



HOW TO NAVIGATE THE FAR

FEBRUARY 17, 2021

Dana Delano and Bryan Wallace





Purpose of This Training

- Show you how to find the basic rules that apply to federal contracting.
- To help you learn how the federal rules are structured, and where to find them.
- Understanding these Federal rules will give you insights into how most state and local governments handle their contracts, too.

What is the FAR?

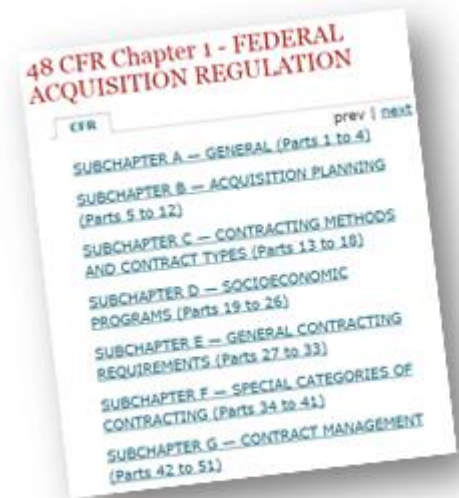
- FAR = **Federal Acquisition Regulation**.
- The FAR is the set of regulations governing all acquisitions and contracting procedures for most departments and agencies in the Federal government.
- The FAR is 2,000 pages in length

What Are We Going to Cover?



- First, an overview of the FAR
- Why the FAR is important for anyone who wants to win a federal contract
- Explaining the FAR's purpose, structure and use
- Learning how to navigate the FAR

The FAR Is a Set of Regulations, and Regulations Are Created through “Rulemaking”



Example of “Rulemaking”

- July 27, 2000 - Congress passed the “Equity in Contracting for Women Act.”
- March 4, 2010 - After much study, the SBA proposed a rule to implement the Woman Owned Small Business program.
- October 7, 2010 - After receiving public comment, the SBA proposed a final rule.
- February 4, 2011- Effective date of SBA proposed rule.
- *These new rules were not officially effective until the SBA and the (Federal Acquisition Regulatory Council) FAR Council worked out the implementing details which now appear at FAR Subpart 19.15.*

What Does “Acquisition” Mean?

Acquisition *begins* when a federal agency establishes its needs, *and includes* a description of the requirements, the solicitation, selection of sources, award of contracts, payments, contract performance, contract administration, and contract close-out.

In short, *acquisition* includes every step taken to *acquire* goods or services.

How is the Acquisition Process Regulated?

The Federal Acquisition Regulations



- It's a rule book that most federal agencies must use when acquiring goods and services.
- Places limits on agencies' authority to purchase using funds appropriated by Congress.
- Generally, requires “full and open competition.”

A Few FAR Facts



- The FAR was authorized by the Office of Federal Procurement Policy Act of 1974 as a part of the creation of the Office of Federal Procurement Policy (OFPP).
- It was not until April 1, 1984 that the first edition of the FAR was published in final form.
- The FAR is updated and amended nearly every month.

How the FAR is Arranged

- The FAR is Chapter I in Title 48 of the Code of Federal Regulations.
- The first division of the FAR is a subchapter.
- There are 8 subchapters in the FAR, A through H.
- The next division of the FAR is the part.
- There are 53 parts in the FAR, each covering a separate aspect of the acquisition process.

