



ACQUISITION
AND SUSTAINMENT

OFFICE OF THE ASSISTANT SECRETARY OF WAR
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

In reply refer to
DARS Tracking Number: 2026-O0031

MEMORANDUM FOR COMMANDER, UNITED STATES CYBER
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Class Deviation—Revolutionary Federal Acquisition Regulation (FAR) Overhaul
Part 3, Defense FAR Supplement (DFARS) Part 203

Effective February 1, 2026, contracting officers shall use—

- The revised FAR Part 3, Improper Business Practices and Personal Conflicts of Interest published on the Revolutionary FAR Overhaul web page at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-3> in lieu of the text codified at 48 CFR chapter 1 (<https://www.ecfr.gov>).
- The attached DFARS Part 203, Improper Business Practices and Personal Conflicts of Interest in lieu of the text codified at 48 CFR chapter 2; and
- The attached DFARS Procedures, Guidance, and Information (PGI) 203, Improper Business Practices and Personal Conflicts of Interest, in lieu of the PGI text published on the Defense Pricing, Contracting, and Acquisition Policy web page at <https://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html>.

This class deviation implements the following:

- Section 2 of E.O. 14275, Restoring Common Sense to Federal Procurement, which establishes the policy that the FAR “should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed.

- Section 4(a) of E.O. 14265, Modernizing Defense Acquisitions and Spurring Innovation in the Defense Industrial Base which requires the Secretary of War to eliminate or revise any unnecessary supplemental regulations or any other internal guidance, such as relevant parts of the Financial Management Regulation and Defense Federal Acquisition Regulation Supplement.
- The Office of Management and Budget memorandum, M-25-26 issued on May 2, 2025, titled, Overhauling the Federal Acquisition Regulation, which provided additional guidance to federal agencies regarding the FAR overhaul.

This class deviation remains in effect until rescinded or incorporated into the FAR, DFARS, and DFARS PGI. Inquiries regarding this class deviation can be addressed to osd.pentagon.ousd-a-s.mbx.dfars@mail.mil.

John M. Tenaglia
Principal Director,
Defense Pricing, Contracting, and
Acquisition Policy

Attachments:
As stated

PART 203—IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

203.070 Reporting of violations and suspected violations.

Report violations and suspected violations of the following requirements in accordance with 209.406-3 or 209.407-3 and DoDD 7050.5, Coordination of Remedies for Fraud and Corruption Related to Procurement Activities:

- (a) Certificate of Independent Price Determination (FAR 3.103).
- (b) Procurement integrity (FAR 3.104).
- (c) Gratuities clause (FAR 3.203).
- (d) Antitrust laws (FAR 3.303).
- (e) Covenant Against Contingent Fees (FAR 3.405).
- (f) Kickbacks (FAR 3.502).
- (g) Prohibitions on persons convicted of defense-related contract felonies (203.570).

SUBPART 203.1—SAFEGUARDS

203.104 Procurement integrity.

203.104-1 Definitions.

As used in this section—

“Federal agency procurement,” defined at FAR 3.104-1, also includes commercial solutions openings.

203.104-4 Disclosure, protection, and marking of contractor bid or proposal information and source selection information.

(d)(3) For purposes of FAR 3.104-4(d)(3) only, DoD follows the notification procedures in FAR 27.404-5(a). However, FAR 27.404-5(a)(1) does not apply to DoD.

203.170 Business practices.

To ensure the separation of functions for oversight, source selection, contract negotiation, and contract award, departments and agencies must adhere to the following best practice policies:

- (a) