

Subpart 532.7 - Contract Funding

Parent topic: [Part 532 - Contract Financing](#)

532.700 Scope of subpart.

GSA fiscal regulations are in the Budget Administration Handbook (CFO 4251.4), Accounting Classification Handbook (CFO P 4240.1), and Accounting Operations—Voucher Examination Payment Handbook (CFO P 4252.1).

532.702 Policy.

GSA's contract funding policies are in compliance with the full funding policy at 2, Section 31.6, OMB-C A-11, published June 26, 2008.

532.703 Contract funding requirements.

- (a) "Severable services" means services that are continuing and ongoing in nature—such as help-desk support, maintenance, or janitorial services—for which benefit is received each time the service is rendered.
- (b) "Non-severable services" means work that results in a final product or end-item and for which benefit is received only when the entire project is complete, such as systems design, building conversion, or environmental study.
- (c) Contracts for severable services may cross fiscal years as long as the period of performance (excluding options) is no more than 12 months. Contracts for goods or non-severable services are not similarly limited.

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 Contract clauses.

532.706-3 Contract clauses for unenforceability of unauthorized obligations.

GSA has a FAR deviation that allows use of the clause in paragraph (a) of this subsection in lieu of the FAR clause at [52.232-39](#).

(a) Insert the clause at [552.232-39](#), Unenforceability of Unauthorized Obligations in all solicitations and contracts in lieu of the FAR clause at [52.232-39](#).

(b) Insert the clause at [552.232-78](#), Commercial Supplier Agreements—Unenforceable Clauses, in all solicitations and contracts (including orders) when not using FAR [part 12](#).