

General Services Administration

532.904

529.401-71 Contracts for supplies and services usable by the DC Government.

AUTHORITY: 40 U.S.C. 486(c).

SOURCE: 64 FR 37222, July 9, 1999, unless otherwise noted.

Subpart 529.4—Contract Clauses

529.401 Domestic contracts.

529.401-70 Purchases at or under the simplified acquisition threshold.

Insert 552.229-70, Federal, State, and Local Taxes, in purchases and contracts estimated to exceed the micro-purchase threshold, but not the simplified acquisition threshold.

529.401-71 Contracts for supplies and services usable by the DC Government.

Insert 552.229-71, Federal Tax-DC Government, in solicitations and contracts that permit the District of Columbia Government to place orders.

PART 532—CONTRACT FINANCING

Subpart 532.1—Non-Commercial Item Purchase Financing

Sec.

532.111 Contract clauses for non-commercial purchases.

Subpart 532.7—Contract Funding

532.705 Unenforceability of unauthorized obligations.

532.706-3 Clause for unenforceability of unauthorized obligations.

Subpart 532.8—Assignment of Claims

532.806 Contract clauses.

Subpart 532.9—Prompt Payment

532.904 Determining payment due dates.

532.905 Payment documentation and process.

532.905-70 Final payment—construction and building service contracts.

532.908 Contract clauses.

Subpart 532.70—Authorizing Payment by Government Charge Card

532.7002 Solicitation requirements.

532.7003 Contract clause.

AUTHORITY: 40 U.S.C. 121(c).

SOURCE: 64 FR 37222, July 9, 1999, unless otherwise noted.

Subpart 532.1—Non-Commercial Item Purchase Financing

532.111 Contract clauses for non-commercial purchases.

Insert the clause at 552.232-5, Payments under Fixed-Price Construction Contracts, in solicitations and contracts when a fixed-price construction contract is contemplated.

[84 FR 3717, Feb. 13, 2019]

Subpart 532.7—Contract Funding

532.705 Unenforceability of unauthorized obligations.

Supplier license agreements defined in FAR 32.705 are equivalent to commercial supplier agreements defined in 502.101.

532.706-3 Clause for unenforceability of unauthorized obligations.

(a) The contracting officer shall utilize the clause at 552.232-39, Unenforceability of Unauthorized Obligations (FAR DEVIATION) in all solicitations and contracts in lieu of FAR 52.232-39.

(b) The contracting officer shall utilize the clause at 552.232-78, Commercial Supplier Agreements—Unenforceable Clauses, in all solicitations and contracts (including orders) when not using FAR part 12.

Subpart 532.8—Assignment of Claims

532.806 Contract clauses.

Insert the clause at 552.232-23, Assignment of Claims, in solicitations and requirements or indefinite quantity contracts under which more than one agency may place orders.

Subpart 532.9—Prompt Payment

532.904 Determining payment due dates.

Payment due dates for construction contracts are addressed at FAR 32.904(d). The following procedures apply to construction and building service contracts:

(a) The amount of final payment must include, as appropriate, deductions to cover any of the following:

532.905

(1) Liquidated damages for late completion.

(2) Liquidated damages for labor violations.

(3) Amounts withheld for improper payment of labor wages.

(4) The amount of unilateral change orders covering defects and omissions.

(5) The agreed-upon dollar amount in a Deficiency Report, which is included in all applicable Operation and Maintenance (O&M) service contracts.

(b) When the contract is for the performance of building services, the contracting officer shall include the clause at 552.232-72, Final Payment Under Building Services Contracts.

[74 FR 54917, Oct. 26, 2009]

532.905 Payment documentation and process.

For contracts of the type shown in 532.7201(a)(1) through (4):

(a) Contractors are to submit invoices or vouchers to the contracting officer for approval. Invoices must be annotated with the date of receipt, as required by FAR 32.905. That date will be used to determine interest penalties for late payments. The contracting officer or designee must review the processing of invoices or vouchers before payment to determine if the items and amounts claimed are consistent with the contract terms and represent prudent business transactions. The contracting officer must ensure that these payments are commensurate with physical and technical progress under the contract. If the contractor has not deducted questionable amounts from the invoice or amounts required to be withheld, the contracting officer must make the required deduction, except as provided in 532.7203. Subject to 532.7201, the contracting officer must note approval of any payment on (or attached to) the invoice or voucher submitted by the contractor and forward the invoice or voucher to the appropriate contract finance office for retention after certification and scheduling for payment by a disbursing office.

(b) See GSAM 532.7203 for the handling of audit findings.

[74 FR 54917, Oct. 26, 2009]

EFFECTIVE DATE NOTE: At 85 FR 61872, Oct. 1, 2020, 532.905 was amended by removing

48 CFR Ch. 5 (10-1-20 Edition)

from paragraph (a) “amount due the Contractor” and adding “amount due to the contractor” in its place; revising paragraph (b); and removing paragraphs (c) and (d), effective Nov. 30, 2020. For the convenience of the user, the revised text is set forth as follows:

532.905-70 Final payment—construction and building service contracts.

