Contact the Procurement Data Analytics and Technology Division for more information.

1009.105-2 Determinations and documentation.

(b)(1)(i) The CO shall include in all contract files, support documentation to demonstrate the entity’s System for Award Management (SAM) Exclusion, and the performance and integrity [records](#) in the [Federal Awardee Performance and Integrity Information System](#) (FAPIS) were reviewed to establish responsibility. This documentation can be downloaded manually from the respective websites and/or compiled using the Bot (see 1009.105(a)).

1009.106 Pre-award surveys

1009.106-1 Conditions for pre-award surveys.

(c)(1) During the pre-award review process, the CO shall review the “Do Not Pay” portal at: <http://www.donotpay.treas.gov>, the Excluded Parties List System, and contractor representations and certifications in the [System for Award Management \(SAM\)](#), and provide the results in the contract file.

1009.108-4 Waiver

Waivers shall be submitted in accordance with 1001.7000(d).

SUBPART 1009.2–QUALIFICATION REQUIREMENTS

1009.202 Policy.

(a)(1) Justifications shall be submitted in accordance with 1001.7000(d).

(b) Determinations, along with the Competition Advocate (CA) review and comments, shall be submitted in accordance with 1001.7000(d).

1009.204 Responsibilities for Establishment of a Qualification Requirement.

(a)(2) Determinations shall be submitted in accordance with 1001.7000(d).

1009.206-1 General.

(b) Determinations shall be submitted in accordance with 1001.7000(d).

SUBPART 1009.4–DEBARMENT, SUSPENSION AND INELIGIBILITY

1009.405 Effect of Listing.

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(a) Determinations shall be submitted in accordance with 1001.7000(d).

1009.406-3 Procedures.

(a)(1) Causes for debarment shall be submitted in accordance with 1001.7000(d).

1009.407-3 Procedures.

(a) Causes for suspension shall be submitted in accordance with 1001.7000(d).

SUBPART 1009.5—ORGANIZATIONAL AND CONSULTANT CONFLICTS OF INTEREST

1009.503 Waiver.

Requests for waivers shall be submitted in accordance with 1001.7000(d).

1009.507-1-90 Solicitation provisions.

Insert a provision and clause substantially the same as the following in all solicitations (including those for simplified acquisitions) when an OCI has been identified or there is a potential for conflict:

- IR1052.209-9000 Notification Organizational Conflicts of Interest (MAY 2018)
- IR1052.209-9001 Organizational Conflicts of Interest (MAY 2018)

1009.7005 Solicitation provision.

Insert the following provision in all solicitations.

- IR1052.209-9002 Notice and Consent to Disclose and Use of Taxpayer Return Information (MAY 2018)

Internal Revenue Service Acquisition Policy (IRSAP) Part 1010

PART 1010– MARKET RESEARCH

SUBPART 1010.9000 – No-Cost Product Demonstrations or Testing under Bailment Agreements

1010.9000 Policy.

(a) [Bailment agreements](#) shall not be used to circumvent the procurement process and limit competition. Bailment agreements shall not extend beyond sixty (60) calendar days. Instances where the Bailment agreements must be extended, require consultation with the Director, Office of Procurement Policy and approval of the Deputy Chief Procurement Officer.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1011

PART 1011–DESCRIBING AGENCY NEEDS

SUBPART 1011.2–USING AND MAINTAINING REQUIREMENTS DOCUMENTS

1011.202 Maintenance of standardization documents.

(a) Change requests shall be submitted in accordance with 1001.7000(d).

SUBPART 1011.5–LIQUIDATED DAMAGES

1011.501 Policy.

(d) Request for waivers shall be submitted in in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1012

PART 1012--ACQUISITION OF COMMERCIAL ITEMS

SUBPART 1012.2--SPECIAL REQUIREMENTS FOR THE ACQUISITION OF COMMERCIAL ITEMS

1012.207 Contract Type.

(b)(1)(ii)(A) The threshold at DTAP 1012.207(b)(1)(ii)(A) applies when the total of all T&M portions of the acquisition is estimated to exceed \$1 million (including the base and all option periods). [D&Fs](#) shall be submitted in accordance with 1001.7000(d). D&Fs for acquisitions that do not exceed \$1 million, as calculated above, shall be approved at least two levels above the CO.

(c)(3) [D&Fs](#) shall be submitted in accordance with 1001.7000(d).

SUBPART 1012.3--SOLICITATION PROVISION AND CONTRACT CLAUSES FOR THE ACQUISITION OF COMMERCIAL ITEMS

1012.302 Tailoring of Provisions and Clauses for the Acquisition of Commercial Items.

(c) Waivers shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1013

PART 1013—SIMPLIFIED ACQUISITION PROCEDURES

SUBPART 1013.1—PROCEDURES

1013.101 General.

(b)(4) Bulk funding as defined at [FAR 13.101](#) shall not be used for the purchase of IT capital equipment in accordance with IRM [1.35.6.4](#).

1013.106-3 Award and documentation.

(d) Supplemental Treasury Debriefing and Brief Explanation guides and resources are available on the [Treasury Hub](#).

SUBPART 1013.2—ACTIONS AT OR BELOW THE MICRO-PURCHASE THRESHOLD

1013.201 General.

(c) Purchase cardholders shall be authorized and trained in methods for purchases at or below the micro-purchase threshold (see [IRM 1.35.4](#)).

(f)(1) For any Environment, Health or Safety (EHS) concerns and before obtaining a quote, see 1023.7002 procedures for [EHS professional](#) review and concurrence, or consultation for any EHS concerns. For an EHS review obtained as a result of any concerns, the purchase cardholder shall include the EHS professional's written concurrence, and the record of the EHS evaluation in the purchase card file.

(f)(2) See [Treasury Affirmative Procurement Program \(APP\) guide](#) for EPA-designated items at or below the micro-purchase threshold (also see FAR [23.404\(c\)](#)).

(g)(1) Determinations shall be submitted in accordance with 1001.7000(d).

(j)(1) See 1004.2103 for procedures and 1004.2104 for waivers.

(k) [Form 13857, Indemnification Clause Certification Form](#) shall be provided to the Vendor whenever locksmith/towing services are purchased. The Vendor must sign and date the Form 13857 to acknowledge receipt. A copy shall be provided to the vendor and the original shall be retained in the purchase cardholder log.

SUBPART 1013.3—SIMPLIFIED ACQUISITION METHODS

1013.301 Governmentwide Commercial Purchase Card.

(b) The [IRS Purchase Card Guide](#) provides supplemental guidance for obtaining and using the governmentwide commercial purchase card (see Treasury Charge Card Management Plan for Treasury's policy). Credit Card Services administers the IRS Purchase Card Program, including account setup, maintenance, and training.

1013.390 Convenience Checks.

A [Convenience Check](#) is an alternative form of payment, when a Purchase Card and/or method of payment is not available, and is limited to \$2,500 (for goods and services)".

Internal Revenue Service Acquisition Policy (IRSAP) Part 1015

PART 1015—CONTRACTING BY NEGOTIATION

SUBPART 1015.2—SOLICITATION AND RECEIPT OF PROPOSALS AND INFORMATION

1015.204 Contract Format.

(e) Exemption requests shall be submitted in accordance with 1001.7000(d).

1015.209-90 Solicitation provisions and contract clauses.

The CO shall insert the following provisions at (if applicable):

- IR1052.215-9000, Pre-Proposal Conference (MAY 2018) in solicitations and contracts when a pre-proposal conference will be held.
- IR1052.215-9001 Amendments to Proposal (MAY 2018) in Section L or appropriate section of all RFP/RFQ's above the Simplified Acquisition Threshold.
- IR1052.215-9002 Expenses Related to Proposal Submissions (MAY 2018) in Section L or appropriate section of all RFP/RFQ's above the Simplified Acquisition Threshold.
- IR1052.215-9003 Discussions and Correspondence (JUN 2020) in Section L or appropriate section of all RFP/RFQ's above the Simplified Acquisition Threshold.
- IR1052.215-9004 Key Personnel (MAY 2018) in solicitations and contracts when key personnel are to be proposed.
- IR1052.215-9005 Compliance with Proposal Instructions (MAY 2018) in Section L or appropriate section of all RFP/RFQ's above the Simplified Acquisition Threshold.
- IR1052.215-9006 Disposition of Proposals (MAY 2018) in all solicitations, excluding those for construction.

SUBPART 1015.3—SOURCE SELECTION

1015.305-90 Proposal evaluation.

(a) Use of numerical scores is prohibited.

(b) Source selections with an estimated value exceeding \$25 million shall be conducted in accordance with [PGI 1015.3 Source Selection](#).

SUBPART 1015.4—CONTRACT PRICING

1015.403-1 Prohibition on obtaining cost or pricing data (10 U.S.C. § 2306(a) and 41 U.S.C. Chapter 35).

(c)(1)(i)(B) The CO's finding of unreasonableness of an otherwise successful offeror's price proposal shall be submitted to the OITA IT Services Section C or OBSA Office of Operations Management Section Chief for review and concurrence.

(c)(4) Requests for waiver to the CPO for the requirement for submission of certified cost or pricing data shall be submitted in accordance with 1001.7000(d). Prior to submission to the CPO, the CO shall submit the waiver to the OITA IT Services Section

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C or OBSA Office of Operations Management Section Chief for review and concurrence.

1015.404-290 Data to support proposal analysis.

(a) Audit requests shall be submitted, along with the solicitation and any other relevant information, to the Senior Advisor to the Director of the Office of Procurement Policy for review and concurrence prior to soliciting and acquiring audit support services.

(1) If the Senior Advisor does not concur with the request for acquisition of audit services, requests to proceed shall be submitted to the CPO in accordance with 1001.7000(d).

(b) A CO may request rate verification from Defense Contract Audit Agency (DCAA).

The Joint Audit Management Enterprise System (JAMES) is a Department of the Treasury system used to track and report audit recommendations. The Chief Financial Officer (CFO) monitors, administers, and maintains the activity for the IRS. The CO, in consultation with the Senior Advisor, shall:

(1) Request extensions in writing when there is a need to extend the settlement of DCAA audit issues. The memorandum will identify the reason for the extension as well as provide a new date for resolution.

(2) Provide the contractor's payment to the CFO, i.e., check, or voucher/invoice that credits overbilled amounts.

(3) Request the contractor to make annual billing adjustments to reflect the actual final unaudited indirect rates for a contract or order which is complete, but that year's rates have not been audited and settled.

(4) Perform timely contract closeouts if all years are settled.

SUBPART 1015.5—PRE-AWARD, AWARD, AND POST-AWARD NOTIFICATIONS, PROTESTS AND MISTAKES

1015.505-90 Pre-award debriefing of offerors.

A GLS attorney shall be present at the debriefing when the contractor's legal counsel attends the debriefing.

1015.506-90 Post-award debriefing of offerors.

A GLS attorney shall be present at the debriefing when the contractor's legal counsel attends the debriefing.

SUBPART 1015.6-UNSOLICITED PROPOSALS

1015.606 Agency procedures.

(b) All unsolicited proposals submitted to the IRS shall be forwarded to the Office of Procurement Policy, Policy and Procedures Section for processing.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1016

PART 1016—TYPES OF CONTRACTS

SUBPART 1016.2—FIXED-PRICE CONTRACTS

1016.203 Fixed-price contracts with economic price adjustment. 1016.203-4 Contract Clauses.

(d)(2) Clauses using adjustments based on cost indexes of labor or material shall be submitted in accordance with 1001.7000(d), through the Office of Procurement Policy, Policy and Procedures Section.

SUBPART 1016.4—INCENTIVE CONTRACTS

1016.401 General.

(d) D&Fs shall be submitted in accordance with 1001.7000(d).

SUBPART 1016.5—INDEFINITE-DELIVERY CONTRACTS

1016.504 Indefinite-Quantity Contracts.

(c)(1)(ii)(D)(1) D&Fs shall be submitted in accordance with 1001.7000(d).

1016.505 Ordering.

(b)(2)(ii)(C) Justifications shall be submitted in accordance with 1001.7000(d) (see [PGI 1016](#)).

(b)(8) The task/delivery order ombudsman is the Section Chief, Policy and Procedures.

1016.506 Contract clauses.

(j) Insert the clause at IR1052.216-9000 Task/Delivery Order Ombudsman (JUN 2020) in solicitations and contracts that involve issuance of multiple award indefinite-quantity contracts.

SUBPART 1016.6—TIME-AND-MATERIALS, LABOR-HOUR, AND LETTER CONTRACTS

1016.601 Time and materials contracts.

(d)(1) The threshold at DTAP 1016.601(d)(1)(i) applies when the total of all T&M portions of the acquisition is estimated to exceed \$1 million (including the base and all option periods). D&Fs for acquisitions that exceed \$1 million shall be submitted in accordance with 1001.7000(d). D&Fs for acquisitions that do not exceed \$1 million, as calculated above, shall be approved at least two levels above the CO.

The limitation referenced at FAR 12.207(b)(3) and FAR 16.601(d)(1) applies when the periods of performance (including the base and all option periods) for the T&M portions of the contract extend beyond three years. D&Fs meeting the three-year threshold as described above shall be submitted in accordance with 1001.7000(d).

D&Fs for acquisitions with T&M contract type CLINs that are not expected to extend beyond three years, as calculated above, shall be approved at least two levels above the CO (e.g. T&M for transition in/out).

1016.603 Letter contracts.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1016

1016.603-1 Description.

For purposes of this section, the term letter contract includes any undefinitized contract action, which is any contract action (i.e. letter contract, order, supplemental agreement, etc.) that authorized the beginning of work prior to establishing the terms, specifications, or price (estimated cost and fee).

1016.603-2 Application.

(c) Requests to extend the definitization schedule shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1017

PART 1017–SPECIAL CONTRACTING METHODS

SUBPART 1017.2–OPTIONS

1017.204 Contracts.

(e) The memorandum shall be submitted in accordance with 1001.7000(d).

1017.207 Exercise of options.

(c)(6) The CO shall review all past performance information in CPARS no more than 10 working days before exercising a contract option for contracts that exceed the SAT.

SUBPART 1017.4 LEADER COMPANY CONTRACTING

1017.402 Limitations.

(a)(4) D&Fs shall be submitted in accordance with 1001.7000(d).

SUBPART 1017.5–INTERAGENCY ACQUISITIONS

1017.501-70 Procurement Support Services. 1017.502-1 General.

(a)(1) D&Fs shall be submitted in accordance with 1001.7000(d).

1017.502-2 The Economy Act.

(c)(2) D&Fs shall be submitted in accordance with 1001.7000(d). Reviews and approvals for IAAs are as provided below.

Assisted Acquisition

Procurement	D&F Signature	Quality	Legal
CPO	All	All	\$10M
SPE	All Servicing Agencies Other Than the Designated Contracting Activity in DTAP 1001.601	All	\$10M

1017.591 Advanced Payment.

For IAAs, which will require payment in advance of the receipt of goods and/or services, the requesting organization must coordinate and obtain approval from the CFO Office of Financial Reports (OFR). The approval shall be included in the shopping cart before it is forwarded to OCPO. The IAAs will not be processed until the BU has obtained the required approval.

SUBPART 1017.71–TREASURY’S CATEGORY MANAGEMENT PROGRAM

1017.7101 Policy.

(d) The CO shall implement software licensing review process in coordination with the Category Manager in the Strategic Supplier Management office within the IRS Information Technology organization.

1017.7104 Responsibilities.

(a)(1)(ii) The CO shall identify small business BICs and explain how they can or cannot meet Treasury’s category management objectives.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1017

(b) See “Good To Know” column under PART 1017 – Special Contracting Methods of the Policy Framework for the Category Management Representatives. The representatives shall review and forward SF 1003 to the BCPO for approval.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1018

PART 1018—EMERGENCY ACQUISITIONS

SUBPART 1018.1—AVAILABLE ACQUISITION FLEXIBILITIES

1018.101-90 General.

If the contract requires access to sensitive but unclassified information and the requested start date does not allow time for the completion of the security prescreening process, the CO and the COR shall consult with Human Capital Office (HCO), and abide by their directions per IRM [10.23.2](#).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1019

PART 1019—SMALL BUSINESS PROGRAMS

SUBPART 1019.2—POLICIES

1019.201 General Policy.

(b) (1) The Bureau SBS is located in the Office of Procurement Policy.

(2) IRS subcontracting goals are available at: <https://portal.ds.irsnet.gov/sites/DCOSProcurement/SitePages/SmallBusiness.a.spx>.

(d) The SBS is delegated responsibility for all aspects of the Small Business Program within the Office of Procurement Policy.

SUBPART 1019.5—SET-ASIDES FOR SMALL BUSINESS

1019.502-1 Requirements for setting aside acquisitions.

(d) The SBS shall assist acquisition personnel determine if a requirement can be met by a small business set-aside within a BIC contracting vehicle. Additionally, the SBS shall coordinate with OSDDBU and SBA PCR if a set-aside will not be used.

