

Modification Details

Purpose: The purpose of this modification is to incorporate updates to all Seaport e Contracts.

1. Make the following Changes in Section G:

a. ADD HQ G-2-0005 Payment Instructions for Multiple Accounting Citations (NAVSEA) (JAN 2008) as follows:

HQ G-2-0005 PAYMENT INSTRUCTIONS FOR MULTIPLE ACCOUNTING CITATIONS (NAVSEA) (JAN 2008)

Applicable to (see notes)

For contracts or orders that 1) include contract line items that are funded by multiple accounting classification citations for which a contract line item or items are not broken out into separately identifiable subline items (informational subline items are not separately identifiable subline items); 2) contain cost-reimbursement or time-and-material or labor-hour line items; or 3) authorize financing payments, the payment office will make payment from each ACRN within the contract or order in the same proportion as the amount of funding currently unliquidated for each ACRN (*contract-wide: proration*).
(End of Text)

***To be completed at the Task Order Level, when applicable.**

Notes:

The applicability statement shall be completed in accordance with the instructions below:

When selecting payment instructions, a combination of contract wide and line item specific instructions may not be used in the same contract or order. Contracting Officers shall not issue retroactive payment instructions. All payment instructions changes shall be effective as of the date of the implementing modification

Payment instructions shall state at what level (contract, contract line, subline, exhibit line, or ACRN) the payment instructions should be applied. Payment instructions shall not be mixed within a level by contract. For example, if the instructions apply at the contract level, there can be only one payment instruction for each contract. If the instructions apply at the contract line or subline level, there can only be one payment instruction per contract line or subline item.

For contracts or orders that contain a combination of fixed-price, cost reimbursement, and/or time-and-materials/labor-hour line items, they shall at a minimum include separate instructions for each contract type of contract line item

(e.g., contract-wide proration for fixed-price line items and contract-wide ACRN level for cost-reimbursement line items).

□ For contracts or orders that contain foreign military sales requirements, they shall include instructions for distribution of the contract financing payments to each country's account.

b. ADD HQ G-2-0006 Payment Instructions for Multiple Accounting Citations (Alternate 1) (NAVSEA) (JAN 2008) as follows:

HQ G-2-0006 PAYMENT INSTRUCTIONS FOR MULTIPLE ACCOUNTING CITATIONS (ALTERNATE 1) (NAVSEA) (JAN 2008)

(a) For contracts or orders that 1) include contract line items that are funded by multiple accounting classification citations for which a contract line item or items are not broken out into separately identifiable subline items (informational subline items are not separately identifiable subline items); 2) contain cost-reimbursement or time-and-material or labor-hour line items; or 3) authorize financing payments, the payment office will make payment in accordance with the paragraph(s) checked below. Either one contract wide instruction or one or more line item specific instructions have been selected below. If multiple paragraphs are checked, checked item applies to the contract line items, subline items identified.

(b) The following payment instructions apply to this contract:

___(1) *Line item specific: single funding.* If there is only one source of funding for the contract line item (i.e., one ACRN), the payment office will make payment using the ACRN funding of the line item being billed.

___(2) *Line item specific: sequential ACRN order.* If there is more than one ACRN within a contract line item, the payment office will make payment in sequential ACRN order within the line item, exhausting all funds in the previous ACRN before paying from the next ACRN using the following sequential order: Alpha/Alpha; Alpha/numeric; numeric/alpha; and numeric/numeric.

___(3) *Line item specific: contracting officer specified ACRN order.* If there is more than one ACRN within a contract line item, the payment office will make payment within the line item in the sequence ACRN order specified by the contracting officer, exhausting all funds in the previous ACRN before paying from the next ACRN.

___(4) *Line item specific: by fiscal year.* If there is more than one ACRN within a contract line item, the payment office will make payment using the oldest fiscal year appropriations first, exhausting all funds in the previous fiscal year before disbursing from the next fiscal year. In the event there is more than one ACRN associated with the same fiscal year, the payment amount shall be disbursed from each ACRN within a fiscal

year in the same proportion as the amount of funding obligated for each ACRN within the fiscal year.