Subchapter A	General
Part 1	Federal Acquisition Regulations System
Part 2	Definitions of Words and Terms
Part 3	Improper Business Practices and Personal Conflicts of Interest
Part 4	Administrative Matters
Subchapter B	Acquisition Planning
Part 5	Publicizing Contract Actions
Part 6	Competition Requirements
Part 7	Acquisition Planning
Part 8	Required Sources of Supplies and Services
Part 9	Contractor Qualifications
Part 10	Market Research
Part 11	Describing Agency Needs
Part 12	Acquisition of Commercial Items
Subchapter C	Contracting Methods and Contract Types
Part 13	Simplified Acquisition Procedures
Part 14	Sealed Bidding
Part 15	Contracting by Negotiation
Part 16	Types of Contracts
Part 17	Special Contracting Methods
Part 18	Emergency Acquisitions
Subchapter D	Socioeconomic Programs
Part 19	Small Business Programs
Part 20	Reserved
Part 21	Reserved
Part 22	Application of Labor Laws to Government Acquisitions
Part 23	Environment, Energy and Water Efficiency, Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace
Part 24	Protection of Privacy and Freedom of Information
Part 25	Foreign Acquisition
Part 26	Other Socioeconomic Programs
Subchapter E	General Contracting Requirements
Part 27	Patents, Data, and Copyrights
Part 28	Bonds and Insurance
Part 29	Taxes
Part 30	Cost Accounting Standards Administration
Part 31	Contract Cost Principles and Procedures
Part 32	Contract Financing
Part 33	Protests, Disputes, and Appeals

The FAR's Numbering System

*The following example
illustrates the make-up of a
FAR number citation:*

25.108-2

Part	25
Subpart	25.1
Section	25.108
Subsection	25.108-2

The DFARS

The Defense Federal Acquisition Regulation Supplement represents how the Defense Department will *implement*, and sometimes *supplement*, the FAR. The DFARS contains legal requirements, DoD policies, delegations of authority, deviations from FAR requirements, and policies and procedures that have a significant impact beyond normal procedures.

Each branch of service within DoD, plus 22 civilian agencies, also have FAR supplements!

Federal Agencies Have FAR ‘Supplements’

Chapter of Title 48 of CFR	Parts	Name of Regulation
1	1-99	Federal Acquisition Regulation (FAR)
2	200-299	Defense FAR Supplement (DFARS)
3	300-399	Health and Human Services Acquisition Regulation (HHSAR)
4	400-499	Agriculture Acquisition Regulation (AGAR)
5	500-599	General Services Acquisition Regulation (GSAR)
6	600-699	Department of State Acquisition Regulation (DOSAR)
---	---	---
51	5100-5199	Army FAR Supplement (AFARS)
52	5200-5299	Navy-Marine Corps Acquisition Regulation Supplement (NMCARS)
53	5300-5399	Air Force FAR Supplement (AFFARS)
54	5452	Defense Logistics Acquisition Directive (DLAD)

Federal Agencies Have “Implementation and Supplementation”

FAR supplements issued by agencies both implement and supplement the FAR.

- Implementation provides direction on how a rule will be followed within a particular agency.
- Supplementation is when the agency adds new content.
- Sometimes, these are deviations from the FAR.

How Do I Find Something Referenced in the FAR?

Learn How To Search

3 Main Ways:

Paper copy - loose leaf or bound

Google or other search engines: Be weary!!

Acquisition Central - <http://www.acquisition.gov/far>

Searching the FAR

The screenshot shows the ACQUISITION.GOV website. The navigation bar includes links for Home, Federal Acquisition Regulation (FAR), Supplemental Regulations, Acquisition Systems, Archives, and CAO.gov. The 'Supplemental Regulations' link is circled in red. A search bar at the top right contains a magnifying glass icon and the text 'Advanced Search'. A callout box points to this search bar, stating: "Magnifying Glass" and "Advanced Search" allows users to search for words and terms within the FAR and the GSAM, sorted by various categories.

The main content area is titled 'Federal Acquisition Regulation (FAR)'. Below the title, there is a link to 'Download Entire FAR' and a 'Full Screen' button, both circled in red. A callout box points to the 'Full Screen' button, stating: "There's also a 'Full Screen' option."

On the left side, there is a 'FAR PARTS' section with a 'Table of Contents' grid. A callout box points to this grid, stating: "Click on one of the FAR's 53 Parts and it will appear in the panel to the right."

On the right side, there is a 'Title & Number' section with a list of FAR parts. A callout box points to the 'Download Entire FAR' link, stating: "The FAR can be downloaded here."

A callout box points to the 'Supplemental Regulations' link, stating: "Supplemental Regulations" leads to a list of all of the links to agency supplements to the FAR.