SUBPART 1019.13—HISTORICALLY UNDERUTILIZED BUSINESS ZONE (HUBZONE) PROGRAM

1019.1305 HUBZone set-aside Procedures.

(d)(2) D&Fs shall be submitted in accordance with 1001.7000(d).

SUBPART 1019.14—SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS PROCUREMENT PROGRAM

1019.1405 Service-Disabled Veteran-owned Small Business Set-Aside Procedures.

(d) D&Fs shall be submitted in accordance with 1001.7000(d).

SUBPART 1019.15—WOMEN-OWNED SMALL BUSINESS PROGRAM

1019.1505 Set-aside procedures.

(b)-(c) The CO shall set aside acquisitions for EDWOSBs or WOSBs any dollar level above the micro-purchase threshold.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1022

PART 1022–APPLICATION OF LABOR LAWS TO GOVERNMENT ACQUISITIONS

SUBPART 1022.3–CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

1022.302 Liquidated Damages and Overtime Pay.

(a) For payment of liquidated damages that are the result of overtime underpayment by a contractor or subcontractor, the CO shall instruct the contractor or subcontractor to submit a check made out to the IRS (preferred), the Department of the Treasury or issue a credit voucher (including the contract number) to the cognizant finance office. See [PGI 1022.3, Contract Work Hours and Safety Standards Act](#).

SUBPART 1022.4–LABOR STANDARDS FOR CONTRACTS INVOLVING CONSTRUCTION

1022.406-8 Investigations.

(d)(1) Labor standards violation reports shall be submitted in accordance with 1001.7000(d).

1022.406-9 Withholding from or suspension of contract payments.

(c)(4) Not applicable to the IRS and no procedures are required.

SUBPART 1022.6-WALSH HEALEY PUBLIC CONTRACTS ACT

1022.604-2 Regulatory Exemptions.

(b)(1) Requests shall be submitted in accordance with 1001.7000(d).

SUBPART 1022.8–EQUAL EMPLOYMENT OPPORTUNITY

1022.803 Responsibilities.

(d) Questions shall be submitted in accordance with 1001.7000(d).

1022.804-2 Construction.

Procurement maintains the required list of covered geographic areas subject to affirmative action requirements.

1022.805 Procedures.

(a)(8) D&Fs shall be submitted in accordance with 1001.7000(d).

SUBPART 1022.9–NONDISCRIMINATION BECAUSE OF AGE

1022.902 Handling Complaints.

A CO who determines a contractor has failed to comply with the policy in FAR [22.901](#) shall contact GLS for legal advice before informing the contractor.

SUBPART 1022.14–EMPLOYMENT OF WORKERS WITH DISABILITIES

1022.1403 Waivers.

(b) Waivers shall be submitted in accordance with 1001.7000(d).

1022.1406 Complaint Procedures.

(a) If the CO has reason to believe a contractor has failed to comply with the Equal

Internal Revenue Service Acquisition Policy (IRSAP) Part 1022

Opportunity for Workers with Disabilities Act, the CO shall contact GLS for legal advice before informing the contractor.

SUBPART 1022.15–PROHIBITION OF ACQUISITION OF PRODUCTS PRODUCED BY FORCED OR INDENTURED CHILD LABOR

1022.1503 Procedures for Acquiring End Products on the List of Products Requiring Contractor Certification as to Forced or Indentured Child Labor.

(e) Report matters for investigation to TIGTA for investigation.

SUBPART 1022.16–NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT

1022.1604 Compliance Evaluation and Complaint Investigations and Sanctions for Violations.

(d) The CO shall provide support for objections to the CPO.

SUBPART 1022.17–COMBATING TRAFFICKING IN PERSONS

1022.1704 Violations and Remedies.

(b)(1) The CO shall refer the matter to TIGTA.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1023

PART 1023—ENVIRONMENT, ENERGY AND WATER EFFICIENCY, RENEWABLE ENERGY TECHNOLOGIES, OCCUPATIONAL SAFETY, AND DRUG-FREE WORKPLACE

SUBPART 1023.2—ENERGY AND WATER EFFICIENCY AND RENEWABLE ENERGY

1023.204 Procurement exemptions.

Prior to seeking an exemption, the CO shall consult with the designated [EHS professional\(s\)](#).

SUBPART 1023.3—HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA

1023.302 Policy.

See 1023.7002 Procedures for [EHS Professional](#) contract reviews that include hazardous materials, including ammunition.

SUBPART 1023.4—USE OF RECOVERED MATERIALS AND BIOBASED PRODUCTS

1023.404 Affirmative Procurement Program.

The CO shall review the [Treasury Affirmative Procurement Program](#) guide as a component of acquisition planning.

(b)(1) The CO shall place a written justification in the contract file, when an exemption is used for the purchase of Environmental Protection Agency or United States Department of Agriculture designated items that do not contain recovered material or bio-based content.

1023.405 Procedures.

(a) The CO shall coordinate a procurement exemption determination and written justification with the [EHS Professional](#).

SUBPART 1023.5—DRUG-FREE WORKPLACE

1023.506 Suspension of Payments, Termination of Contract, and Debarment and Suspension Actions.

(e) Waiver requests shall be submitted in accordance with 1001.7000(d).

SUBPART 1023.7—CONTRACTING FOR ENVIRONMENTALLY PREFERABLE PRODUCTS AND SERVICES

1023.703 Policy.

(a) The IRS is required to implement a cost-effective sustainable acquisition program to achieve its sustainability goals.

(b) To implement the environmental objectives, the CO shall utilize:

(1) The Environmental Protection Agency (EPA) issued guidance on the [Specifications, Standards and Ecolabels](#) and the [Comprehensive Procurement Guideline Program](#).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1023

(i) Environmentally preferable products and services, including [EPEAT®](#) registered electronic products.

(ii) The [Green Procurement Compilation](#) is an extensive resource of all categories, to include the Sustainable Facilities Tool that allows a sort of compliant products by energy, water performance and gathering documentation that's needed to streamline the procurement process.

(2) [Energy efficiency and renewable energy](#) required by the Energy Security and Independence Act of 2007 and Energy Policy Act of 2005.

(i) [Energy Star®](#) products.

(ii) [The Federal Energy Management Program \(FEMP\)](#) designated energy-efficient products.

(iii) Water-efficient products, including those meeting EPA's [Water-Sense](#) standards.

(iv) Federal fleet requirements for [Alternative Vehicles/Fuels](#).

(3) See 1023.302 for consultation with an [EHS Professional](#) for hazardous waste and material processing and [here](#).

(4) Recycled content products designated in EPA's [Comprehensive Procurement Guidelines](#).

(7) Bio-based products are designated by the U.S. Department of Agriculture (USDA) in the [Bio-Preferred Program](#).

(c)(2) Directors, Operation Divisions shall ensure all applicable personnel, whose actions are affected by the E.O. 13693, complete the required training (FAC 018, Green Purchasing for Civilian Acquisition) and obtain documentation to support completion.

SUBPART 1023.70–PARTICIPATION OF ENVIRONMENT, HEALTH, AND SAFETY PERSONNEL IN IRS PROCUREMENTS.

1023.7002 Procedures.

(a)(3)(i) See [PGI 1023.70](#) - Participation of Environment, Health, and Safety Personnel in Treasury Procurements.

(a)(3)(ii) The CO shall allow ten (10) business days for the EHS review of the documents stated in (b)(1) and (c)(1).

(a)(3)(iii) If the EHS professional provides required submittals as part of the offeror's response to the solicitation, the CO shall include the types of offeror submittals in the solicitation, and the SOW/PWS/SOO, as applicable.

(b)(1) For requirements exceeding the SAT, the CO shall submit a copy of the solicitation and SOW/PWS/SOO to the EHS professional for review and concurrence prior to issuance. The EHS' record of determination, leading up to the written concurrence, shall be included in the contract file.

(b)(1)(i)(B) The CO shall verify EHS concerns have been addressed and approved by the EHS professional. If a solicitation review is requested by the EHS professional,

Internal Revenue Service Acquisition Policy (IRSAP) Part 1023

the CO shall submit the solicitation to the EHS professional and resolve any outstanding issues prior to publicizing. The CO shall file the EHS' record of determination, leading up to the written concurrence in the contract file.

(c)(1) For requirements above the micro-purchase threshold and up to the SAT, the CO shall submit a copy of the solicitation and SOW/PWS/SOO to the EHS professional for review and written concurrence publication of a solicitation, and place this in the contract file.

(d)(1) See 1013.201(f)(1) for actions at or below the micro-purchase threshold.

(e) The CO shall provide notification to the EHS professional at least three business days prior to for attendance at a pre-proposal conference, industry day, post-award kick-off meeting/post-award orientation and any other similar event for all procurements.

(g) IRS EHS professionals are located under the [Facilities Management and Security Services, Design & Strategic Campus Planning, Environment Safety & Health](#).

Internal Revenue Service Acquisition Policy (IRSAP) Part 35

PART 1024–PROTECTION OF PRIVACY AND FREEDOM OF INFORMATION

SUBPART 1024.90–DISCLOSURE OF INFORMATION.

1024.203-90 Response to Freedom of Information Act Requests.

(a) The CO shall process FOIA requests in accordance with the instructions on the [Freedom of Information Act \(FOIA\) Checklist for Contracting Officers](#).

(b) For additional information reference IRM [11.3.13 - Freedom of Information Act](#), FOIA.

(c) FOIA Functional Coordinator: The FOIA Functional Coordinator (FC) is assigned to the Office of Procurement Policy, Policy and Procedures Section. The FC is responsible for processing all FOIA requests for acquisition- related records and information.

(d) Any requests from external agencies to the IRS for acquisition records shall be routed to the Policy and Procedures Section.

1024.9001 Determination of pre-award survey.

To comply with 26 U.S. Code § 6103 - Confidentiality and disclosure of returns and return information, for acquisitions for services that require contractor (including subcontractor) to have staff- like access to, use, operate, or perform support services on IRS information systems (see part 1039) containing IRS SBU information, the CO will include IRS local clauses:

- IR1052.224-9000 – Safeguards Against Unauthorized Disclosure of Sensitive but Unclassified Information (JUN 2020)
- IR1052.224-9001 – Mandatory IRS Security Training Information Systems, Information Protection and Facilities Physical Access Security Awareness (JUN 2020)

Internal Revenue Service Acquisition Policy (IRSAP) Part 1025

PART 1025—FOREIGN ACQUISITION

SUBPART 1025.1—BUY AMERICAN ACT SUPPLIES

1025.103 Exceptions.

(a) Determination for an exception to the Buy American Act based on Public Interest shall be submitted in accordance with 1001.7000(d).

(d) A class determination shall be submitted in accordance with 1001.7000(d).

1025.104 Non-available Articles.

(b) Information justifying the removal of an item from the list in [FAR 25.104\(a\)](#) shall be submitted in accordance with 1001.7000(d).

1025.105 Determining of reasonableness of cost.

(a)(1) Determinations shall be submitted in accordance with 1001.7000(d).

SUBPART 25.2—BUY AMERICAN ACT – CONSTRUCTION MATERIALS

1025.202 Exceptions.

(a) (1) Exceptions shall be submitted in accordance with 1001.7000(d).

(2) Determinations shall be submitted in accordance with 1001.7000(d).

1025.204 Evaluating offers of foreign construction material.

(a) Justifications shall be submitted in accordance with 1001.7000(d).

1025.205 Post-award determinations.

(b) D&Fs shall be submitted in accordance with 1001.7000(d).

SUBPART 25.7—PROHIBITED SOURCES 1025.702-4 – Waiver.

(c)(2) Waivers shall be submitted in accordance with 1001.7000(d).

SUBPART 1025.10—ADDITIONAL FOREIGN ACQUISITION REGULATIONS

1025.1001 Waiver of right to examination of records.

(a)(2)(iii) Determinations shall be submitted in accordance with 1001.7000(d).

SUBPART 1025.11—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

1025.1102 Acquisition of Construction.

(a)(2) Determinations shall be submitted in accordance with 1001.7000(d). (c)(2) Determinations shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1027

PART 1027—PATENTS, DATA, AND COPYRIGHTS

SUBPART 1027.2—PATENTS AND COPYRIGHTS

1027.202-3 Adjustment of Royalties.

(a) Inconsistencies, excessive, or improper royalties shall be submitted in accordance with 1001.7000(d).

SUBPART 1027.3—PATENT RIGHTS UNDER GOVERNMENT CONTRACTS

1027.303 Contract Clauses.

(b)(3) Determinations shall be submitted in accordance with 1001.7000(d). (e)(1)(ii) Determinations shall be submitted in accordance with 1001.7000(d). (e)(4)(ii) Determinations shall be submitted in accordance with 1001.7000(d).

1027.304-1 General.

(b) Requests shall be submitted in accordance with 1001.7000(d).

(h) Requests for approval of special provisions shall be submitted in accordance with 1001.7000(d).

SUBPART 1027.4—RIGHTS IN DATA AND COPYRIGHTS

1027.406-1 General.

(c) Before publishing source code to code.gov ensure that the Government has unlimited rights consistent with [Office of Management and Budget \(OMB\) Memo M-16-21, Reusable and Open Source Software](#).

SUBPART 1027.5—FOREIGN LICENSE AND TECHNICAL ASSISTANCE AGREEMENTS

1027.501 General

The CO shall consult with GLS, Privacy, Governmental Liaison & Disclosure (PGLD), and the cost and price analysis representative assigned to the CO's operating division (OITA IT Services Section C or OBSA Office of Operations Management).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1028

PART 1028—BONDS AND INSURANCE

SUBPART 1028.1—BONDS AND OTHER FINANCIAL PROTECTIONS

1028.101-1 Policy on use.

(c) Requests for class waivers shall be submitted in accordance with 1001.7000(d).

1028.105 Other types of bonds.

Requests for use of other types of bonds shall be submitted in accordance with 1001.7000(d).

1028.106-2 Substitution of surety bonds.

(a) Requests shall be submitted in accordance with 1001.7000(d).

SUBPART 1028.3—INSURANCE

1028.305 Overseas workers' compensation and war-hazard insurance.

(d) Waivers shall be submitted in accordance with 10011001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1029

PART 1029—TAXES

SUBPART 1029.3—STATE AND LOCAL TAXES

1029.303 Application of State and local taxes to government contractors and subcontractors.

- (a) Requests shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1030

PART 1030—COST ACCOUNTING STANDARDS ADMINISTRATION

SUBPART 1030.2—COST ACCOUNTING STANDARDS (CAS) PROGRAM REQUIREMENTS

1030.201-5 Waiver.

(a)(2) Waivers shall be submitted in accordance with 1001.7000(d).

(d) Requests shall be submitted in accordance with 1001.7000(d).

1030.202-2 Impracticality of Submission.

(a) Determinations shall be submitted in accordance with 1001.7000(d).

1030.202-6 Responsibilities.

(c) Contractor's Disclosure Statement shall be submitted through the cost and price analysis representative assigned to the CO's operating division (OITA IT Services Section C or OBSA Office of Operations Management) for review to ensure adequacy and compliance.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1031

PART 1031—CONTRACT COST PRINCIPLES AND PROCEDURES

SUBPART 1031.1—APPLICABILITY

1031.101 Objectives.

(a) Requests shall be submitted in accordance with 1001.7000(d).

SUBPART 1031.2—CONTRACTS WITH COMMERCIAL ORGANIZATIONS

1031.205-6 Compensation for Personal Services.

(g)(6) Waivers shall be submitted in accordance with 1001.7000(d), through the appropriate cost and price analysis representative assigned to the CO's operating division (OITA IT Services Section C or OBSA Office of Operations Management) for review and concurrence.

(p)(3)(iii) Determinations shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1032

PART 1032—CONTRACT FINANCING

1032.003 Simplified Acquisition Procedures Financing.

Determinations shall be submitted in accordance with 1001.7000(d).

SUBPART 1032.1—NON-COMMERCIAL ITEM PURCHASING FINANCING

1032.114 Unusual Contract Financing.

Unusual contract financing requests shall be submitted in accordance with 1001.7000(d).

SUBPART 1032.2—COMMERCIAL ITEM PURCHASING FINANCING

1032.201 Statutory authority.

The CO shall complete the D&F and submit in accordance with 1001.7000(d).

1032.202-1 Policy.

(b)(2) D&Fs shall be submitted in accordance with 1001.7000(d).

1032.202-4 Security for Government Financing.

(a)(2) Determinations shall be submitted through cost and price analysis representative assigned to the CO's operating division (OITA IT Services Section C or OBSA Office of Operations Management) prior to submission to GLS for review.

1032.202-90 Contract clause.

Insert in all contracts that authorize Commercial Advance or Interim Payments.

- IR1052.232-9000 Commercial Advanced/Interim Payments (JUN 2020)

1032.207-90 Administration and Payment of Commercial Financing Payments.

Receipt and/or Acceptance shall be entered into PPS to initiate an advance payment, even though receipt has not occurred. R and/or A for advance payments shall be entered PPS using the 1st day of the period of performance.