___(5) *Line item specific: by cancellation date.* If there is more than one ACRN within a contract line item, the payment office will make payment using the ACRN with the earliest cancellation date first, exhausting all funds in that ACRN before disbursing funds from the next. In the event there is more than one ACRN associated with the same cancellation date, the payment amount shall be disbursed from each ACRN with the same cancellation date in the same proportion as the amount of funding obligated for each ACRN with the same cancellation date.

___(6) *Line item specific: proration.* If there is more than one ACRN within a contract line item, the payment office will make payment from each ACRN in the same proportion as the amount of funding currently unliquidated for each ACRN.

___(7) *Contract-wide: sequential ACRN order.* The payment office will make payment in sequential ACRN order within the contract or order, exhausting all funds in the previous ACRN before paying from the next ACRN using the following sequential order: alpha/alpha; alpha/numeric; numeric/alpha; and numeric/numeric.

___(8) *Contract-wide: contracting officer specified ACRN order.* The payment office will make payment in sequential ACRN order within the contract or order, exhausting all funds in the previous ACRN before paying from the next ACRN in the sequence order specified by the contracting officer.

___(9) *Contract-wide: by fiscal year.* The payment office will make payment using the oldest fiscal year appropriations first, exhausting all funds in the previous fiscal year before disbursing from the next fiscal year. In the event there is more than one ACRN associated with the same fiscal year, the payment amount shall be disbursed from each ACRN within a fiscal year in the same proportion as the amount of funding obligated for each ACRN within the fiscal year.

___(10) *Contract-wide: by cancellation date.* The payment office will make payment using the ACRN with the earliest cancellation date first, exhausting all funds in that ACRN before disbursing funds from the next. In the event there is more than one ACRN associated with the same cancellation date, the payment amount shall be disbursed from each ACRN with the same cancellation date in the same proportion as the amount of funding obligated for each ACRN with the same cancellation date.

___(11) *Contract-wide: proration.* The payment office will make payment from each ACRN within the contract or order in the same proportion as the amount of funding currently unliquidated for each ACRN.

___(12) *Other.* If none of the standard payment instructions identified above is appropriate, the contracting officer may insert other payment instructions, provided the

other payment instructions--

(i) Provide a significantly better reflection of how funds will be expended in support of contract performance; and

(ii) Are agreed to by the payment office and the contract administration office.

(End of Text)

***To be completed at the Task Order Level, when applicable.**

Notes:

- Using the payment instructions in paragraphs b(1) through b(6) above requires that the contracting officer document in the contract file that there are significant benefits of requiring contractor identification of the contract line item on the payment request or document why "Other" must be used.
- When selecting payment instructions, a combination of contract wide and line item specific instructions may not be used in the same contract or order. Contracting Officers shall not issue retroactive payment instructions. All payment instructions changes shall be effective as of the date of the implementing modification
- If multiple paragraphs are checked, identify the applicable contract line items, subline items or contract type at the end of the paragraph
- The applicability statement shall be completed in accordance with the instructions below:
- Payment instructions shall state at what level (contract, contract line, subline, exhibit line, or ACRN) the payment instructions should be applied. Payment instructions shall not be mixed within a level by contract type. For example, if the instructions apply at the contract level, there can be only one payment instruction for each contract type. If the instructions apply at the contract line or subline level, there can only be one payment instruction per contract line or subline item.
- For contracts or orders that contain a combination of fixed-price, costreimbursement, and/or time-and-materials/labor-hour line items, they shall at a minimum include separate instructions for each contract type of contract line item (e.g., contract-wide proration for fixed-price line items and contract-wide ACRN level for cost-reimbursement line items.
- For contracts or orders that contain foreign military sales requirements, they shall include instructions for distribution of the contract financing payments to each country's account.

c. DELETE HQ G-2-0007 Invoice Instructions (NAVSEA) (SEP 2009) and REPLACE with the following Apr 2011 version:

HQ G-2-0007 INVOICE INSTRUCTIONS (NAVSEA) (APR 2011)

(a) In accordance with the clause of this contract entitled “ELECTRONIC SUBMISSION OF PAYMENT REQUESTS” (DFARS 252.232-7003), the Naval Sea Systems Command (NAVSEA) will utilize the DoD Wide Area Workflow Receipt and Acceptance (WAWF) system to accept supplies/services delivered under this contract. This web-based system located at <https://wawf.eb.mil> provides the technology for Government contractors and authorized Department of Defense (DoD) personnel to generate, capture and process receipt and payment-related documentation in a paperless environment. Invoices for supplies/services rendered under this contract shall be submitted electronically through WAWF. Submission of hard copy DD250/invoices may no longer be accepted for payment.

(b) It is recommended that the person in your company designated as the Central Contractor Registration (CCR) Electronic Business (EB) Point of Contact and anyone responsible for the submission of invoices, use the online training system for WAWF at <http://wawftraining.com>. The Vendor, Group Administrator (GAM), and sections marked with an asterisk in the training system should be reviewed. Vendor documentation is available under Resources at <http://wawftraining.com>.

(c) The designated CCR EB point of contact is responsible for activating the company’s CAGE code on WAWF by calling 1-866-618-5988. Once the company is activated, the CCR EB point of contact will self-register under the company’s CAGE code on WAWF and follow the instructions for a group administrator. After the company is set-up on WAWF, any additional persons responsible for submitting invoices must self-register under the company’s CAGE code at <https://wawf.eb.mil>.

(d) The contractor shall use the following document types, DODAAC codes and inspection and acceptance locations when submitting invoices in WAWF:

Type of Document(s) (*contracting officer check all that apply*)

Invoice (FFP Supply & Service)

Invoice and Receiving Report Combo (FFP Supply)

Invoice as 2-in-1 (FFP Service Only)

Cost Voucher (Cost Reimbursable, T&M , LH, or FPI)

Receiving Report (FFP, DD250 Only)

DODAAC Codes and Inspection and Acceptance Locations (*contracting officer complete appropriate information as applicable*)

Issue DODAAC	
Admin DODAAC	_____
Pay Office DODAAC	_____
Inspector DODAAC	_____
Service Acceptor DODAAC	_____
Service Approver DODAAC	_____
Ship To DODAAC	_____
DCAA Auditor DODAAC	_____
LPO DODAAC	_____
Inspection Location	_____
Acceptance Location	_____

Attachments created in any Microsoft Office product may be attached to the WAWF invoice, e.g., backup documentation, timesheets, etc. Maximum limit for size of each file is 2 megabytes. Maximum limit for size of files per invoice is 5 megabytes.

(e) The Contractor agrees to segregate costs incurred under this task order at the lowest level of performance, either task or subtask, rather than on a total task order basis, and to submit invoices reflecting costs incurred at that level. Supporting documentation in WAWF for invoices shall include summaries of work charged during the period covered as well as overall cumulative summaries by individual labor categories, rates, and hours (both straight time and overtime) invoiced; as well as a cost breakdown of ODCs (materials and travel), by line item task or subtask. Subcontractors are also required to provide labor categories, rates, and hours (both straight time and overtime) invoiced; as well as, a cost breakdown of ODCs, materials, and travel invoiced. Supporting documentation may be encrypted before submission to the prime contractor for WAWF

invoice submittal. Subcontractors may email encryption code information directly to the Contracting Officer and Contracting Officer Representative. Should the subcontractor lack encryption capability, the subcontractor may also email detailed supporting cost information directly to the Contracting Officer and Contracting Officer Representative; or other method as agreed to by the Contracting Officer.

(f) Before closing out of an invoice session in WAWF, but after submitting the document(s), you will be prompted to send additional email notifications. Click on “Send More Email Notification” and add the acceptor/receiver email addresses noted below in the first email address block, and add any other additional email addresses desired in the following blocks. This additional notification to the government is important to ensure that the acceptor/receiver is aware that the invoice documents have been submitted into WAWF.