Basic Orientation to the FAR's Structure

Each individual FAR Part usually includes:

Scope - A description of what's covered.

Applicability - What types of acquisitions or to which agencies the rules in the part or subpart apply to.

Definitions - Most definitions are in FAR Part 2. But individual Parts often contain definitions that are specific to the part, subpart, section, or subsection.

Policy - Government's policy pertaining to the part or subpart.

Procedures - How to implement the stated policy/rule.

Solicitation Provisions and Contract Clauses - This is where the provisions and clauses for the part or subpart are prescribed.

Practice Makes Perfect

- All federal solicitations (bid documents and RFPs) contain many references to the FAR and FAR supplements.
- *Look-up these references!*
- The more you use the FAR, the easier it becomes.
- The better you get at researching the FAR, the better equipped you will be to bid on, win, and manage a federal contract.

Reading and Interpreting the FAR

Understanding “Conventions”

(FAR Subpart 1.108)

- a. Words and terms
- b. Delegation of authority
- c. Dollar thresholds
- d. Application of FAR changes
- e. Citations
- f. Imperative sentences

The Decision Tree

Procedure for finding and interpreting a contracting rule:

- Start with a topic ...
- Is there a rule in the FAR?
- Is the FAR rule **implemented** or **supplemented** by an agency supplement?
- Is there a **deviation** from the FAR or the agency supplement?
- Must read FAR, agency supplement, and the deviation **together**.

SUMMARY

What Did We Just Learn?

How the FAR is structured, why it's important, and how to search it:

- Regulations and Rulemaking
- The Acquisition Process
- The FAR's numbering system
- Agency supplements to the FAR
- FARSite searches
- Interpreting the FAR using "Conventions"

Meet Our Team



Ken Bloch

Program Director
kbloch@emdc.org
(207) 974-3245



Bryan Wallace

Senior Counselor
bwallace@emdc.org
(207) 951-0644



Michael Ludwig

Business Development Specialist
mludwig@emdc.org
(207) 974-3248



Dana Delano

Counselor
ddelano@nmdc.org
(207) 521-1713



Katie Bragg

Counselor
kbragg@sunrisecounty.org
(207) 620-0983



Miranda Pelkey

Counselor
mpelkey@emdc.org
(207) 356-1643



Morgan Rocheleau

Counselor
mrocheleau@emdc.org
(207) 299-7083



Ed Dahl

Counselor
edahl@emdc.org
(207) 951-2498

Upcoming Webinars & More Information

Understanding and Getting the Most From Your
BidMatch Profile

Thursday, February 25

10:00am - 11:00am



Facebook.com/PTACMaine



Twitter.com/MainePTAC



MainePTAC.org/Events



Questions & Answers

+ FEEDBACK SURVEY

FAR SUBCHAPTERS AND PARTS

Subchapter A	General
Part 1	Federal Acquisition Regulations System
Part 2	Definitions of Words and Terms
Part 3	Improper Business Practices and Personal Conflicts of Interest
Part 4	Administrative Matters

Subchapter B	Acquisition Planning
Part 5	Publicizing Contract Actions
Part 6	Competition Requirements
Part 7	Acquisition Planning
Part 8	Required Sources of Supplies and Services
Part 9	Contractor Qualifications
Part 10	Market Research
Part 11	Describing Agency Needs
Part 12	Acquisition of Commercial Items

Subchapter C	Contracting Methods and Contract Types
Part 13	Simplified Acquisition Procedures
Part 14	Sealed Bidding
Part 15	Contracting by Negotiation
Part 16	Types of Contracts
Part 17	Special Contracting Methods
Part 18	Emergency Acquisitions

Subchapter D	Socioeconomic Programs
Part 19	Small Business Programs
Part 20	Reserved
Part 21	Reserved
Part 22	Application of Labor Laws to Government Acquisitions
Part 23	Environment, Energy and Water Efficiency, Renewable Energy Technologies, Occupational Safety, and Drug-Free Workplace
Part 24	Protection of Privacy and Freedom of Information
Part 25	Foreign Acquisition
Part 26	Other Socioeconomic Programs