SUBPART 1032.4—ADVANCE PAYMENTS FOR NON-COMMERCIAL ITEMS

1032.402 General.

(e) (1) D&Fs shall be submitted in accordance with 1001.7000(d).

(2) The financing office for IRS is the Chief Financial Officer (CFO), Office of Financial Reports.

1032.407 Interest.

(d) Requests shall be submitted in accordance with 1001.7000(d).

SUBPART 1032.5—PROGRESS PAYMENTS BASED ON COSTS

1032.501-2 Unusual Progress Payments.

(a)(3) Unusual progress payment requests shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1032

SUBPART 1032.6–CONTRACT DEBTS

1032.607 Installment Payments and Deferment of Collection

(a) The Office of the CFO is the designated office for approving or denying requests for installment payments or deferment of collections.

SUBPART 1032.7–CONTRACT FUNDING

1032.702-90 Submission of \$0 Dollar shopping carts.

(a) 'Zero dollar (\$0)' shopping carts shall be used when there is no budget authority for the next fiscal year.

(b) Shopping carts submitted during 4th quarter of the current FY for services to start Oct 1 or at any time thereafter in the next fiscal year shall reflect \$0 as the amount of funding available. Accounting strip information shall not be entered on zero-dollar shopping carts. However, it is permissible to include the accounting strip information in the line item description on the shopping cart.

SUBPART 1032.8–ASSIGNMENTS OF CLAIMS

1032.803 Policies.

(a) In addition to modifying the base contract, modifications shall be prepared for all orders when there is an assignment of claims that results in changes to the contractor's System for Award Management (SAM) registration, Data Universal Numbering System (DUNS) number or procurement systems vendor number/code.

(d) Determinations shall be submitted in accordance with 1001.7000(d).

SUBPART 1032.70 ELECTRONIC SUBMISSIONS AND PROCESSING OF PAYMENT REQUESTS

1032.7002-90 Waiver of Invoice Processing Platform Policy.

(a) If the contractor requests a waiver from using the Invoice Processing Platform (IPP) system for submitting invoices, the contractor shall complete the waiver form and submit back to the CO for review and approval/disapproval.

(b) The CO shall only issue one contract waiver, for the period of performance of the contract. The CO must alert the Contractor that the waiver, if approved, is only granted once and if the Contractor receives a future award from the IRS after the expiration of the first waived contract, the Contractor shall not be granted another waiver and shall invoice through the IPP. If the Contractor is unable to comply with invoicing through the IPP; on their next contract award, based on significant circumstances, the CO shall request approval from the Policy and Procedures Section and Chief Financial Officer, Financial Management, Ancillary Systems to allow the Contractor to continue invoicing manually via the mail.

1032.232-90 Contract clause.

The CO shall insert clause IR1052.232-9001 - Electronic Invoicing and Payment Requirements for the Invoice Processing Platform (JUL 2019) in full text in Section H or other appropriate section in solicitations and resulting contracts, agreements (excluding "N" type BPAs), and orders issued or awarded.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1033

PART 1033—DISPUTES AND APPEALS

SUBPART 1033.1—PROTESTS

1033.102 General.

(a)(3) The Quality Assurance Section shall maintain a log of all protests.

1033.103 Protests to the Agency.

(d) (3)(i) Upon receipt of a protest, the CO shall notify the Quality Assurance Section and provide a copy of the protest, to the respective office within one

(1) business day of receipt of the protest, appeal, or decision. The Quality Assurance Section shall provide notification to the CPO and OPE.

(d)(4) The independent reviewer on appeal of agency protest is as follows:

Position	Independent Reviewer
CO is below the Deputy Director level	Office Director and, if delegated, Deputy
CO is the Deputy Director	Office Director
CO is the Office Director	Director, Procurement Policy or designee

(e) The CO or Independent Reviewer, as appropriate, shall perform the following:

(1) Prepare the decision letter on the agency protest within nineteen (19) calendar days after receipt of the protest.

(2) Decide the appeal, in consultation with GLS, within thirty (30) calendar days after receipt of the request for an independent review on appeal of the CO's decision.

(f)(1) Justifications or determinations shall be submitted in accordance with 1001.7000(d).

(f)(3) Justifications or determinations shall be submitted in accordance with 1001.7000(d).

(g) Timelines and Due Dates on Agency Protests and Appeals: The CO or independent reviewer, as appropriate, will:

(1) Prepare the decision letter on the agency protest within 19 calendar days after receipt of the protest.

(2) Settle the protest, if possible, within 35 calendar days after receipt of the protest.

(3) Decide the appeal within 30 calendar days after receipt of the request for an independent review.

1033.104 Protests to Government Accountability Office.

(a)(2) Upon receipt of a Government Accountability Office (GAO) protest, the CO shall notify the Quality Assurance Section and forward a copy of the protest, to that office within one (1) business day of receipt of the protest, appeal, or decision. The Quality Assurance Section shall provide the notification to the CPO and OPE.

(b)(1) Justifications or determinations shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1033

SUBPART 1033.2–DISPUTES AND APPEALS

1033.203 Applicability.

(b)(2)(i) Determination shall be submitted in accordance with 1001.7000(d).

1033.209 Suspected fraudulent claims.

The CO shall provide the CPO with a copy of the information provided to TIGTA regarding suspected fraudulent claims.

1033.212 Contracting Officer’s duties upon appeal.

The CO shall provide notice to the Director, Office of Procurement Policy, that an appeal has been filed with the Civilian Board of Contract Appeals (CBCA).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1035

PART 1035—RESEARCH AND DEVELOPMENT CONTRACTING

1035.014 Government property and title.

(b) The CO shall complete the D&F and submit in accordance with 1001.7000(d)

Internal Revenue Service Acquisition Policy (IRSAP) Part 1036

PART 1036—CONSTRUCTION AND ARCHITECT-ENGINEERING CONTRACTS

SUBPART 1036.2—SPECIAL ASPECTS OF CONTRACTING FOR CONSTRUCTION

1036.209 Construction Contracts with Architect-Engineer Firms.

Requests shall be submitted in accordance with 1001.7000(d).

SUBPART 1036.6—ARCHITECT-ENGINEER SERVICES

1036.602-2 Evaluation Boards.

(a) The Architect-Engineer Evaluation Board shall be appointed by the Chief, Design and Strategic Campus Planning Branch, Facilities Management and Security Services. The board shall include three to five Government employees. Members of the board who are not employees of the Government shall be appointed only with the consent of the CPO.

1036.602-3 Evaluation board functions.

(d) The selection report shall be prepared for the approval of the Chief, Design and Strategic Campus Planning Branch, Facilities Management, and Security Services.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1037

PART 1037—SERVICE CONTRACTING

SUBPART 1037.1—SERVICE CONTRACTS--GENERAL

1037.104 Personal Services Contracts.

(b)(1) The Treasury Operations Branch shall award all personal services contracts in accordance with DTAP 1037.104(b)(1).

1037.112 Government use of Private Sector Temporaries.

The CO shall coordinate the acquisition of these services with the HCO.

The CO shall not process a request to procure private sector temporaries unless the request fully complies with [IRM 6.300.1.8](#) and [Exhibit 6.300.1-1](#).

1037.113-1 Waiver of Cost Allowability Limitations.

Waivers shall be submitted in accordance with 1001.7000(d).

SUBPART 1037.2—ADVISORY AND ASSISTANCE SERVICES 1037.203-90 Policy.

(a) The CO shall use the [Expert Witness Contract](#) template.

(b) The CO shall include all five phases of an expert witness service as options within the solicitation and contract:

PHASE 1 - Preliminary Evaluation;

PHASE 2 - Expert Witness Report & Related Services;

PHASE 3 - Rebuttal Report, Pre-Trial Assistance and Related Services;

PHASE 4 - Trial Assistance and Related Services; and

PHASE 5 - Post-Trial Litigation Support in accordance with [PGI 1037.2 Advisory and Assistance Services](#).

(c) The CO shall select the appropriate contract action type in the contract writing system if the expert witness service requirement exceeds the SAT or if the estimated total for all five phases is under the SAT.

(d) The CO shall use Statement of Non-Severability to help define each of the five phases within the expert witness services as "non-severable" and verify the completion of services during each phase. The expert witness contract shall be defined as severable only after discussing the unique nature of the procurement with the Quality Assurance Section.

1037.7003 Contracting officer responsibility.

(a) The CO shall submit a request for concurrence to proceed with the acquisition to TIGTA prior to issuance of the solicitation for audit or non-audit services from nonfederal auditors.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1039

PART 1039—ACQUISITION OF INFORMATION TECHNOLOGY

SUBPART 1039.2—ELECTRONIC AND INFORMATION TECHNOLOGY

1039.203-90 Section 508 Determination form requirements.

(a) All acquisition packages prepared by a requiring activity for information communication and technology (ICT) supplies and services shall include a review by the IRS Information Resources Accessibility Program (IRAP) Office (except for BEP Acquisitions Branch), who shall route acquisition packages to the Bureau of Engraving and Printing (BEP) 508 Compliance Official in the BEP Office of Technology Acquisitions, who shall review the 508 form of the applicable accessibility technical standards and provisions required for the acquisition prior to issuance of the solicitation.

(b) The [Section 508 Determination Form](#) and identification of the applicable accessibility technical standards and provisions shall be maintained in the contract file.

1039.290 Contract clauses.

Insert the following clauses, if applicable, in all solicitations, agreements, and contracts:

(a) IR1052.239-9000 – Section 508 Information, Documentation, and Support (DEC 2019), where the acquisition requires the delivery of ICT supplies/products, to include electronic reports;

(b) IR 1052.239-9001 – Section 508 Conformance (DEC 2019), where the acquisition requires the delivery of ICT supplies/products;

(c) IR1052.239-9002 – Section 508 Services (DEC 2019), where the acquisition requires services for development that require the delivery of fully compliant ICT supplies/end products; and

(d) IR1052.239-9003 – Section 508 Accessibility of Information Communication and Technology (100% Compliance) (DEC 2019), where the acquisition requires the delivery of only 100% compliant ICT supplies/products as the minimum requirements.

SUBPART 1039.90 ADDITIONAL IRS REQUIREMENTS FOR ACQUIRING IT SERVICES AND/OR PRODUCTS

1039.9000 Procurement Policy.

The CO shall not process a request for IT products or services unless the requiring activity has submitted all Chief Technology Officer - required approvals, waivers and certifications. The BEP Acquisitions Branch, Treasury Operations Branch and other non-IRS organizations shall follow its own bureau's or DO's policy.

1039.9001 Software development prerequisites.

All solicitations, contracts, orders, and agreements for software development or modifications that add software development, in whole or in part, shall address:

(1) The requirement for software development contractors to have achieved Capability Maturity Model Integration CMMI® -DEV Level 2 or higher as a condition for award. If the acquisition is for commercial-off-the-shelf (COTS) products and shall not involve software development, including customization of the product code, then the CMMI® -DEV requirement does not apply.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1039

(i) The CMMI® -DEV Level 2 is a contract requirement and shall be evaluated as either Pass or Fail.

(ii) An offer that does not verify that the Offeror has a CMMI®-DEV Level 2 or higher appraisal rating, shall be evaluated as a deficiency.

(2) Language that describes the verification and validation process. This language can be provided as a separate attachment or included within the requirement document itself.

(b) Provisions/Clauses: Insert the following provisions and clauses in solicitations, contracts, agreements, and orders for software development, unless there is express written direction otherwise from the IRSIT.

- IR1052.239-9004 Instructions to Offerors – Software Development Prerequisite (JUN 2020) in Section L of the solicitation.
- IR1052.239-9005 Software Development Prerequisite (JUN 2020) in Section H of the solicitation.
- IR1052.239-9006 Software Development Prerequisite – Supplement (JUN 2020) in Section H of the solicitation.

(c) Insert the following clauses in solicitations, contracts, orders, agreements, and other contracting vehicles for services in which contractors (including subcontractors) have access to, and/or use or operate, or perform support services on IRS information systems containing IRS information.

- IR1052.239-9007 Access, Use or Operation of IRS Information Technology (IT) Systems by Contractors (JUN 2020)
- IR1052.239-9008 Information Systems and Information Security Controls for Contracting Actions Subject to Internal Revenue Manual (IRM) 10.8.1 (JUN 2020)
- IR1052.239-9009 Information Systems and Information Security Controls for Contracting Actions Subject to IRS Publication 4812 (JUN 2020)
- IR1052.239-9010 Information System and Information Security Control Standards and Guidelines Applicability (JUN 2020)

Internal Revenue Service Acquisition Policy (IRSAP) Part 1042

PART 1042—CONTRACT ADMINISTRATION AND AUDIT SERVICES

SUBPART 1042.1—CONTRACT AUDIT SERVICES

1042.102 Assignment of Contract Audit Services.

(a) The CO shall coordinate audit services through the Senior Advisor assigned to the Office of Procurement Policy.

1042.102-90 Receipt of Contract Audit Report Status.

(a) The CO shall adhere to the responsibilities outlined in [PGI 1042.1, Contract Audit Services](#), upon receipt of contract audit report status.

1042.170-6 Responsibilities.

(b)(3)(i) The Senior Advisor assigned to the Office of Procurement Policy shall track all outstanding actions concerning the recovery of disallowed costs quarterly and provide status quarterly.

SUBPART 1042.2—CONTRACT ADMINISTRATION SERVICES

1042.202 Assignment of Contract Administration.

(c)(2) The CPO shall approve requests for delegations of authority.

SUBPART 1042.7—INDIRECT COST RATES

1042.703-2 Certificate of indirect costs.

(b)(1) Requests shall be submitted in accordance with 1001.7000(d) through the Senior Advisor in the Office of Procurement Policy.

SUBPART 1042.8 – DISALLOWANCE OF COSTS

1042.803 Disallowing costs after incurrence.

(b)(3)(ii) The CO shall refer to the Senior Advisor in the Office of Procurement Policy.

SUBPART 1042.12 NOVATION AND CHANGE-OF-NAME AGREEMENTS

1042.1203 Processing Agreements.

(b)(4) Novation and/or Change-of-Name Agreements shall be submitted in accordance with 1001.7000(d) prior to preparing a modification to incorporate the summary of the agreement. In addition to modifying the base contract, modifications must be prepared for all orders when there is a novation/change- of-name agreement that results in changes to the contractor's SAM registration, DUNS number or procurement systems vendor number/code.

SUBPART 1042.13—SUSPENSION OF WORK, STOP WORK ORDERS, AND GOVERNMENT DELAY OF WORK

1042.1305 Contract clauses.

The CO shall insert a suspension, stop work, or delay of work clause in every solicitation and contract/order by reference that exceeds the SAT.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1042

SUBPART 1042.15–CONTRACTOR PERFORMANCE INFORMATION

1042.1502 Policy.

1042.1502-90 Contract Clause.

Insert the clause at IR1052.242-9000 Post Award Evaluation of Contractor Performance (JUN 2020).

1042.1503-90 Procedures.

The CO shall adhere to the procedures and guidance outlined in [PGI 1042.15, Contractor Performance Information](#), for reporting and collecting past performance evaluations.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1043

PART 1043—CONTRACT MODIFICATIONS

SUBPART 1043.1—GENERAL

1043.102-90 Policy.

(a) The CO shall prepare and submit, a Within Contract Scope Determination and Finding in accordance with IRSAP subpart 1001.7000(d) for CPO approval (see IRSAP 1004.7102-1 General (b)(1)) when the cumulative effect of the modification increases the originally awarded total value of the contract, agreement, or order value by 20 percent. A D&F is not required for the following:

Exercise of an option evaluated and included as part of the initial award; Estimated modification value is under the Simplified Acquisition Threshold; Modification meets an exception listed at DTAP 1004.7102-1 (b)(1)(i)

Internal Revenue Service Acquisition Policy (IRSAP) Part 1044

PART 1044—SUBCONTRACTING POLICIES AND PROCEDURES

SUBPART 1044.3—CONTRACTORS' PURCHASING SYSTEM REVIEWS

1044.302 Requirements.

(a) D&Fs shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1045

PART 1045—GOVERNMENT PROPERTY

SUBPART 1045.3—AUTHORIZING THE USE AND RENTAL OF GOVERNMENT PROPERTY

1045.301 Use and rental.

(f) Approval requests shall be submitted in accordance with 1001.7000(d).

1045.302 Contracts with foreign governments or international organizations.

Requests shall be submitted in accordance with 1001.7000(d).

Internal Revenue Service Acquisition Policy (IRSAP) Part 1046

PART 1046—QUALITY ASSURANCE

SUBPART 1046.1—GENERAL

1046.102-90 Receipt and/or Acceptance (R and/or A).

IRS personnel responsible for receipt, inspection, and acceptance of supplies or services tendered by a contractor shall:

(1) Maintain, at a minimum, the documentation in relevant acquisition files as evidence that these functions were properly performed.

1046.102-91 Receipt and/or Acceptance (R and/or A) Training Requirements.