Send Additional Email Notification To:

(g) The contractor shall submit invoices/cost vouchers for payment per contract terms and the government shall process invoices/cost vouchers for payment per contract terms. Contractors approved by DCAA for direct billing will submit cost vouchers directly to DFAS via WAWF. Final voucher submission will be approved by the ACO.

(h) If you have any questions regarding WAWF, please contact the WAWF helpdesk at the above 1-866 number or the WAWF point of contact **(to be determined at the Task Order Level)** .

(End of Text)

2. Defense Federal Acquisition Regulation Supplement’s (DFARS) Procedures, Guidance, and Instructions (PGI) 204.7108 Payment Instructions in Contract Writing Systems requires standardized special payment instructions (SPIs) clauses for contracts containing multi-funded line items; cost-reimbursement line items; time-and-materials/labor-hour line items; and authorizations for financing payments. Therefore add the following Clauses by Reference to Section G:

252.204-0001 Line Item Specific: Single Funding. (SEP 2009)

252.204-0002 Line Item Specific: Sequential ACRN Order. (SEP 2009)

252.204-0003 Line Item Specific: Contracting Officer Specified ACRN Order. (SEP 2009)

252.204-0004 Line Item Specific: by Fiscal Year. (SEP 2009)

252.204-0005 Line Item Specific: by Cancellation Date. (SEP 2009)

252.204-0006 Line Item Specific: Proration. (SEP 2009)

252.204-0007 Contract-wide: Sequential ACRN Order. (SEP 2009)

252.204-0008 Contract-wide: Contracting Officer Specified ACRN Order. (SEP 2009)

252.204-0009 Contract-wide: by Fiscal Year. (SEP 2009)

252.204-0010 Contract-wide: by Cancellation Date. (SEP 2009)

252.204-0011 Contract-wide: Proration. (SEP 2009)

3. This modification provides verification of the date and clause number for the following clauses:

Section H, Clause 5252.232-9104 (JAN 2008)

Section I, 252.222-7006 (DEC 2010)

4. In Section I, the following clauses are restated and/or added by reference:

52.222-50 Combating Trafficking in Persons (FEB 2009)

52.222-50 Alt I Combating Trafficking in Persons (AUG 2007)

252.242-7004 Material Management and Accounting System (MAY 2011)

252.242-7005 Contractor Business Systems (MAY 2011)

252.242-7006 Accounting System Administration (MAY 2011)

52.244-2 -- SUBCONTRACTS (OCT 2010) – ALTERNATE I (JUNE 2007)

(a) *Definitions.* As used in this clause—

“Approved purchasing system” means a Contractor’s purchasing system that has been reviewed and approved in accordance with Part 44 of the Federal Acquisition Regulation (FAR)

“Consent to subcontract” means the Contracting Officer’s written consent for the Contractor to enter into a particular subcontract.

“Subcontract” means any contract, as defined in FAR Subpart 2.1, entered into by a subcontractor to furnish supplies or services for performance of the prime contract or a subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

(b) When this clause is included in a fixed-price type contract, consent to subcontract is required only on unpriced contract actions (including unpriced modifications or unpriced delivery orders), and only if required in accordance with paragraph (c) or (d) of this clause.

(c) If the Contractor does not have an approved purchasing system, consent to subcontract is required for any subcontract that-

(1) Is of the cost-reimbursement, time-and-materials, or labor-hour type; or

(2) Is fixed-price and exceeds—

(i) For a contract awarded by the Department of Defense, the Coast Guard, or the National Aeronautics and Space Administration, the greater of the simplified acquisition threshold or 5 percent of the total estimated cost of the contract; or

(ii) For a contract awarded by a civilian agency other than the Coast Guard and the National Aeronautics and Space Administration, either the simplified acquisition threshold or 5 percent of the total estimated cost of the contract.