* * * * *

(b) A contracting officer may only process the final payment for a construction or building service contract once:

(1) The contractor submits a properly executed GSA Form 1142, Release of Claims; or

(2) The contracting officer documents in the contract file:

(i) That the contracting officer requested a release of claims from the contractor and did not receive a response within 60 calendar days; and,

(ii) Approval to process the final payment from one level above the contracting officer.

532.905-70 Final payment—construction and building service contracts.

The following procedures apply to construction and building service contracts:

(a) The Government shall pay the final amount due the Contractor under this contract after the documentation in the payment clauses of the contract is submitted. This includes the final release prescribed for construction at FAR 52.232-5, and for building services at GSAR 552.232-72.

(b) Contracting officers may not process the final payment on construction or building service contracts until the contractor submits a properly executed GSA Form 1142, Release of Claims, except as provided in paragraph (c) of this section.

(c) In cases where, after 60 days from the initial attempt, the contracting officer is unable to obtain a release of claims from the contractor, the final payment may be processed with the approval of assigned legal counsel.

(d) The amount of final payment must include, as appropriate, deductions to cover any of the following:

(1) Liquidated damages for late completion.

(2) Liquidated damages for labor violations.

(3) Amount withheld for improper payment of labor wages.

(4) The amount of unilateral change orders covering defects and omissions.

[77 FR 6987, Feb. 10, 2012]

532.908 Contract clauses.

(a) GSA has a FAR deviation that allows this agency to use the clause at 552.232-1, Payments, in lieu of the clause at FAR 52.232-1, Payments.

(b) *General.* Before exercising the authority to modify the date for constructive acceptance or constructive approval of progress payments in paragraph (a)(5)(i) of the clause at FAR 52.232-25, Prompt Payment, the contracting officer must prepare a written justification explaining why a longer period is necessary. An official one level above the contracting officer must approve the justification. The time needed should be determined on a case-by-case basis, but the specified constructive acceptance period shall not exceed 30 days.

(c) *Stock, Special Order, and Schedules Programs.* (1) GSA has obtained a FAR Deviation to authorize payment within 10 days of receipt of a proper invoice. The authority applies only to:

- (i) Orders placed by GSA under the referenced programs;
- (ii) That include FAR 52.232-33, Mandatory Information for Electronic Funds Transfer Payment; and
- (iii) For which the order is placed, and the contractor submits invoices, using EDI in accordance with the Trading Partner Agreement.

(2) If the contract is for commercial items and will include FAR 52.212-4, use the clause with its Alternate II. If the contract is not for commercial items, use the clause at 552.232-25, Prompt Payment, instead of FAR 52.232-25.

[74 FR 54918, Oct. 26, 2009]

Subpart 532.70—Authorizing Payment by Government Charge Card

532.7002 Solicitation requirements.

(a) In solicitations for supplies and services, except FSS schedule solicitations, request offerors to indicate if they will accept payment by Governmentwide commercial purchase card. Identify the card brand(s) under the

GSA SmartPay program that may be used to make payments under the contract, on the cover page or in Section L of the solicitation.

(b) For FSS schedule contracts, identify the card brand(s) under the GSA SmartPay program that may be used to make payments under the contract in the contract award letter.

(c) For orders placed by GSA, you may authorize payment by Governmentwide commercial purchase card only for orders that do not exceed \$100,000 (see GSA Order, Guidance on Use of the Credit Card for Purchases (CFO 4200.1)).

(d) Consider requesting offerors to designate different levels for which they may accept payment by Governmentwide commercial purchase card, for example:

- “If awarded a contract under this solicitation, the offeror agrees to accept payment by Governmentwide commercial purchase card for orders of:
- \$2,500 or less
- \$25,000 or less
- \$50,000 or less
- \$100,000 or less”

[65 FR 11247, Mar. 2, 2000]

532.7003 Contract clause.

For indefinite-delivery, indefinite-quantity (IDIQ) contracts other than Schedules, insert the clause at 552.232-77, Payment By Government Charge Card, if the contract will provide for payment by Government charge card as an alternative method of payment for orders. For Schedule contracts that provide for payment using the Government charge card, use the clause(s) prescribed at part 538.

[74 FR 54918, Oct. 26, 2009]

PART 533—PROTESTS, DISPUTES, AND APPEALS

Subpart 533.1—Protests

- Sec.
- 533.103 Protests to the agency.
- 533.103-1 Filing a protest.

Subpart 533.2—Disputes and Appeals

- 533.209 Suspected fraudulent claims.
- 533.211 Contracting officer’s decision.

AUTHORITY: 40 U.S.C. 121(c).