(a) Training: Prior to engaging in R and/or A functions and inputting information into the system, CORS, end users and/or 3rd parties must complete item (1) and their managers must complete item (2):

(1) Integrated Talent Management System (ITMS) Course 49008, Receipt and/or Acceptance Responsibilities – End User or 3rd Party; and/or

(2) ITMS Course 49009, Receipt and/or Acceptance Responsibilities – Managing CORs, End Users and/or 3rd Parties.

(3) Receipt and/or Acceptance Refresher training must be completed every two years. The Receipt and/or Acceptance training will be housed in the ITMS and the target population will be notified through e-mail communication regarding the training requirements and dates.

1046.102-92 Requirements for Receipt.

(a) Entering Date of Receipt into PPS: Receipt of goods and services shall be accomplished as soon as the goods and/or services have been received and annotated in IFS via PPS, but no later than seven calendar days after a proper invoice has been received by the payment office. If receipt is entered within seven (7) calendar days after receipt of the invoice by the payment office, the actual receipt date of the good or service shall be entered into the system.

SUBPART 1046.5—ACCEPTANCE

1046.5-90 Acceptance Requirements.

(a) Entering Acceptance into PPS: Acceptance of goods and/or services shall be annotated as soon as the quality assurance inspection has been completed and meets the terms and conditions of the contract. Acceptance must be recorded in IFS via PPS no later than seven calendar days after a proper invoice has been received by the payment office, unless the award/contract states language which allows for additional time to perform the quality assurance to whether the goods and/or services are acceptable and meet the terms and conditions of the award/contract. If acceptance is entered within seven (7) calendar days after the payment office's receipt of a proper invoice, the actual acceptance date of the good or service must be entered into the system.

1046.5-91 CO Responsibility for Receipt and/or Acceptance

(a) For internal control purposes, the CO shall not enter receipt and/or acceptance into the system other than the two exceptions noted below:

(1) There is a bona fide need for the CO to act in an administrative capacity.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1046

When this happens, the CO must obtain the necessary documentation from the program office that validates that the supplies or services have been received and are acceptable prior to entering any information into the system. All documentation related to this transaction shall be secured and retained in the official contract file.

(2) Processing a closeout of a cost reimbursement contract following the final audit.

SUBPART 1046.70—MAJOR ACQUISITION PROGRAM (MAP) REVIEWS

1046.7002 Responsibilities.

(a)(1) The IRS primary MAP representative is located in the Office of Procurement Policy, Quality Assurance Section.

Internal Revenue Service Acquisition Policy (IRSAP) Part 1049

PART 1049 — TERMINATION OF CONTRACTS

SUBPART 1049.1—GENERAL PRINCIPLES

1049.101 Authorities and responsibilities.

The CO shall obtain reviews in accordance with [PGI 1004.7101-93](#) – Atypical actions requiring review for documentation relating to terminations.

1049.111 Review of proposed settlements.

See 1049.101 for the required review procedures.

SUBPART 1049.4—TERMINATION FOR DEFAULT

1049.402-8 Reporting Information.

See [PGI 1042.1502-90](#) to obtain access and reporting in the FAPIIS module of CPARS.

PART 1052–Solicitation Provisions and Contract Clauses

PART 1052–Solicitation Provisions and Contract Clauses

IR1052.252-2 – IRS Acquisition Policy Clauses Incorporated by Reference (DEC 2019)

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): https://www.irs.gov/pub/irs-procure/irsap_2019_version_1.pdf

(End of clause)

IR1052.204-9000 Submission of Security Forms and Related Materials (JUN 2020)

The Treasury Security Manual (TD P 15-71) sets forth investigative requirements for contractors and subcontractors who require staff-like access, wherever the location, to (1) IRS-owned or controlled facilities (unescorted); (2) IRS information systems (internal or external systems that store, collect, and/or process IRS information); and/or (3) IRS sensitive but unclassified (SBU) information.

“Staff-Like Access” is defined as authority granted to perform one or more of the following:

- Enter IRS facilities or space (owned or leased) unescorted (when properly badged);
- Possess login credentials to information systems (internal or external systems that store, collect, and/or process IRS information);
- Possess physical and/or logical access to (including the opportunity to see, read, transcribe, and/or interpret) SBU data; (See IRM 10.5.1 for examples of SBU data);
- Possess physical access to (including the opportunity to see, read, transcribe, and/or interpret) security items and products (e.g., items that must be stored in a locked container, security container, or a secure room. These items include, but are not limited to security devices/records, computer equipment, Identification media. For details see IRM 1.4.6.5.1, Minimum Protection Standards); or,
- Enter physical areas storing/processing SBU information (unescorted)

Staff-like access is granted to an individual who is not an IRS employee (and includes, but is not limited to: contractor/subcontractor personnel, whether procured by IRS or another entity, vendors, delivery persons, experts, consultants, paid/unpaid interns, other federal employee/contractor personnel, cleaning/maintenance personnel, etc.), and is approved upon required completion of a favorable suitability/fitness determination conducted by IRS Personnel Security.

For security requirements at contractor facilities using contractor-managed resources, please reference the most recent version of [Publication 4812](#), Contractor Security & Privacy Controls. The contractor shall permit access to IRS SBU information or information system/assets only to individuals who have received staff-like access approval (interim or final) from IRS Personnel Security.

Contractor/subcontractor personnel requiring staff-like access to IRS equities are

PART 1052–Solicitation Provisions and Contract Clauses

subject to (and must receive a favorable adjudication or affirmative results with respect to) the following eligibility/suitability pre- screening criteria, as applicable:

IRS account history for federal tax compliance (for initial eligibility, as well as periodic checks for continued compliance while actively working on IRS contracts);

- Selective Service registration compliance (for males born after 12/31/59); Contractors must provide proof of registration which can be obtained from the Selective Service website at www.sss.gov.
- U.S. citizenship/lawful permanent residency compliance; If foreign- born, contractors must provide proof of U.S. citizenship or Lawful Permanent Residency status by providing their Alien Registration Number (“A” Number).
- Background investigation forms;
- Credit history;
- Federal Bureau of Investigation fingerprint results; and,
- Review of prior federal government background investigations.

In this regard, Contractor shall furnish the following electronic documents to Personnel Security (PS) at hco.ps.contractor.security.onboarding@irs.gov within 10 business days (or shorter period) of assigning (or reassigning) personnel to this contract/order/agreement and prior to the contractor (including subcontractor) personnel performing any work or being granted staff-like access to IRS SBU or IRS/contractor (including subcontractor) facilities, information systems/assets that process/store SBU information thereunder:

- IRS-provided Risk Assessment Checklist (RAC);
- Non-Disclosure Agreement (if contract terms grant SBU access); and,
- Any additional required security forms, which will be made available through PS and the COR.

Contract Duration:

a. Contractor (including subcontractor) personnel whose duration of employment is 180 calendar days or more per year must meet the eligibility/suitability requirements for staff-like access and shall undergo a background investigation based on the assigned position risk designation as a condition of work under the Government contract/order/agreement.

b. If the duration of employment is less than 180 calendar days per year and the contractor requires staff-like access, the contractor (including subcontractor) personnel must meet the eligibility requirements for staff-like access (federal tax compliance, Selective Service Registration, and US Citizenship or Lawful Permanent Residency), as well as an FBI Fingerprint result screening.

c. For contractor (including subcontractor) personnel not requiring staff-like access to IRS facilities, IT systems, or SBU data, and only require infrequent access to IRS-owned or controlled facilities and/or equipment (e.g., a time and material maintenance contract that warrants access one or two days monthly), an IRS background investigation is not needed and will not be requested if a qualified escort, defined as an

PART 1052–Solicitation Provisions and Contract Clauses

IRS employee or as a contractor who has been granted staff-like access, escorts a contractor at all times while the escorted contractor accesses IRS facilities, or vendor facilities where IRS IT systems hardware or SBU data is stored. As prescribed in IRM 10.23.2, escorting in lieu of staff-like access for IT systems and access to SBU data (escorted or unescorted) will not be allowed.

The contractor (including subcontractor) personnel will be permitted to perform under the contract/order/agreement and have staff-like access to IRS facilities, IT systems, and/or SBU data only upon notice of an interim or final staff-like approval from IRS Personnel Security, as defined in IRM – *Contractor Investigations*, and is otherwise consistent with IRS security practices and related IRMs, to include, but not limited to:

- IRM 1.4.6 – Managers Security Handbook; IRM10.2.14 – Methods of Providing Protection; and, IRM 10.8.1 - Policy and Guidance.

Current Investigation Reciprocity: Individuals who possess a prior favorably adjudicated Government background investigation that meets the scope and criteria required for their position may be granted interim staff-like access approval upon verification of the prior investigation, receipt of all required contractor security forms, and favorable adjudication of IRS pre-screening eligibility/suitability checks. If their current investigation meets IRS established criteria for investigative reciprocity, individuals will be granted final staff-like access, and will not be required to undergo a new investigation beyond an approved pre-screening determination.

Flow down of clauses: The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails access to SBU information by a subcontractor, at any tier, the substantially same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

(End of clause)

IR1052.204-9001 Notification of Change in Contractor Personnel Employment Status, Assignment, or Standing (JUN 2020)

The contractor, via e-mail (hco.ps.contractor.security.onboarding@irs.gov), shall notify the Contracting Officer (CO), Contracting Officer's Representative (COR), and Personnel Security within one (1) business day of the contractor (including subcontractor) becoming aware of any change in the employment status, information access requirement, assignment, or standing of a contractor (or subcontractor) personnel under this contract or order – to include, but not limited to, the following conditions:

- Receipt of the personnel's notice of intent to separate from employment or discontinue work under this contract/order;
- Knowledge of the personnel's voluntary separation from employment or performance on this contract/order (if no prior notice was given);
- Transfer or reassignment of the personnel and performance of duties under this contract/order, in whole or in part, to another contract/order (and if possible, identify

PART 1052–Solicitation Provisions and Contract Clauses

the gaining contract/order and representative duties/responsibilities to allow for an assessment of suitability based on position sensitivity/risk level designation);

- Denial of or revocation of staff-like access as determined by IRS Personnel Security; Separation, furlough or release from employment;
- Anticipated extended absence of more than 45 days; Change of legal name; Change to employment eligibility;
- Change in gender or other distinction when physical attributes figure prominently in the biography of an individual; Actual or perceived conflict of interest in continued performance under this contract/order (provide explanation); or
- Death.

When required by the COR, the contractor may be required to provide the information required by this clause to the IRS using the Risk Assessment Checklist (RAC) or security documents as identified by Personnel Security.

The notice shall include the following minimum information: Name of contractor personnel;

- Nature of the change in status, assignment or standing (i.e., provide a brief non-personal, broad-based explanation);
- Affected contract/agreement/order number(s); Actual or anticipated date of departure or separation;
- When applicable, the name of the IRS facility or facilities this individual routinely works from or has staff-like access to when performing work under this contract/order;
- When applicable, contractor (including subcontractor) using contractor (or subcontractor) owned systems for work must ensure that their systems are updated to ensure personnel no longer have continued staff-like access to IRS work, either for systems administration or processing functions; and
- Identification of any Government Furnished Property (GFP), Government Furnished Equipment (GFE), or Government Furnished Information (GFI) (to include Personal Identity Verification (PIV) credentials or badges – also referred to as SmartID Cards) provided to the contractor personnel and its whereabouts or status.

In the event the subject contractor (including subcontractor) is working on multiple contracts, orders, or agreements, notification shall be combined, and the cognizant COR for each affected contract or order (using the Contractor Separation Checklist (Form 14604 (Rev. 8-2016))) shall be included in the joint notification along with Personnel Security. These documents (the RAC and security forms) are also available by email request to Personnel Security.

The vendor POC and the COR must ensure all badges, Smart Cards, equipment, documents, and other government furnished property items are returned to the IRS, systems accesses are removed, and Real Estate & Facilities Management is notified of federal workspace that is vacant.

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As a rule, the change in the employment status, assignment, or standing of a contractor (or subcontractor) personnel to this contract or order would not form the basis for an excusable delay for failure to perform under the terms of this contract, order or agreement.

Flow down of clauses. The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails staff-like access to SBU information by a subcontractor, at any tier, the substantially same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

(End of clause)

IR1052.204-9002 IRS Specialized Information Technology (IT) Security Training (Role-Based) Requirements (JUN 2020)

(a) Consistent with the Federal Information Security Modernization Act of 2014 (FISMA), specialized information technology (IT) security training (role-based) shall be completed prior to access to Information Systems and annually thereafter by contractor and subcontractor personnel who have an IT security role or responsibility.

(b) Identifying contractor/subcontractor with a role or responsibility for IT security is completed by the Contractor, and verified by the COR, by completing the Risk Assessment Checklist (RAC). The roles listed in the RAC conform to those roles listed in the Internal Revenue Manual 10.8.1.2 that apply to contractor personnel. This process applies to new contractors/subcontractors, replacement personnel and for existing contractors/subcontractors whose roles change during their work on a contract. This includes, but is not limited to, having an approved elevated privilege to one or more IRS systems through the OL5081 process.

(c) Prior to accessing any IT system, all contractor/subcontractor personnel must successfully complete all provisions of IR1052.204-9000 Submission of Security Forms and Related Materials.

(d) In keeping with the Security Orientation outlined in IR1052.224-9001, contractors/subcontractors designated on the Risk Assessment Checklist as performing a role shall complete approved training equal to the assigned hours within 10 business days of receiving the Personnel Security's memo approving staff-like access.

(e) Annual Requirements: Thereafter, on an annual basis within a FISMA year cycle beginning July 1st of each year, contractor/subcontractor personnel performing under this contract in the role identified herein is required to complete specialized IT security, role-based training by June 1st of the following year.

(f) Training Certificate/Notice: The contractor shall use the Government system identified by Cybersecurity to annually complete specialized IT security training (role-based). The COR will track the courses, hours completed and the adhere to the established due dates for each contractor/subcontractor personnel. Alternatively, courses may be completed outside of the Government system. Any courses taken outside of the Government system must be pre-approved by IRS Cybersecurity's Security System Management team via the COR. Adequate information such as course

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outline/syllabus must be provided for evaluation. Once a course is approved, certificates of completion provided for each contractor/subcontractor shall be provided to COR in order to receive credit toward the required hours for the contractor/subcontractor personnel. Copies of completion certificates for externally completed course must be shared with the Contracting Officer upon request.

(g) Administrative Remedies: A contractor/subcontractor who fails to complete the specialized IT security training (role-based) requirements, within the timeframe specified, may lose its access privileges.

(h) Flow down of clauses. The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails staff-like access to SBU information by a subcontractor, at any tier, the substantially same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

(End of clause)

IR1052.209-9000 Notification-Organizational Conflicts of Interest (May 2018)

a. The CO has determined there is a conflict or a potential for an organizational conflict of interest associated with the performance of work for this requirement. Accordingly, the attention of prospective offerors is invited to FAR Subpart 9.5, Organizational Conflicts of Interest.

b. The nature of this conflict is (COs shall describe the potential conflict of interest here in enough detail to allow a clear understanding by offerors/contractors).

c. The offeror warrants that, to the best of his/her knowledge and belief, there are no relevant facts or circumstances which could give rise to an Organizational Conflict of Interest (OCI), as defined in the Federal Acquisition Regulation (FAR) Subpart 9.5, or that he/she has disclosed all such relevant information. Offerors are advised that misrepresentation of the facts or failure to provide the information requested by the CO may cause the removal of their proposal from further consideration forward.

d. An offeror who believes that the performance of work under the contract may cause an OCI shall provide in its proposal to the Government a plan to mitigate the OCI. The plan will be evaluated to determine whether the plan effectively mitigates the potential conflict of interest such that the full scope of work contemplated by this solicitation can be performed by the offeror. The Senior Procurement Executive will then evaluate the mitigation plan and, if the plan is satisfactory, may grant a waiver to the offeror in accordance with FAR9.503.

e. Restrictions on the performance of work for this requirement and/or work on future contract requirements are set forth in the clause at 1052.905- 9001 entitled Organizational Conflicts of Interest. The terms of the Organizational Conflict of Interest clause included in this solicitation are not subject to negotiations.

(End of provision)

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IR1052.209-9001 Organizational Conflicts of Interest (May 2018)

(a) **Purpose:** The purpose of this clause is (1) to ensure that the contractor is not biased because of conflicting roles in financial, contractual,

organizational, or other interests which relate to the work to be performed under this contract, and (2) to ensure the contractor does not obtain any unfair competitive advantage over other parties as a result of its work under this contract.

(b) **Scope:** The restrictions described herein shall apply to performance or participation by the contractor and any of its affiliates or their successors in interest (hereinafter collectively referred to as the "contractor") in any activities related to this contract.

The term contractor includes the prime contractor, subcontractors, mentors, joint ventures, consultants, or any others acting in a similar capacity.

(c) **Reporting:** The contractor shall immediately report to the CO any conflicts or potential conflicts that arise during the performance of work under this contract, including those that may surface at the subcontract level. Once reported, the CO may terminate the contract for convenience if such an action is in the best interest of the Government. However, should there be any misrepresentation of facts in reporting an OCI or a potential OCI, at the prime or subcontract level, or a complete failure to report such, the CO may impose the remedies provided in subparagraph (f) of this clause.