(d) If the Contractor has an approved purchasing system, the Contractor nevertheless shall obtain the Contracting Officer’s written consent before placing the following subcontracts:

CONTRACTS WITH ANY FIRM NOT INCLUDED WITH THE BASIC CONTRACT PROPOSAL. FOR ADDING TEAM MEMBERS TO THE TASK ORDER AFTER AWARD, THE TASK ORDER CONTRACTING OFFICER’S APPROVAL IS REQUIRED. THE TASK ORDER CONTRACTING OFFICER WILL DETERMINE THE DOCUMENTATION TO BE SUBMITTED BY THE CONTRACTOR FOR APPROVAL.

(e)(1) The Contractor shall notify the Contracting Officer reasonably in advance of placing any subcontract or modification thereof for which consent is required under paragraph (b), (c), or (d) of this clause, including the following information:

(i) A description of the supplies or services to be subcontracted.

(ii) Identification of the type of subcontract to be used.

(iii) Identification of the proposed subcontractor.

- (iv) The proposed subcontract price.
- (v) The subcontractor's current, complete, and accurate certified cost or pricing data and Certificate of Current Cost or Pricing Data, if required by other contract provisions.
- (vi) The subcontractor's Disclosure Statement or Certificate relating to Cost Accounting Standards when such data are required by other provisions of this contract.
- (vii) A negotiation memorandum reflecting -
 - (A) The principal elements of the subcontract price negotiations;
 - (B) The most significant considerations controlling establishment of initial or revised prices;
 - (C) The reason certified cost or pricing data were or were not required;
 - (D) The extent, if any, to which the Contractor did not rely on the subcontractor's certified cost or pricing data in determining the price objective and in negotiating the final price;
 - (E) The extent to which it was recognized in the negotiation that the subcontractor's certified cost or pricing data were not accurate, complete, or current; the action taken by the Contractor and the subcontractor; and the effect of any such defective data on the total price negotiated;
 - (F) The reasons for any significant difference between the Contractor's price objective and the price negotiated; and
 - (G) A complete explanation of the incentive fee or profit plan when incentives are used. The explanation shall identify each critical performance element, management decisions used to quantify each incentive element, reasons for the incentives, and a summary of all trade-off possibilities considered.
- (2) The Contractor is not required to notify the Contracting Officer in advance of entering into any subcontract for which consent is not required under paragraph (b), (c), or (d) of this clause.
- (f) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination –
 - (1) Of the acceptability of any subcontract terms or conditions;
 - (2) Of the allowability of any cost under this contract; or
 - (3) To relieve the Contractor of any responsibility for performing this contract.
- (g) No subcontract or modification thereof placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis, and any fee payable under cost-reimbursement type subcontracts shall not exceed the fee limitations in FAR 15.404-4(c)(4)(i).

(h) The Contractor shall give the Contracting Officer immediate written notice of any action or suit filed and prompt notice of any claim made against the Contractor by any subcontractor or vendor that, in the opinion of the Contractor, may result in litigation related in any way to this contract, with respect to which the Contractor may be entitled to reimbursement from the Government.

(i) The Government reserves the right to review the Contractor's purchasing system as set forth in FAR Subpart 44.3.

(j) Paragraphs (c) and (e) of this clause do not apply to the following subcontracts, which were evaluated during negotiations:

ALL SUBCONTRACTORS SUBMITTED WITH THE BASIC CONTRACT PROPOSAL OR PROPOSALS SUBMITTED IN RESPONSE TO TASK ORDER SOLICITATIONS.

(End of Clause)

Alternate I (Jun 2007). As prescribed in [44.204](#)(a)(2), substitute the following paragraph (e)(2) for paragraph (e)(2) of the basic clause:

(e)(2) If the Contractor has an approved purchasing system and consent is not required under paragraph (c) or (d) of this clause, the Contractor nevertheless shall notify the Contracting Officer reasonably in advance of entering into any (i) cost-plus-fixed-fee subcontract, or (ii) fixed-price subcontract that exceeds either the simplified acquisition threshold or 5 percent of the total estimated cost of this contract. The notification shall include the information required by paragraphs (e)(1)(i) through (e)(1)(iv) of this clause.

5. All of the terms and conditions remain unchanged and in full effect.