Subchapter E	General Contracting Requirements
Part 27	Patents, Data, and Copyrights
Part 28	Bonds and Insurance
Part 29	Taxes
Part 30	Cost Accounting Standards Administration
Part 31	Contract Cost Principles and Procedures
Part 32	Contract Financing
Part 33	Protests, Disputes, and Appeals

FAR SUBCHAPTERS AND PARTS

Subchapter F	Special Categories of Contracting
Part 34	Major System Acquisition
Part 35	Research and Development Contracting
Part 36	Construction and Architect-Engineer Contracts
Part 37	Service Contracting
Part 38	Federal Supply Schedule Contracting
Part 39	Acquisition of Information Technology
Part 40	Reserved
Part 41	Acquisition of Utility Services
Subchapter G	Contract Management
Part 42	Contract Administration and Audit Services
Part 43	Contract Modifications
Part 44	Subcontracting Policies and Procedures
Part 45	Government Property
Part 46	Quality Assurance
Part 47	Transportation
Part 48	Value Engineering
Part 49	Termination of Contracts
Part 50	Extraordinary Contractual Actions and The Safety Act
Part 51	Use of Government Sources by Contractors
Subchapter H	Clauses and Forms
Part 52	Solicitation Provisions and Contract Clauses
Part 53	Forms

Common Elements within the Structure of the FAR

(Example: FAR Part 9 – Contractor Qualifications)

Subpart 9.1—Responsible Prospective Contractors

9.100 Scope of subpart.

9.101 Definitions.

9.102 Applicability.

9.103 Policy.

9.104 Standards.

9.104-1 General standards.

9.104-2 Special standards.

9.104-3 Application of standards.

9.104-4 Subcontractor responsibility.

9.104-5 Certification regarding responsibility matters.

9.104-6 Federal Awardee Performance and Integrity Information System.

9.104-7 Solicitation provisions and contract clauses.

9.105 Procedures.

9.105-1 Obtaining information.

9.105-2 Determinations and documentation.

9.105-3 Disclosure of preaward information.

9.106 Preaward surveys.

9.106-1 Conditions for preaward surveys.

9.106-2 Requests for preaward surveys.

9.106-3 Interagency preaward surveys.

9.106-4 Reports.

9.107 Surveys of nonprofit agencies participating in the AbilityOne Program.

9.108 Prohibition on contracting with inverted domestic corporations.

9.108-1 Definitions.

9.108-2 Prohibition.

9.108-3 Representation by the offeror.

9.108-4 Waiver.

9.108-5 Solicitation provision and contract clause.

Subpart 9.2—Qualifications Requirements

Subpart 9.3—First Article Testing and Approval

Subpart 9.4—Debarment, Suspension, and Ineligibility

Subpart 9.5—Organizational and Consultant Conflicts of Interest

Subpart 9.6—Contractor Team Arrangements

Subpart 9.7—Defense Production Pools and Research and Development Pools

The “Basics” Provide an Important Orientation to the FAR’s Details

At the beginning of virtually every part and subpart of the Federal Acquisition Regulation (FAR), there is basic information providing important insight into, and orientation to, the FAR part or subpart that follows. These basic sections are:

- **Scope** - Summarizes the information contained in the particular FAR part or subpart. The Scope section of each part is numbered with three zeroes after the decimal point. If a subpart contains a Scope section, it will be numbered with two zeroes following the subpart number.
- **Definitions** - Definitions of words and terms that will be used in the particular FAR part or subpart. Because many common definitions are located in FAR Part 2, not all parts or subparts contain their own Definitions section. If a part or subpart contains a Definitions section, it will come after the Scope section. If the “Definitions” section applies to the entire part, it will be numbered with “001” after the decimal point. If the “Definitions” section applies to a subpart, it will generally be numbered with “01” after the subpart number.
- **Applicability** - Explains what types of acquisitions the information in the part or subpart applies to. Sometimes a statement about the applicability of a part or subpart is contained within the Scope section and there is no separate Applicability section.
- **General** - Appears in some parts and subparts and provides information to orient the reader to the subject matter that will be covered in the part or subpart.
- **Policy** - Contains broad statements about the Federal Government’s policy pertaining to the subject matter; does not appear in all FAR parts and subparts.
- **Procedures** - States what needs to be done to implement the Government’s policy.
- **Solicitation Provisions and/or Contract Clauses** - Tells agencies which provisions and clauses to insert in solicitations and contracts to implement the Government’s policies and procedures in its solicitations and contracts.

Understanding the FAR's "Conventions"

(FAR 1.108)

(a) Words and terms. *Definitions in Part 2 apply to the entire regulation unless specifically defined in another part, subpart, section, provision, or clause. Words or terms defined in a specific part, subpart, section, provision, or clause have that meaning when used in that part, subpart, section, provision, or clause. Undefined words retain their common dictionary meaning.*

Guidance: One of the most common mistakes made by novice readers of the FAR is to rely on their preconceived notions of what words and terms mean instead of relying on the definitions contained in the FAR. *When it comes to interpreting the meaning of a word or term used in the FAR, reliance on intuition is fatal.* When reading a particular part, subpart, section, provision, or clause in the FAR, one must have the discipline to check if any of the words or terms used are defined in the particular part, subpart, section, provision, or clause. If a word or term is not defined in a particular part, subpart, section, provision, or clause, then one must check to see if FAR Part 2, "Definitions of Words and Terms," contains a definition of the word or term.

(b) Delegation of authority. *Each authority is delegable unless specifically stated otherwise (see 1.102-4(b)).*

Guidance: The FAR will often authorize a high-level official, such as the agency head or the head of the contracting activity to perform certain actions. In such instances, the reader is to assume that the authority given to the high-level official can be delegated, unless the FAR specifically says it cannot. In some instances, the FAR will authorize an "agency head (or designee)" to do something. Given this reading convention, the "(or designee)" is entirely unnecessary.

(c) Dollar thresholds. *Unless otherwise specified, a specific dollar threshold for the purpose of applicability is the final anticipated dollar value of the action, including the dollar value of all options. If the action establishes a maximum quantity of supplies or services to be acquired or establishes a ceiling price or establishes the final price to be based on future events, the final anticipated dollar value must be the highest final priced alternative to the Government, including the dollar value of all options.*

Guidance: Many requirements in the FAR are dependent on the anticipated dollar value of the acquisition. In many cases, determining the anticipated dollar value is fairly straightforward. In other cases, determining the anticipated dollar value is more difficult. For example, in variable quantity contracts (e.g., indefinite quantity, requirements, options) agencies can only roughly estimate how much they will order or whether they will exercise any options. In such cases, agencies are to use the

maximum dollar value that the acquisition could possibly be when applying rules tied to dollar thresholds.

more

(d) Application of FAR changes to solicitations and contracts.

Unless otherwise specified—

- (1) FAR changes apply to solicitations issued on or after the effective date of the change;*
- (2) Contracting officers may, at their discretion, include the FAR changes in solicitations issued before the effective date, provided award of the resulting contract(s) occurs on or after the effective date; and*
- (3) Contracting officers may, at their discretion, include the changes in any existing contract with appropriate consideration.*

Guidance: The FAR changes quite often. However, it is impractical for Contracting Officers to amend solicitations that have already been issued to incorporate FAR changes. As such, the FAR exempts solicitations that have already been issued from having to conform to subsequent changes in the FAR.

(e) Citations. *When the FAR cites a statute, Executive Order, Office of Management and Budget circular, Office of Federal Procurement Policy letter, or relevant portion of the Code of Federal Regulations, the citation includes all applicable amendments, unless otherwise stated.*

Guidance: This item is self-explanatory.

(f) Imperative sentences. *When an imperative sentence directs action, the Contracting Officer is responsible for the action, unless another party is expressly cited.*

Guidance: The FAR will often require “agencies” to do something or use the passive voice without specifying a subject (e.g., “the file shall be documented”). In these cases, and in others where another party is not expressly cited, the reader is to assume that the Contracting Officer is responsible for the action.