(d) **Restrictions:** (The CO shall list appropriate restrictions for the acquisition. Listed below are three samplerestrictions.)

(1) The contractor shall not be eligible to participate in Internal Revenue Service contracts, subcontracts, or proposals which stem directly from the contractor's performance of work under this contract, for a period of years after the completion of this contract.

(2) The contractor shall not perform any advisory or assistance services work under this contract for a period of years, unless directed to do so by the CO, if the contractor has been or is substantially involved in the developing or marketing of its products or services or the products or services of another firm.

(3) If, under this contract, the contractor prepares a statement of work or specifications to be used in competitive acquisitions, the contractor shall be ineligible to perform or participate, in any capacity, in any acquisition which is based on said statement of work or specification for a period of years.

(e) **Subcontracts:** The contractor shall include a clause, substantially similar to this clause, including this subparagraph, in all subcontracts (including purchase/delivery orders), teaming arrangements, and/or other agreements calling for the performance of work related to this contract unless exempted in writing by the CO.

(f) **Remedies:** For breach of any of the above restrictions or for nondisclosure or misrepresentation of any facts required to be disclosed concerning this contract, including the existence of an actual or potential organizational conflict at the time of or after award, the IRS may terminate the contract for default, disqualify the contractor from subsequent related efforts, and pursue such other administrative remedies as may

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be permitted by law or other terms and conditions of this contract.

(End of clause)

IR1052.209-9002 Notice and Consent to Disclose and Use of Taxpayer Return Information (May 2018)

(a) Definitions. As used in this provision—

“Authorized representative(s) of the offeror” means the person(s) identified to the Internal Revenue Service (IRS) within the consent to disclose by the offeror as authorized to represent the offeror in disclosure matters pertaining to the offer.

“Delinquent Federal tax liability” means any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

“Tax check” means an IRS process that accesses and uses taxpayer return information to support the Government’s determination of an offeror’s eligibility to receive an award, including but not limited to implementation of the statutory prohibition of making an award to corporations that have an unpaid Federal tax liability (see FAR 9.104-5(b)).

(b) Notice. Pursuant to 26 USC 6103(a) - taxpayer return information, with few exceptions, is confidential. Under the authority of 26 U.S.C. 6103(h)(1), officers and employees of the Department of the Treasury, including the IRS, may have access to taxpayer return information as necessary for purposes of tax administration. The Department of the Treasury has determined that an IRS contractor’s compliance with the tax laws is a tax administration matter and that the access to and use of taxpayer return information is needed for determining an offeror’s eligibility to receive an award, including but not limited to implementation of the statutory prohibition of making an award to corporations that have an unpaid Federal tax liability (see FAR 9.104-5).

(1) The performance of a tax check is one means that will be used for determining an offeror’s eligibility to receive an award in response to this solicitation (see FAR 9.104). As a result, the offeror may want to take steps to confirm it does not have a delinquent Federal tax liability prior to submission of its response to this solicitation. If the offeror recently settled a delinquent Federal tax liability, the offeror may want to take steps to obtain information in order to demonstrate the offeror’s responsibility to the contracting officer (see FAR 9.104-5).

(c) The offeror shall execute the consent to disclosure provided in paragraph (d) of this provision and include it with the submission of its offer. The consent to disclosure shall be signed by an authorized person as required and defined in 26 U.S.C. 6103(c) and 26 CFR 301.6103(c)-1(e)(4).

(d) Consent to disclosure. I hereby consent to the disclosure of taxpayer return information (as defined in 26 U.S.C. 6103(b)(2)) as follows:

_____ [Insert OFFEROR NAME]

The Department of the Treasury, Internal Revenue Service, may disclose the results of the tax check conducted in connection with the offeror’s response to this solicitation,

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including taxpayer return information as necessary to resolve any matters pertaining to the results of the tax check, to the authorized representatives of on this offer.

_____ [Insert OFFEROR NAME]

I am aware that in the absence of this authorization, the taxpayer returns information of **7599 is confidential and may not be disclosed, which subsequently may remove the offer from eligibility to receive an award under this solicitation.

[insert PERSON(S) NAME AND CONTACT INFORMATION]

I consent to disclosure of taxpayer return information to the following person(s):

I certify that I have the authority to execute this consent on behalf of Offeror Name:

[Insert OFFEROR NAME]

Offeror Taxpayer Identification Number: [Insert Offeror Taxpayer Identification Number]

Offeror Address: [Insert Offeror Address]

Name of Individual Executing Consent: [Insert Name of Individual Executing Consent]

Title of Individual Executing Consent: [Insert Title of Individual Executing Consent]

Signature: _____ Date: _____

(End of provision) **IR1052.215-9000 Pre-Proposal Conference (May 2018)** Insert time conference will be held: _____

Insert date of conference: _____

Insert address where conference will be held: _____

Pre-proposal conference will be held at: _____

The purpose of this conference is to provide a briefing to prospective Offerors regarding the requirement and the requirement documents such as the scope of work or specifications the complexities and location of the services to be performed, along with the general and local conditions which could materially affect the services required and the cost thereof; and to provide a forum for questions concerning the Request for Proposal/Quotation and the proposed contract.

(End of provision)

IR1052.215-9001 Amendments to Proposal (May 2018)

Changes to the proposal by the offeror shall be accomplished by amended page(s). Changes from the original page shall be indicated by a vertical line, adjacent to the change, on the outside margin of the page. The Offeror shall include the date of the amendment on the lower right-hand edge of the page as well as the amendment number which caused the change.

(End of provision)

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IR1052.215-9002 Expense Related to Proposal Submissions (May 2018)

This solicitation does not commit the Government to pay any costs incurred in the submission of any proposal or bid, or in making necessary studies or design for the preparation thereof or to acquire or contract for any services.

(End of provision)

IR1052.215-9003 Discussions and Correspondence (Jun 2020)

All communications concerning the solicitation, including any of a technical nature, must be made through the CO.

Correspondence, including written questions, shall be directed to the address shown in Block 8 of the Standard Form 33 and marked for the attention of the individual whose name appears in Block 10A of that form. All verbal communications shall also be directed to that individual.

_____ Insert number of days

Questions concerning any technical aspect of the solicitation must be in writing. In order to ensure a timely response, questions shall be received by the Contracting Officer at least ___ days before the due date for receipt of proposals. After this date, the Government will make every effort, but cannot guarantee that questions submitted will be answered before the RFP closing date.

(End of provision)

IR1052.215-9004 Key Personnel (May 2018)

The key personnel cited below are considered essential to the work being performed under this contract. If these individuals leave the Contractor's employ or are reassigned to other programs, the Contractor shall notify the Contracting Officer reasonably in advance and shall submit justification (including proposed substitutions) in enough detail to permit evaluation of the impact on the program. No diversion or replacement shall be made by the Contractor without the written consent of the Contracting Officer.

Key Personnel	Title

(End of clause)

IR1052.215-9005 Compliance with Proposal Instructions (May 2018)

Offerors whose proposal(s) are submitted in accordance with the instructions given in Section L and which meet the mandatory requirements in Section C shall be evaluated in accordance with the evaluation criteria presented in the solicitation. Offerors whose proposals are not submitted in accordance with the instructions given in this RFP or which do not meet the mandatory requirements may not be considered for award.

(End of provision)

IR1052.215-9006 Disposition of Proposals (May 2018)

After evaluation, selection, and contract award, printed copies of unsuccessful proposals will be returned to the contractor upon request. If no request for proposal

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return is received within 10 business days, proposal copies in excess of the retention requirements of FAR 8.403 and FAR 8.405 will be destroyed.

(End of provision)

IR1052.216-9000 Task/Delivery Order Contract Ombudsman (Jun 2020)

(a) In accordance with DTAP 1016.505(b)(8), the IRS Task/Delivery Order Ombudsman is the Policy and Procedures Section Chief.

(b) Ombudsman responsibilities: (1) address contractor concerns regarding compliance with the award procedures for task/delivery orders; (2) review contractor complaints on task/delivery order contracts; (3) ensure all contractors are afforded a fair opportunity to be considered for each task/delivery order; and (4) when requested, maintain strict confidentiality of the contractor/vendor requesting assistance.

(c) Exceptions: The Ombudsman shall not participate in: (1) the evaluation of proposals submitted on the basic contract; (2) the source selection process on the basic contract; or (3) the adjudication of formal contract disputes arising under the basic contract or any individual order issued under it.

(d) Interested parties may contact the Task/Delivery Order Ombudsman by sending correspondence to the Policy and Procedures Section Chief at proc.customer.service@irs.gov or via mail at: Internal Revenue Service, Office of Procurement Policy C7-430, 5000 Ellin Road, Lanham, MD. 20706.

(End of clause)

IR1052.224-9000 Safeguards Against Unauthorized Disclosure of Sensitive but Unclassified Information (JUN 2020)

1. Treasury Directive Publication 15-71 (TD P 15-71), Chapter III – Information Security, Section 24 – Sensitive But Unclassified Information defines SBU information as ‘any information, the loss, misuse, or unauthorized access to or modification of which could adversely affect the national interest or the conduct of Federal programs, or the privacy to which individuals are entitled under Section 552a of Title 5, United States Code (USC) (the Privacy Act) but which has not been specifically authorized under criteria established by an executive order or an act of Congress to be kept secret in the interest of national defense or foreign policy.’ SBU may be categorized in one or more of the following groups—

- Returns and Return Information
- Sensitive Law Enforcement Information
- Employee Information
- Personally, Identifiable Information
- Information Collected or Created from Surveys
- Other Protected Information

2. Confidentiality requirements for tax returns and return information are established by Section 6103 of the Internal Revenue Code (IRC) (26 USC 6103), and the penalties for unauthorized access and disclosure of returns and return information are found in Sections 7213, 7213A and 7431 of the IRC (26 USC 7213, 7213A and 7431).

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3. Contractors who perform work at contractor (including subcontractor) managed sites using contractor or subcontractor managed IT resources shall adhere to the general guidance and specific security control requirements contained in Publication 4812, Contractor Security Controls, IRM 10.23.2 - Personnel Security, Contractor Investigations and IRM 10.8.1 - Information Technology (IT) Security, Policy and Guidance. Publication 4812 and IRM 10.8.1 and 10.23.2 provide comprehensive lists of all security controls and guidance.

4. As directed by the Contracting Officer (CO), the contractor will be required to input data into Archer or a similar system to describe the security controls being used to protect information.

5. Eligibility, Fitness and Suitability. Contractor (including subcontractor) personnel hired for work within the United States or its territories and possessions and who require staff-like access, wherever the location, to IRS- owned or controlled facilities or work on contracts that involve the design, operation, repair, or maintenance of information systems, and/or require staff- like access to SBU information, must meet the eligibility requirements under IRM 10.23.2, Personnel Security, Contractor Investigations, and shall be subject to security screening and investigative processing, commensurate with the position sensitivity level, and in accordance with IRM 10.23.2, and TD P 15-71. Contractor (including subcontractor) personnel must be found both eligible and suitable, and approved for staff- like access (interim or final) by IRS Personnel Security prior to starting work on the contract/order, or before being granted access to IRS information systems or SBU information.

6. General Conditions for Allowed Disclosure. Any SBU information, in any format, made available to or created by the contractor (including subcontractor) personnel shall be treated as confidential information and shall be used only for the purposes of carrying out the requirements of this contract. Inspection by or disclosure to anyone other than duly authorized officer or personnel of the contractor (including subcontractor) shall require prior written approval of the IRS. Requests to make such inspections or disclosures shall be addressed to the CO.

7. Nondisclosure Agreement. Consistent with TD P 15-71, Chapter II, Section 2, and IRM 10.23.2.15 - Nondisclosure Agreement for Sensitive but Unclassified Information, each contractor (including subcontractor) personnel who requires staff-like access to SBU information shall complete, sign and submit to Personnel Security – through the CO (or COR, if assigned) — an approved Nondisclosure Agreement prior to being granted staff-like access to SBU information under any IRS contract order.

8. Encryption. All SBU information must be protected at rest, in transit, and in exchanges (i.e., internal and external communications). The contractor (including subcontractor) shall employ encryption methods and tools to ensure the confidentiality, integrity, and availability of SBU information.

9. Particularly relevant to this clause are the updated sections to IRM 10.8.1 and Publication 4812 regarding email and text messages, alternative work sites, and incident management:

- For email and text messaging, the contractor shall abide by IRM

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10.8.1.4.17.2.2 “Electronic Mail (Email) Security”, IRM 10.5.1.6.8 “Email” plus all subsections, and IRM 10.8.2.2.1.18 “Contractor”; or Pub. 4812 section 28.3.1 “Electronic Mail (Email) Security,”. Included are requirements on encryption, subject line content, and restrictions on personal email accounts.

- For alternate work sites the contractor shall abide by IRM 10.8.1.4.11.16 “PE-17 Alternate Work Site” or Pub 4812 section 21.16 “PE-17 Alternate Work Site,”. Included are requirements for incident reporting, encryption, and secure access.

10. Incident and Situation Reporting. Contractors and subcontractors are required to report a suspected or confirmed breach in any medium or form, including paper, oral, and electronic, as soon as possible and without unreasonable delay. All incidents related to IRS processing, information or information systems shall be reported immediately upon discovery to the CO, COR, and CSIRC. Contact the CSIRC through any of the following methods:

CSIRC Contacts: Telephone: 240.613.3606

E-mail to csirc@irs.gov

In addition, if the SBU information is or involves returns or return information or threatens the safety or security of personnel or information systems, the contractor shall report the incident/situation to the Treasury Inspector General for Tax Administration (TIGTA) hotline at (800) 366- 4484.

11. Staff-Like Access to, Processing and Storage of Sensitive but Unclassified (SBU) Information. The contractor (including subcontractor) shall not allow contractor or subcontractor personnel to access, process or store SBU on Information Technology (IT) systems or assets located outside the continental United States and its outlying territories.

Contractors (including subcontractors) utilizing their own IT systems or assets to receive or handle IRS SBU data shall not commingle IRS and non-IRS data.

12. Disposition of SBU Information. All SBU information processed during the performance of this contract, or to which the contractor (or subcontractor) was given staff-like access (as well as all related output, deliverables, or secondary or incidental by-products, information or data generated by the contractor or others directly or indirectly from the source material), regardless of form or format, shall be completely purged from all data storage components of the contractor’s or subcontractor facilities and computer systems, and no SBU/Personally Identifiable Information (PII) information will be retained by the contractor either--

- When it has served its useful, contractual purpose, and is no longer needed to meet the contractor’s (including subcontractor) other, continuing contractual obligations to the IRS or
- When the contract expires, or is terminated by the IRS (for convenience, default, or cause).

The contractor (including subcontractor) shall completely purge from its systems and Electronic Information Technology, and/or return all SBU/PII information (originals,

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copies, and derivative works) within 30 days of the point at which it has served its useful contractual purpose, or the contract expires or is terminated by the IRS (unless, the CO determines, and establishes, in writing, a longer period to complete the disposition of SBU/PII information).

The contractor shall provide to the IRS a written and signed certification to the COR that all SBU materials/information (i.e., case files, receipt books, PII data and material, removable media (disks, CDs, thumb drives)) collected by, or provided to, the contractor have been purged, destroyed or returned.

13. Records Management.

A. Applicability

This language applies to all Contractors whose personnel create, work with, or otherwise handle Federal records, as defined in Section B, regardless of the medium in which the record exists.

Contractor/subcontractor personnel are bound by the Records Management by Federal Agencies (44 U.S.C. Chapter 31) regarding the care and retention of federal records.

B. Definitions

"Federal record" as defined in 44 U.S.C. § 3301, includes all recorded information, regardless of form or characteristics, made or received by a Federal agency under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the United States Government or because of the informational value of data in them.

The term Federal record:

1. includes [Agency] records;
2. does not include personal materials;
3. applies to records created, received, or maintained by Contractors pursuant to their [Agency] contract; and
4. may include deliverables and documentation associated with deliverables.

C. Requirements

1. Contractor shall comply with all applicable records management laws and regulations, as well as National Archives and Records Administration (NARA) records policies, including but not limited to the Federal Records Act (44 U.S.C. chs. 21, 29, 31, 33), NARA regulations at 36 CFR Chapter XII Subchapter B, and those policies associated with the safeguarding of records covered by the Privacy Act of 1974 (5 U.S.C. 552a). These policies include the preservation of all records, regardless of form or characteristics, mode of transmission, or state of completion.
2. In accordance with 36 CFR 1222.32, all data created for Government use and

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delivered to, or falling under the legal control of, the Government are Federal records subject to the provisions of 44 U.S.C. chapters 21, 29, 31, and 33, the Freedom of Information Act (FOIA) (5 U.S.C. 552), as amended, and the Privacy Act of 1974 (5 U.S.C. 552a), as amended and must be managed and scheduled for disposition only as permitted by statute or regulation.

3. In accordance with 36 CFR 1222.32, Contractor shall maintain all records created for Government use or created in the course of performing the contract and/or delivered to, or under the legal control of the Government and must be managed in accordance with Federal law. Electronic records and associated metadata must be accompanied by enough technical documentation to permit understanding and use of the records and data.
4. IRS and its contractors are responsible for preventing the alienation or unauthorized destruction of records, including all forms of mutilation. Records may not be removed from the legal custody of IRS or destroyed except for in accordance with the provisions of IRM 1.15.5, Relocating/Removing Records, the agency records schedules and with the written concurrence of the CO. Willful and unlawful destruction, damage or alienation of Federal records is subject to the fines and penalties imposed by 18 U.S.C. 2701. In the event of any unlawful or accidental removal, defacing, alteration, or destruction of records, Contractor must immediately notify the appropriate CO. The CO must report the loss using the PII Breach Reporting Form. Privacy, Governmental Liaison and Disclosure (PGLD, Incident Management) will review the PII Breach Reporting Form and alert the Records and Information Management (RIM) Program Office that a suspected records loss has occurred. The agency must report promptly to NARA in accordance with 36 CFR 1230.
5. The Contractor shall immediately notify the appropriate CO upon discovery of any inadvertent or unauthorized disclosures of information, data, documentary materials, records or equipment. Disclosure of non- public information is limited to authorized personnel with a need-to-know as described in the [contract vehicle]. The Contractor shall ensure that the appropriate personnel, administrative, technical, and physical safeguards are established to ensure the security and confidentiality of this information, data, documentary material, records and/or equipment is properly protected. The Contractor shall not remove material from Government facilities or systems, or facilities or systems operated or maintained on the Government's behalf, without the express written permission of the Head of the Contracting Activity. When information, data, documentary material, records and/or equipment is no longer required, it shall be returned to [Agency] control or the Contractor must hold it until otherwise directed. Items returned to the Government shall be hand-carried, mailed, emailed, or securely electronically transmitted to the CO or address prescribed in the [contract vehicle]. Destruction of records is EXPRESSLY PROHIBITED unless in accordance with Paragraph (4).
6. The Contractor is required to obtain the approval of the CO prior to engaging in any contractual relationship (sub-contractor) in support of this contract

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requiring the disclosure of information, documentary material and/or records generated under, or relating to, contracts. The Contractor (and any sub-contractor) is required to abide by Government and [Agency] guidance for protecting sensitive, proprietary information, classified, and controlled unclassified information.

7. The Contractor shall only use Government IT equipment for purposes specifically tied to or authorized by the contract and in accordance with IRS policy.
8. The Contractor shall not create or maintain any records containing any non-public IRS information that are not specifically tied to or authorized by the contract.
9. The Contractor shall not retain, use, sell, or disseminate copies of any deliverable that contains information covered by the Privacy Act of 1974 or that which is generally protected from public disclosure by an exemption to the Freedom of Information Act.
10. IRS owns the rights to all data and records produced as part of this contract. All deliverables under the contract are the property of the
11. U.S. Government for which IRS shall have unlimited rights to use, dispose of, or disclose such data contained therein as it determines to be in the public interest. Any Contractor rights in the data or deliverables must be identified as required by FAR 52.227-11 through FAR 52.227- 20.
12. Training. All Contractor personnel assigned to this contract who create, work with or otherwise handle records are required to take IRS- provided records management training. The Contractor is responsible for confirming training has been completed according to agency policies, including initial training and any annual or refresher training.

D. Flow down of requirements to subcontractors

1. The Contractor shall incorporate the substance of this language, its terms, and requirements including this paragraph, in all subcontracts under this [contract vehicle], and require written subcontractor acknowledgment of same.
2. Violation by a subcontractor of any provision set forth in this language will be attributed to the Contractor.
3. Other Safeguards. [Insert any additional disclosure safeguards provided by the Program Office/COR or that the CO determines are necessary and in the best interest of the Government and not addressed elsewhere in the contract. If none are entered here, there are no other safeguards applicable to this contract action.]

(End of clause)

IR1052.224-9001 Mandatory IRS Security Training for Information Systems, Information Protection and Facilities Physical Access (JUN 2020)

The Federal Information Security Modernization Act of 2014 (FISMA) requires each

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federal agency to provide periodic information security awareness training to all contractors/subcontractors involved in the management, use, or operation of Federal information and information systems. In addition, contractor/subcontractor personnel are subject to the Taxpayer Browsing Protection Act of 1997, which prohibits willful unauthorized inspection of returns and return information and details that any violation of the Act could result in civil and criminal penalties.

Contractor/subcontractor personnel are bound by the Records Management by Federal Agencies (44 U.S.C. Chapter 31) regarding the care and retention of federal records.

1. The contractor must ensure all new contractor/subcontractor personnel complete all assigned briefings which are based on the responses provided on the Risk Assessment Checklist Form 14606. These responses pertaining to access to any IRS system, including basic LAN, email and internet; access to any Sensitive but Unclassified (SBU) data; and access to any IRS facility. Since new contractor/subcontractor personnel will not have access to the IRS training system, the COR shall provide softcopy versions of each briefing.

- i. Exception: Contractor personnel (including subcontractors) performing under IRS contracts with Nonprofit Agencies Employing People Who Are Blind or Severely Disabled (as described in FAR Subpart 8.7) are exempted from the aforementioned briefing requirements, unless the contractor requests access to the training, or there is a compelling justification for requiring the training that is approved by the Contracting Officer (CO). An example of this would be in an instance where visually impaired personnel is assigned to perform systems development and has potential staff-like access to IRS information.
- ii. Contractor/subcontractor personnel working with IRS information at contractor-controlled facilities with no access to the IRS network will be subject to all mandatory briefing excepting the Facilities Management Physical Security briefing as outlined in Publication 4812.
- iii. Service Personnel: Inadvertent Sensitive Information Access Training Contractor personnel performing: (i) janitorial and cleaning services (daylight operations), (ii) building maintenance, or (iii) other maintenance and repair and need staff-like access to IRS facilities are required to complete Inadvertent Access to Sensitive Information (SBU) Access training.
- iv. Service Personnel Security Awareness Training: Contractor personnel providing services in the following categories are required to complete FMSS Physical Security Training:
 - o Medical;
 - o Cafeteria;
 - o Landscaping;
 - o Janitorial and cleaning (daylight operations);
 - o Building maintenance; or
 - o Other maintenance and repair

2. In combination these mandatory briefings are known as IRS Security Awareness Training (SAT). The topics covered are: Cybersecurity Awareness/Information System

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Security, Privacy Information Protection and Disclosure, Unauthorized Access to Taxpayer Data, Records Management, Inadvertent Sensitive Information Access, and/or Facilities Physical Security. The completion of the assigned mandatory briefings constitutes the completion of the Security Orientation.

3. The SAT must be completed by contractor/subcontractor personnel within 10 business days of successful resolution of the suitability and eligibility for staff-like access as outlined in IR1052.204- 9000 Submission of Security Forms and Related Materials and before being granted access to SBU data. The date listed on the memo provided by IRS Personnel Security shall be used as the commencement date.

4. Training completion process:

The contractor must submit confirmation of completed SAT mandatory briefings for each contractor/subcontractor personnel by either:

- i. Using Form 14616 signed and dated by the individual and authorized contractor management entity and returned to the COR. This option is used for new contractor/subcontractor personnel and any that do not have an IRS network account.
- ii. Using the IRS training system which is available to all contractors with IRS network accounts

5. Annual Training. For contracts/orders/agreement exceeding one year in length, either on a multiyear or multiple year basis, the contractor must ensure that personnel complete assigned SAT mandatory briefings annually no later than October 31st of the current calendar year. The contractor must submit confirmation of completed annual SAT on all personnel unable to complete the briefings in the IRS training systems by submitting completed Form 14616 assigned to this contract/order/agreement, via email, to the COR, upon completion.

6. Contractor's failure to comply with IRS security policy (to include completion and certification of SAT requirements within the timeframe specified) may be subject to having staff-like access to IRS IT systems and facilities suspended, revoked or terminated (temporarily or permanently).

7. Flow down of clauses. The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails staff-like access to SBU information by a subcontractor, at any tier, the substantially same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

(End of clause)

IR1052.232-9000 Commercial Advanced Payments (JUN 2020)

Upon receipt of a proper contractor request for advance payment, in accordance with FAR Clause 52.232-29(e), the advance payment is authorized against the following CLINs:

CLIN	DESCRIPTION	ADVANCE PAYMENT AMOUNT

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(Contracting Officer to insert each applicable CLIN and amount of advance payment to be made against that CLIN)

A. Date of start of performance of work____[Insert start date].

B. Total contract price:_____[Insert Total KO price].

Total amount authorized for advance payment_____[Insert Amt].

Remaining Balance:_____[Insert Remaining Bal].

C. Advance Payment:_____[Insert Percentage] of total contract price.

D. Remaining payments will be:

_____(i) Delivery-based

_____(ii) Based upon a specific event or time

_____(iii) Interim payments made before any performance of any further work.

E. Payment schedule for remainder of work: Type of Payment Amount of Payment
Date of Payment

F. Contractor will provide the following security for advance payment:

(CO to insert security and any terms and conditions applicable to that security).

(In accordance with FAR 32.206, if contractors' financial condition is accepted as adequate security for advance payments, insert paragraph G in this clause.)

G. The contracting officer may exercise the Governments rights to require other security under 52.232-29 (c), Terms for Financing of Purchases of Commercial Items, in the event the contractors financial condition changes and is found not to be adequate security.

H. (In accordance with FAR 32.206(c), the contracting officer shall specify, to the extent access is necessary, Information and/or facilities to which the Government shall have access for the purpose of verifying the contractor's entitlement to payment of contract financing.)

(End of clause)

IR1052.232-9001 Electronic Invoicing and Payment Requirements for the Invoice Processing Platform (IPP) (JUL 2019)

(a) Definitions:

"Short payment" as used in this clause means the partial payment of an invoice for goods/services rendered at the time of payment when the invoice includes additional goods/services that have not yet been provided/rendered.

"Short payment" example: The contract requires the delivery of a set number of items, with the price, delivery location, and delivery due date also specified. The vendor delivers 50% of the items as specified but invoices for 100% of the items. Before implementation of the IPP, the IRS would have paid the vendor for the items delivered and instructed the vendor to re-invoice the IRS when the balances of the items were delivered. In other words, the IRS would "short pay" the invoice since the IRS did not

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remit payment for the full invoice amount. With implementation of the IPP, the IRS can no longer do this because the IRS cannot accept an electronic invoice that includes items not yet received. The IRS will reject the invoice. The vendor needs to submit an invoice for only the items received by the IRS (in this case, 50%), and, if these items meet all other contract terms and conditions, the IRS will pay the invoiced amount. The vendor submits subsequent invoice(s) for items as they are delivered and accepted.

(b) The Invoice Processing Platform (IPP) is a secure Web-based electronic invoicing and payment information service available to all Federal agencies and their suppliers. Effective October 1, 2012, invoicing for payment through the IPP will be mandatory for all new contract awards. Additional information regarding the IPP may be found at the IPP website address <https://www.ipp.gov>. Contractors must complete the contractor point of contact information below and submit it with their proposal submissions. Contractors may contact the IPP Helpdesk for assistance via e-mail [at ippgroup@stls.frb.org](mailto:ippgroup@stls.frb.org) or via phone at (866) 973-3131. Once a contract award has been made, the contractor will be contacted by the IPP via e-mail to set-up an account. It will be necessary for contractors to login to their IPP accounts every 90 days to keep their IPP accounts active.

(c) Contractor Point of Contact Information

Contractor Name:
Contractor IPP Point of Contact Name:
Contractor's Phone Number:
Contractor's Email Address:

(d) Electronic Invoicing and Payment Requirements Vendor invoices submitted electronically through the IPP should be in the proper format and contain the information required for payment processing. To be approved for payment, a "proper invoice" must list the items specified in FAR 52.232-25 (a)(3)(i) through (a)(3)(x), or in the case of a Commercial Item Contract, the items included in 52.212-4(g)(1)(i) through (g)(1)(x).

If the vendor is offering a discount via the IPP, the discount must be reflected on the invoice. The vendor will select 'Create Invoice'. The IPP system will default to 'Net 30 Prompt Pay' under the Payment Terms dropdown box. The vendor will select from 54 different discount options for the invoice that is being created. If the vendor chooses to offer a discount on the invoice screen, the information will interface to the payment system for processing. Discounts that are offered on attachments rather than the invoice itself cannot be accepted.

Under this contract, the following documents are required to be submitted as an attachment to the invoice (Contracting Officer fills in additional documentation that must be furnished by the contractor (e.g. timesheet)).

Please do not submit into IPP any documentation/attachments that conflict with what is stated on the invoice: _____

Payment and Invoice Questions

For payment and invoice questions, contact the Ancillary Systems at (304) 254-3372 or

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via e- mail at cfo.fm.ipp.customer.support@irs.gov .

(e) Waiver

If the Contractor is unable to use the IPP for submitting payment requests starting on October 1, 2012, then a waiver form must be completed and submitted with the contractor's proposal submission for review and approval by the Contracting Officer based on one of the conditions listed in the waiver. The vendor will be notified prior to award as to whether their request for waiver has been approved or denied. If the waiver is granted, then a copy of the waiver must be submitted with each paper invoice that the vendor submits to the payment office or the invoice will be returned.

(f) Short Payment

(g) Short payment on vendor submitted invoices will no longer be processed or paid. If any portion of the invoice does not meet the requirements for a proper invoice, the entire invoice shall be rejected and returned to the vendor unpaid.

IRS Invoice Processing Platform (IPP) Waiver Form

The IRS invoicing and payment requirements clause (IR1052.232-9000) requires that all invoices under awards made (or effective) on or after October 1, 2012, be submitted electronically via the IPP unless a waiver is requested and granted. If the Contractor is unable to submit its invoice through the IPP, the Contractor shall complete this waiver form indicating the reason for the waiver request by selecting the appropriate box below and providing a narrative summarizing in detail the circumstances requiring a waiver.

For a solicitation, submit the waiver form with the proposal submission. For a modification that incorporates the IPP clause into an existing contract, submit the waiver form with the modification. The CO will notify the vendor via e-mail or another appropriate means of communication prior to award as to whether their waiver has been approved or denied. If the waiver is granted, then a copy of the approved waiver must be submitted with each invoice that the vendor submits to the payment office or the invoice will be returned.

Reason for requesting a waiver of the requirement to submit an electronic invoice via the IPP:

- 1. Submission of invoices through IPP would impose a hardship on an individual (includes employees and sole proprietors) due to either a physical or mental disability; a geographic, language, or literacy barrier; or an undue financial burden. The requirement to submit invoices through the IPP is automatically waived for all individuals who do not have payment capability using ACH with a U.S. financial institution.
- 2. The political, financial or communications infrastructure where the place of business is located does not support access to the IPP for submitting invoices electronically.
- 3. The contractor is located within an area designated by the President of the United States or an authorized agency administration as a disaster area. (Please identify area/location.)

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- 4. The submission of invoices electronically may pose a threat to national security, the life or physical safety of an individual may be endangered, or a law enforcement action may be compromised.
- 5. The agency does not expect to receive more than one invoice from the same contractor within a one-year period. i.e., the invoice submission is non-recurring.
- 6. The contractor customarily submits a high volume of invoices on a regular basis via file format, not currently supported by the IPP (i.e., uses a file format other than XML or CSV) and the high volume of invoices would cause a significant burden to the contractor if submitted through the IPP individually. If utilizing this exception, please identify the file formats supported by your invoicing system so that the IPP may consider implementing the requested file format at a later date. File format(s) used:
- 7. Other - Please explain:

Attach a separate sheet of paper with a summary narrative substantiating the circumstances for the waiver exception selected from above (1 through 7).

Waiver Submitted By:

Contractor Name

Name of Person Submitting Request for Waiver

Title

Signature of Person Submitting Request for Waiver

E-mail Address

Phone No.

Contract/Order No.

Date Submitted

Waiver Approved By:

Contracting Officer's Name Printed

Contracting Officer's Signature

Date

(End of clause)

IR1052.239-9000 Section 508 Information, Documentation and Support (DEC 2019)

In accordance with 36 CFR, Appendix C to Part 1194, [the information and communication technology](#) (ICT) products and product support services documentation furnished in performance of this contract shall be provided at no additional cost. The contractor shall provide information, documentation, and support relative to the supplies and services as described in the statement of work, performance work statement or

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statement of objectives (select one). The following technical standards and provisions have been determined to be applicable to this contract:

Chapter 6: Support Documentation and Services

 601 General

 601.1

 602 Support Documentation

 602.1 602.2 602.3 602.4

 603 Support Services

 603.1 603.2 603.3

(End of clause)

IR1052.239-9001 Section 508 Conformance (DEC 2019)

Each [information and communication technology \(ICT\)](#) product and/or product related service delivered under the terms of this contract, at a minimum, shall conform to the applicable accessibility standards at 36 CFR, Appendix C to Part 1194 at the level of conformance as specified in the Attachment entitled, (Please state where attachment may be found).

The following technical standards have been determined to be applicable to this contract:

Chapter 4: Hardware

 401 General

 401.1

 402 Closed Functionality

 402.1 402.2(1-6) 402.3 402.4 402.5

 403 Biometrics

 403.1

 404 Preservation of Information Provided for Accessibility

 404.1

 405 Privacy

 405.1

 406 Standard Connections

 406.1

 407 Operable Parts

 407.1 407.2 407.3 407.4 407.5 407.6

 407.7 407.8

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___ 408 Display Screens

_____ 408.1 _____ 408.2 _____ 408.3

___ 409 Status Indicators

_____ 409.1

___ 410 Color Coding

_____ 410.1

___ 411 Audible Signals

_____ 411.1

___ 412 ICT with Two-Way Communication

_____ 412.1 _____ 412.2 _____ 412.3 _____ 412.4 _____ 412.5 _____ 412.6

_____ 412.7 _____ 412.8

___ 413 Closed Caption Processing Technologies

_____ 413.1

___ 414 Audio Description Processing Technologies

_____ 414.1

___ 415 User Controls for Captions and Audio Descriptions

_____ 415.1

_____ **Chapter 5: Software**

___ 501 General

_____ 501.1

___ 502 Interoperability with Assistive Technology

_____ 502.1 _____ 502.2 _____ 502.3 _____ 502.4(A-G)

___ 503 Applications

_____ 503.1 _____ 503.2 _____ 503.3 _____ 503.4

___ 504 Authoring Tools

_____ 504.1 _____ 504.2 _____ 504.3 _____ 504.4

_____ **Chapter 7: Referenced Standards**

___ 701 General

_____ 701.1

___ 702 Incorporation by Reference

_____ 702.1 _____ 702.2 _____ 702.3 _____ 702.4 _____ 702.5 _____ 702.6

_____ 702.7 _____ 702.8 _____ 702.9 _____ 702.10

The standards do not require the installation of specific accessibility-related software or

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the attachment of an assistive technology device, but merely require that the ICT be compatible with such software and devices so that it can be made accessible if required by the agency in the future.

The following functional performance criteria (36 CFR Chapter 3) apply to this contract.

_____ Chapter 3: Functional Performance Criteria

___ 301 General

_____ 301.1

___ 302 Functional Performance Criteria

_____ 302.1 _____ 302.2 _____ 302.3 _____ 302.4 _____ 302.5 _____ 302.6

_____ 302.7 _____ 302.8 _____ 302.9

(End of clause)

IR1052.239.9002 Section 508 Services (DEC 2019)

All contracts, solicitations, purchase orders, delivery orders and interagency agreements that contain a requirement of services which will result in the delivery of a new or updated [information and communication technology \(ICT\)](#) item/product must conform to the applicable provisions of the appropriate technical standards in 36 CFR, Appendix C to Part 1194, and functional performance criteria in 36 CFR Chapter 3, unless an agency exception to this requirement exists at [E202 General Exceptions](#).

The following technical standards and provisions have been determined to be applicable to this contract:

_____ Chapter 4: Hardware

___ 401 General

_____ 401.1

___ 402 Closed Functionality

_____ 402.1 _____ 402.2(1-6) _____ 402.3 _____ 402.4 _____ 402.5

___ 403 Biometrics

_____ 403.1

___ 404 Preservation of Information Provided for Accessibility

_____ 404.1

___ 405 Privacy

_____ 405.1

___ 406 Standard Connections

_____ 406.1

___ 407 Operable Parts

_____ 407.1 _____ 407.2 _____ 407.3 _____ 407.4 _____ 407.5 _____ 407.6

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_____	407.7	_____	407.8								
___	408	Display Screens									
_____	408.1	_____	408.2	_____	408.3						
___	409	Status Indicators									
_____	409.1										
___	410	Color Coding									
_____	410.1										
___	411	Audible Signals									
_____	411.1										
___	412	ICT with Two-Way Communication									
_____	412.1	_____	412.2	_____	412.3	_____	412.4	_____	412.5	_____	412.6
_____	412.7	_____	412.8								
___	413	Closed Caption Processing Technologies									
_____	413.1										
___	414	Audio Description Processing Technologies									
_____	414.1										
___	415	User Controls for Captions and Audio Descriptions									
_____	415.1										
_____	Chapter 5: Software										
___	501	General									
_____	501.1										
___	502	Interoperability with Assistive Technology									
_____	502.1	_____	502.2	_____	502.3	_____	502.4(A-G)				
___	503	Applications									
_____	503.1	_____	503.2	_____	503.3	_____	503.4				
___	504	Authoring Tools									
_____	504.1	_____	504.2	_____	504.3	_____	504.4				
_____	Chapter 7: Referenced Standards										
___	701	General									
_____	701.1										
___	702	Incorporation by Reference									
_____	702.1	_____	702.2	_____	702.3	_____	702.4	_____	702.5	_____	702.6
_____	702.7	_____	702.8	_____	702.9	_____	702.10				

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The standards do not require the installation of specific accessibility-related software or the attachment of an assistive technology device, but merely require that the ICT be compatible with such software and devices so that it can be made accessible, if required by the agency in the future.

The following functional performance criteria (36 CFR Chapter 3) apply to this contract.

_____ Chapter 3: Functional Performance Criteria

___301 General

_____301.1

___302 Functional Performance Criteria

_____302.1 _____302.2 _____302.3 _____302.4 _____302.5 _____302.6

_____302.7 _____302.8 _____302.9

(End of clause)

IR1052.239-9003 Section 508 Accessibility of Information and Communication Technology (100% Compliance) (DEC 2019)

Each information and communication technology (ICT) product or service furnished under this contract shall comply with the Information and Communication Technology Accessibility Standards (36 CFR, Appendix C to Part 1194). If the Contracting Officer determines any furnished products or services are not in compliance with the contract, the Contracting Officer will apply the remedies described under FAR 52.246-2, Inspection of Supplies – Fixed Price or FAR 52.246-4, Inspection of Services – Fixed Price.

The following technical standards and provisions have been determined to be applicable to this contract:

_____ Chapter 4: Hardware

___401 General

_____401.1

___402 Closed Functionality

_____402.1 _____402.2(1-6) _____402.3 _____402.4 _____402.5

___403 Biometrics

_____403.1

___404 Preservation of Information Provided for Accessibility

_____404.1

___405 Privacy

_____405.1

___406 Standard Connections

_____406.1

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___ 407 Operable Parts

_____ 407.1 _____ 407.2 _____ 407.3 _____ 407.4 _____ 407.5 _____ 407.6

_____ 407.7 _____ 407.8

___ 408 Display Screens

_____ 408.1 _____ 408.2 _____ 408.3

___ 409 Status Indicators

_____ 409.1

___ 410 Color Coding

_____ 410.1

___ 411 Audible Signals

_____ 411.1

___ 412 ICT with Two-Way Communication

_____ 412.1 _____ 412.2 _____ 412.3 _____ 412.4 _____ 412.5 _____ 412.6

_____ 412.7 _____ 412.8

___ 413 Closed Caption Processing Technologies

_____ 413.1

___ 414 Audio Description Processing Technologies

_____ 414.1

___ 415 User Controls for Captions and Audio Descriptions

_____ 415.1

Chapter 5: Software

___ 501 General

_____ 501.1

___ 502 Interoperability with Assistive Technology

_____ 502.1 _____ 502.2 _____ 502.3 _____ 502.4(A-G)

___ 503 Applications

_____ 503.1 _____ 503.2 _____ 503.3 _____ 503.4

___ 504 Authoring Tools

_____ 504.1 _____ 504.2 _____ 504.3 _____ 504.4

Chapter 7: Referenced Standards

___ 701 General

_____ 701.1

___ 702 Incorporation by Reference

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_____ 702.1 _____ 702.2 _____ 702.3 _____ 702.4 _____ 702.5 _____ 702.6
_____ 702.7 _____ 702.8 _____ 702.9 _____ 702.10

The standards do not require the installation of specific accessibility-related software or the attachment of an assistive technology device, but merely require that the ICT be compatible with such software and devices so that it can be made accessible, if required by the agency in the future.

The following functional performance criteria (36 CFR Chapter 3) apply to this contract.

_____ Chapter 3: Functional Performance Criteria

___ 301 General

_____ 301.1

___ 302 Functional Performance Criteria

_____ 302.1 _____ 302.2 _____ 302.3 _____ 302.4 _____ 302.5 _____ 302.6

_____ 302.7 _____ 302.8 _____ 302.9

(End of clause)

IR1052.239-9004 Instructions to Offerors – Software Development Prerequisite (JUN 2020)

In accordance with clause IR1052.239-9005, the proposal shall include the evidence listed below to document the offeror's CMMI® -DEV Level.

a. Supporting data for at least one, but not more than three, Standard CMMI® Appraisal Method for Process Improvement (SCAMPISM), ARC Class A, that demonstrate software development compliance with SEI's CMMI® - DEV Version 1.3 or later. The appraisal(s) submitted shall be dated within the 36-month period from the first day of the on-site, to the proposal due date;

b. The current CMMI® -DEV appraisal Level of the organizational component that the offeror proposes to perform the work and a description of how the maturity level was determined;

c. A detailed on-site schedule to include dates on-site (from mm/dd/yyyy to mm/dd/yyyy), data gathering activities and instruments used, and interview schedule listing the name, role or title, and organizational affiliation of each individual interviewed;

d. The Standard CMMI® Appraisal Method for Process Improvement – SCAMPI, ARC Class A, final report or final findings briefing, SCAMPI appraisal plan, Appraisal Disclosure Statement (ADS), and a copy of the SEI link illustrating the offeror's appraisal results, posted at <http://sas.sei.cmu.edu/pars/pars.aspx>;

e. Organizational chart showing the relationship of the evaluated organization to the proposing organization and the number and type of staff associated with each component of the organization;

f. Project profiles for each project evaluated in the SCAMPI(s), ARC Class A, including the following attributes: project description, application domain, software size, life cycle, project schedule, current phase of the project, and staffing profile;

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g. The name, organizational affiliation, SEI authorization identification number, address, and telephone number of the SCAMPI LeadAppraiserSM;

h. The name, title, organizational affiliation, address, telephone number, experience, and copies of “Introduction to CMMI®” and CMMI® upgrade training certificates for each member of the appraisal team; and

i. [Additional data to be completed by the Contracting Officer.]

(End of provision)

IR1052.239-9005 Software Development Prerequisite (JUN 2020)

a. Definitions. As used in this clause:

1. "Appraisal Requirements for CMMI®" (ARC) means a framework that defines the requirements considered essential to appraisal methods intended for use with Capability Maturity Model Integration (CMMI®) models. ARC defines a set of typical applications of appraisal methods called appraisal method classes and allocates requirements to each class. Thus, a particular appraisal method may be declared to be an ARC Class A, B, or C appraisal method.

2. "CMM IntegrationSM" (CMMI®) means an integrated CMM model that encompasses the key elements for enterprise-wide process improvement. The CMMI® model includes the disciplines of (Systems Engineering (SE), Integrated Product & Process Development (IPPD)), and Supplier Sourcing(SS).

3. "CMM Confirm" means an evaluation by the IRS of evidence provided by the offeror to support its CMMI® -DEV maturity or capability level.

4. "Continuous representation" means a model structure wherein capability levels provide a recommended order for approaching process improvement within each specified process area. "Equivalent staging" means a target staging, created using the continuous representation that is defined so that the results of using the target staging can be compared to the maturity levels of the staged representation.

5. "On-site" means the SEI appraisal phase in which an appraisal team conducts extensive interviews at the organization's software development facility or the location of the organization's software development projects. Some portions of the on-site may include teleconferencing or telephone interviews of personnel at remote locations.

6. "Post-award Current Software Capability Rating" means the CMMI®- DEV maturity or capability level determined by an appraisal for which the commencement date of the on-site appraisal occurred within the 18 months immediately preceding the due date of the verification and validation for a given year.

7. "Pre-award Software Capability Rating" means the CMMI® - DEV maturity or capability level determined by an appraisal for which the commencement date of the Standard CMMI® Appraisal Method for Process Improvement (SCAMPISM), ARC Class A on-site occurred within the 36 months immediately preceding the proposal due date.

8. "Process Appraisal Review Methodology (PARM) means the methodology

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employed by the IRS to review, monitor, and verify contractor CMMI®-DEV maturity or capability levels during the period of performance of the contract, task order, delivery order, interagency agreement, or BPA.

9. "Software Capability Rating" means the CMMI® -DEV Level achieved as a result of a SCAMPISM, ARC Class A, or other appraisal method conducted according to the Class A Appraisal Requirements for CMMI®, ARC Class A, latest version, and verified by SEI Published Appraisal Results (PARS) site. The PARS database is a repository of information maintained by SEI and reported by SCAMPI Lead AppraisersSM.

10. "Software development" means any activity, in whole or in part, that is part of a software life cycle.

11. "Software life cycle" means the period of time that begins when a software product is conceived and ends when the software is no longer available for use. The software life cycle typically includes the following phases: concept, requirements, design, implementation, test, installation and checkout, operation and maintenance, and retirement.

12. "Staged representation" means a structure wherein attaining the goals of a set of process areas establishes a maturity level; each level builds a foundation for subsequent levels.

13. "Standard CMMI® Appraisal Method for Process Improvement" (SCAMPI) SM, ARC Class A means an SEI-approved appraisal method based on the full set of Class A ARC requirements, latest version. SCAMPI, ARC Class A is conducted by an appraisal team and led by an SEI- authorized SCAMPI LeadAppraiserSM.

14. "SCAMPI Lead AppraiserSM" means an individual authorized by SEI to lead a team in conducting a SCAMPI; authorization is substantiated by a Lead Appraiser identificationnumber.

15. "Verify" means an evaluation of evidence provided by the contractor to support the retention of its CMMI® -DEV maturity or capability level, which is conducted by the IRS in accordance with the PARM after award of a contract, BPA, task order, delivery order, or interagency agreement.

b. Contractors performing software development for the IRS as required under this contract shall have, and always maintain during performance, a CMMI® -DEV Level 2 or higher maturity or capability rating. Detailed information about the CMMI® -DEV model may be obtained from the Software Engineering Institute (SEI), Carnegie Mellon University, Pittsburgh, PA 15213-3890. The web site is www.sei.cmu.edu/cmml/.

c. The CMMI® -DEV maturity or capability rating shall be current and shall be substantiated by a SCAMPI, ARC Class A, latest version.

d. As a condition of award, the IRS reserves the right to review and confirm the CMMI® -DEV maturity or capability levels of offerors. As a further condition of award, the IRS reserves the right to conduct a SCAMPI, ARC Class A, or verify compliance via the PARS site.

e. After award and throughout the period of performance, the IRS reserves the right

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to review, monitor, and verify contractor CMMI® -DEV maturity or capability levels in accordance with the PARM. The IRS further reserves the right to conduct an independent appraisal of the contractor, including a SCAMPI, ARC Class A, and PARS verification.

f. On an annual basis, the contractor shall substantiate its current software maturity or capability rating by submitting documentation in accordance with the PARM.

g. The IRS will perform a review annually to verify the contractor's compliance with its contractual CMMI® -DEV requirements in accordance with PARS validation.

h. The contractor shall include the terms of this clause in all subcontracts for software development under this contract.

(End of clause)

IR1052.239-9006 Software Development Prerequisite - Supplement (JUN 2020)

It is understood that the subcontractor does not have CMM IntegrationSM (CMMI®) for Development (CMMI® -DEV) Level 2 or higher rating. The IRS has approved the subcontractor's participation in the [insert name of IRS software development project], using the prime contractor's CMMI® -DEV Level 2 or higher processes. The prime contractor is responsible for the planning, management, and performance of the software development project according to its documented processes, utilizing subcontractor resources as mutually agreed between the prime contractor and subcontractor. The subcontractor, in performing agreed task assignments for the software development project, shall comply with the prime contractor's direction.

(End of clause)

IR1052.239-9007 Staff-Like Access, Use or Operation of IRS Information Technology (IT) Systems by Contractors (JUN 2020)

In performance of this contract, the contractor agrees to comply with the following requirements and assumes responsibility for compliance by its personnel and subcontractors (and their personnel):

1. IRS Information Technology Security Policy and Guidance. All current and new IRS contractor (including subcontractor) personnel authorized staff-like access to Treasury/IRS owned or controlled facilities and information systems, or work, wherever located, on those contracts, which involve the design, operation, repair or maintenance of information systems and staff-like access to Sensitive But Unclassified (SBU) information shall comply with the IRS Information Technology Security Policy and Guidance, Internal Revenue Manual (IRM) 10.8.1 Policy and Guidance, 10.8.2 IT Security Roles and Responsibilities, and IRS Publication 4812.

Copies of IRM 10.8.1 and 10.8.2 are available at <http://www.irs.gov/irm/>. This requirement applies to contractors who are using contractor/subcontractor- managed systems, including laptop computers, workstations, servers, and other IT resources at contractor managed facilities. A copy of the most recent version of Publication 4812 is available at <https://www.irs.gov/pub/irs-pdf/p4812.pdf>.

2. Staff-Like Access Request and Authorization. Within ten (10) business days after

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contract award or issuance of an order, the contractor shall provide the Contracting Officer's Representative (COR) and Personnel Security, via email to hco.ps.contractor.security.onboarding@irs.gov list of names of all applicable contractor and subcontractor personnel and the IRS location(s) identified in the contract for which staff-like access is requested. Personnel Security will conduct an initial screening to determine eligibility and suitability for staff-like access in accordance with IRM 10.23.2, Contractor Investigations, and Department of the Treasury Security Manual (TD P) 15-71, Chapter II, Section 2.

Contractor and subcontractor personnel are not permitted to begin work on the contract or order until approved for interim staff-like access (at a minimum) as defined in IRM 10.23.2. This is consistent with IRS security practices and related IRMs, to include, but not limited to, IRM 1.4.6 – Managers Security Handbook, IRM 10.2.14 – Methods of Providing Protection, and IRM 10.8.1 - Policy and Guidance. Upon notification of a favorable suitability determination and interim staff-like approval, the COR will complete an Online 5081 (OL5081), Automated Information System User Registration/Change Request, for each prime or subcontractor personnel and require an electronic signature from each such personnel indicating the contractor personnel has read and fully understands the security requirements governing staff-like access to the Service's IT systems.

3. Remote Staff-Like Access. If the contract authorizes staff-like access to IRS IT systems, information, or assets remotely; that is, from the contractor or other facility, office, or site, the requirements of this clause governs, as well as the general guidance and specific security control standards in IRS Publication 4812, Contractor Security Controls. The contractor will be required to input data into a system, to be defined by the IRS, to describe the security controls being used to protect information.

4. Contractor Acknowledgement. The contractor also acknowledges and agrees: (a) That personnel must comply with all laws, IRS system security rules and security policies, standards, and procedures, and (b) That any one of its personnel unsanctioned, negligent, or willful violation of the laws, system security rules, and security policies, standards, and procedures may result in the revocation of staff-like access to IRS information technology systems, immediate removal from IRS premises and the contract, and may be subject to arrest by Federal law enforcement agents.

5. Limited Personal Use of Government IT Resources.

a. Contractor (including subcontractor) personnel, like Federal employees, have no inherent right to use Government IT resources and this policy does not create the right to use Government IT resources for nongovernmental purposes. See IRM 10.8.27, Exhibit 10.8.27-1, Prohibited Uses of Government IT Resources, for specific examples of prohibited uses. See Title 5 - Code of Federal Regulations (CFR) - Part 734 – Political Activities of Federal Employees, for specific examples of prohibited political activities.

b. Contractors and subcontractors are required to report a suspected or confirmed breach in any medium or form, including paper, oral, and electronic, as soon as possible and without unreasonable delay. All incidents related to IRS processing, information or information systems shall be reported immediately upon

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discovery to the CO, COR, and CSIRC. Contact the CSIRC through any of the following methods:

Telephone: 240.613.3606

E-mail to csirc@irs.gov

- Information about unclassified cyber security incidents of a sensitive nature shall be transmitted using secure messaging or alternative forms of encryption.
- If the incident involves the loss, misuse, or unauthorized inspection of SBU information, the contractor shall also report the incident/situation to the Treasury Inspector General for Tax Administration (TIGTA) hotline at 800-366-4484.

6. Replacement Personnel. The CO, at his/her discretion, may require removal of the personnel from performance under this or any IRS contract and may require replacement personnel with similar credentials within five (5) days of the notice to remove. Replacement personnel must be acceptable to the CO, in consultation with the COR.

7. Monitoring Notification. IRS management retains the right to monitor both the content and the level of access of contractor personnel use of IRS IT systems. Contractor personnel do not have a right, nor should they have an expectation, of privacy while using any IRS information technology system at any time, including accessing the Internet or using e-mail.

8. Security Reports and Information. If any reports are required, the COR may direct the submission of such reports and information through a specific IRS application, to be determined, or the entry of specific information into the application or system.

9. Subcontracts. The Contractor shall incorporate this clause in all subcontracts, subcontract task or delivery orders or other subcontract performance instrument where the subcontractor personnel will require staff- like access, use or operation of IRS information technology systems.

10. Flow down of clauses: The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails access to SBU information by a subcontractor, at any tier, the substantially same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

(End of clause)

IR1052.239-9008 Information Systems and Information Security Controls for Contracting Actions Subject to Internal Revenue Manual (IRM) 10.8.1 (JUN 2020)

In performance of this contract, the contractor agrees to comply with the following requirements and assumes responsibility for compliance by its personnel and subcontractors (and their personnel):

- (a) General. The contractor shall ensure IRS information and information systems

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are protected at all times. The contractor shall develop, implement, and maintain effective controls and methodologies in its business processes, physical environments, and human capital or personnel practices that meet or otherwise adhere to the security controls, requirements, and objectives described in applicable security control guidelines, and their respective contracts.

(b) IRM 10.8.1 Applicability. This contract action is subject to Internal Revenue Manual (IRM) Part 10.8.1– Information Technology (IT) Security, Policy and Guidance. The contractor shall adhere to the general guidance and specific security control standards or requirements contained in IRM10.8.1. While the IRM 10.8.1 shall apply to the requirements to access systems, IRS Publication 4812, Contractor Security & Privacy Controls, may also govern as addressed in another clause. It will address the requirements related to physical and personnel security that must continue to be maintained at contractor sites.

(c) Based on the Federal Information Security Modernization Act of 2014 (FISMA), and standards and guidelines developed by the National Institute of Standards and Technology (NIST), IRM 10.8.1 provides overall IT security control guidance for the IRS, and uniform policies and guidance to be used by each office, or business, operating, and functional unit within the IRS that uses IRS information systems to accomplish the IRS mission.

(d) Contractor Security Representative. The contractor shall assign and identify, in its offer, a Contractor Security Representative (CSR) and alternate CSR to all contracts requiring staff-like access to IRS information, information technology and systems, facilities, and/or assets. The CSR is the contractor’s primary point for the Government on all security-related matters and the person responsible for ensuring the security of information and information systems in accordance with the terms and conditions of the contract and all applicable security controls. If required by the Contracting Officer’s Representative, the contractor will be required to input data into a system, to be defined by the IRS, to describe the security controls being used to protect information.

(e) Flow down of clauses. The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entail staff-like access to SBU information by a subcontractor or agent, at any tier, the substantially same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

(End of clause)

IR1052.239-9009 Information Systems and Information Security Controls for Contracting Actions Subject to IRS Publication 4812 (JUN 2020)

Publication 4812 is an IRS specific guide to NIST SP 800-53 (version 4.0) when staff-like access to IRS information or information systems under contracts for services on behalf of the IRS is outside of IRS controlled facilities or the direct control of the Service (as opposed to [Internal Revenue Manual 10.8.1 - Information Technology \(IT\) Security, Policy and Guidance](#), which applies when contractors are accessing IRS information and information systems at Government controlled facilities).

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The IRS Publication 4812 is a living document and updated annually to reflect changes from Executive Orders, OMB requirements, NIST updates, etc. The most current version (October 2019) of Publication 4812 is located on the [irs.gov](https://www.irs.gov) website.

In performance of this contract, the contractor agrees to comply with the following requirements and assumes responsibility for compliance by its personnel and subcontractors (and their personnel):

1. The contractor shall ensure IRS information and information systems (those of the IRS and/or the contractor, as appropriate) are protected at all times. In order to do so, the contractor shall develop, implement, and maintain effective controls and methodologies in its business processes, physical environments, and human capital or personnel practices that meet or otherwise adhere to the security controls, requirements, and objectives described in applicable security control guidelines, and their respective contracts.

(a) The contractor will be required to input data into a system, to be defined by the IRS, to describe the security controls being used to protect information. Publication 4812 applicability. This contracting action is subject to Publication 4812–Contractor Security & Privacy Controls. Publication 4812 is available at: <https://www.irs.gov/pub/irs-pdf/p4812.pdf>.

(b) The contractor shall adhere to the general guidance and specific security control standards or requirements contained in Publication 4812. By inclusion of this clause in the contract, the most recent version of Publication 4812 is incorporated into the contract and has the same force and effect as if included in the main body of the immediate contract.

2. Flowing down from the Federal Information Security Modernization Act of 2014 (FISMA) and standards and guidelines developed by the National Institute of Standards and Technology (NIST), Publication 4812 identifies basic Technical, Operational, and Management (TOM) security controls and standards required of under contracts for services in which contractor (or subcontractor) personnel will either—

(a) Have staff-like access to, develop, operate, or maintain IRS information or information systems on behalf of the IRS (or provide related services) outside of IRS facilities or the direct control of the Service, and/or

(b) Have staff-like access to, compile, process, or store IRS SBU information on their own information systems/Information Technology (IT) assets or that of a subcontractor or third-party Service Provider, or when using their own information systems (or that of others) and on IT, or Electronic Information and Technology (EIT) (as defined in FAR Part 2) other than that owned or controlled by the IRS.

3. Unless the manual specifies otherwise, the IRS-specific requirements in Publication 4812 meet the standard from the latest version of the NIST Special Publication (SP) 800-53 (Version 4.0) – Federal Information Systems and Organizations. The security controls, requirements, and standards described within the Publication 4812 are to be used in lieu of the common, at-large security control standards enumerated in NIST SP 800-53 (Version 4.0).

Publication 4812 also describes the framework and general processes for

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conducting contractor security reviews – performed by IT Cybersecurity—to monitor compliance and assess the effectiveness of security controls applicable to any given contracting action subject to Publication 4812.

4. **Contractor Security Representative.** The contractor shall assign and identify, upon award, a Contractor Security Representative (CSR) and alternate CSR to all contracts requiring staff-like access to Treasury/bureau information, information technology and systems, facilities, and/or assets. The CSR is the contractor’s primary point for the Government on all security-related matters and the person responsible for ensuring the security of information and information systems in accordance with the terms and conditions of the contract and all applicable security controls.

5. **Flow down of clauses.** The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails staff-like access to SBU information by a subcontractor, at any tier, the same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS. IRS Publication 4812 also applies to subcontractors.

(End of clause)

IR1052.239-9010 – Information System and Information Security Control Standards and Guidelines Applicability (JUN 2020)

As part of its information security program, IRS identifies security controls for the organization’s information and information systems in the following two key standards and guiding documents:

- Internal Revenue Manual (IRM) 10.8.1 – Information Technology (IT) Security, Policy and Guidance, and
- Publication 4812 – Contractor Security & Privacy Controls.

While IRM 10.8.1 and Publication 4812 are both based on the latest version of NIST SP 800- 53, they apply to different operating environments—internal and external to the organization, respectively.

The contractor, by signing its offer, hereby asserts to the best of its knowledge and belief that the security control guideline(s) most suitable and applicable to the immediate contracting action, with due consideration to its proposed approach (and work environment) for fulfilling the Government’s requirements and standards for applicability described herein, is as follows (check only one block):

IRM 10.8.1 Publication 4812 Both IRM 10.8.1 and Publication 4812

Unless IRS Cybersecurity, (Contractor Security Assessment - CSA) determines, through a notification to the Contractor by the CO, that a different (or a second) security control standard or guideline is warranted, the security level selected/applied for by the contractor under IR1052.239-9010 shall stand. In the event IRS Cybersecurity (Contractor Security Assessment - CSA) determines a different (or second) security control standard or guideline is warranted, the CO shall advise the contractor, in writing, of the Government determination, and reflect the correct/appropriate security control standard or guideline in the ensuing contract.

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a. If Publication 4812 is selected (alone or in combination with IRM 10.8.1) as the most suitable security control guideline, the Contractor must identify, as part of its proposal submissions (or its submissions under any modification to an existing contract incorporating this clause), the most suitable security control level within the following hierarchy of security control levels (from lowest or highest):

- Software Application Development or Maintenance (SOFT)
- Networked Information Technology Infrastructure (NET)

(See Publication 4812, Appendix C for guidance in selecting the security control level most suitable and appropriate to the immediate contracting action. If additional guidance is needed in selecting the security control level, contact IRS Cybersecurity (Contractor Security Assessment - CSA).

b. The contractor, by signing its offer, hereby asserts to the best of its knowledge and belief that the security control level under Publication 4812 most suitable and applicable to the immediate contracting action, with due consideration to its proposed approach (and work environment) and standards for applicability described herein, is as follows (check only one):

SOFT NET

c. Unless IRS Cybersecurity (Contractor Security Assessment - CSA) determines that a different (higher or lower) security control level is warranted for contracts subject to the most recent version of Publication 4812, the security level selected/applied for by the contractor will govern throughout the life of the contract. In the event the IRS Cybersecurity (Contractor Security Assessment - CSA) determines a different (higher or lower) security level is warranted, the CO will advise the contractor, in writing, of the Government determination. At the end of the contract, for all security levels, the contractor must provide a plan and document the implementation of this plan to ensure that all hard copy and electronic data is returned to the IRS, sanitized, or destroyed.

d. Failure by the contractor to check any block will result in the use of both guidelines (for the Publication 4812 portion, use of the most stringent security control level (Software)) until and unless IRS Cybersecurity (Contractor Security Assessment - CSA), determines otherwise via notification to the Contractor by the CO.

e. If required by the Contracting Officer's Representative (COR), the contractor will be required to input data into a system, to be defined by the IRS, to describe the security controls being used to protect information.

f. Flow down of clauses. The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails staff-like access to SBU information by a subcontractor, at any tier, the substantially same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

(End of provision)

IR1052.242-9000 Post Award Evaluation of Contractor Performance (JUN 2020)

Interim and final evaluations of contractor performance will be prepared on this contract

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in accordance with FAR [42.15](#). The Assessing Official (e.g., Contracting Officer) will prepare a final performance evaluation at the time the work on the contract is completed. In addition to the final evaluation, interim evaluations will be prepared annually to coincide with the anniversary date of the contract. (**If evaluations are conducted annually, modify the above sentence appropriately.)

The past performance evaluation process is a paperless process using the Contractor Performance Assessment Reporting System (CPARS). CPARS is a web-based system that allows for electronic processing of the performance evaluation report. The completed evaluation was previously available in the Past Performance Information Retrieval System (PPIRS), but since the General Services Administration officially retired PPIRS and merged it with CPARS, it created “a single system” that “provides one location and one account to perform functions such as creating and editing performance and integrity records, changes to administering users, running reports, generating performance records, and viewing/managing performance records.

Once the Contractor is registered in CPARS, they will receive an automatically-generated email with detailed login instructions. Further details, systems requirements, and training information for CPARS is available at <https://www.cpars.gov/> The CPARS User Manual, registration for Online Training for Contractors, and a practice application may be found at this site as well.

Interim and final evaluations will be provided to the Contractor for their review and comment as soon as practicable after completion of the evaluation.

Evaluations of contractor past performance will be posted to the relevant past performance database no more than 14 days after the information is provided to the contractor. On day 15, whether the contractor has responded or not, the evaluation automatically posts to PPIRS. If the Contractor elects not to provide comments, they should acknowledge receipt of the evaluation by indicating "No comment" and then sign and date the form. If the Contractor does not sign and submit the form within 14 days, it will automatically be returned to the Government.

Contractors who disagree with a government evaluation can request to meet with the Contracting Officer to discuss their scores and provide feedback or justification for their performance. No requirement exists for the government to meet with the contractor; however, if a contractor requests a meeting, the government may accept the request.

Any such meeting does not alter the requirement that an evaluation be posted to PPIRS within 14 days.

Several avenues still exist for the contractor to influence the review. First, the contractor may submit a comment after the 14-day period expires and the review has been posted to PPIRS. The contractor’s late comments must be posted to PPIRS; however, the government’s original report will still be available to all source selection officials.

Although authorized, an agency is not required to modify its evaluation based upon a contractor’s comments. Second, the contractor may appeal its review one level above the Contracting Officer to the Reviewing Official.

Again, the appeal does not stop the 14- day reporting period and the original evaluation will be posted on PPIRS.

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The following guidelines apply concerning the Contractor's use of the past performance evaluation:

- Protect the evaluation as "source selection information." After review, transmit the evaluation by completing and submitting the form through CPARS. If for some reason the Contractor is unable to view and/or submit the form through CPARS, contact the Contracting Officer for further instructions.
- Strictly control access to the evaluation within the Contractor's organization. Ensure the evaluation is never released to persons or entities outside of the Contractor's control.
- Prohibit the use of or reference to evaluation data for advertising, promotional material, pre- award surveys, responsibility determinations, production readiness reviews, or other similar purposes.
- A copy of the completed past performance evaluation will be available in CPARS for the Contractor's review and for Government use supporting source selection actions after it has been finalized.

(End of clause)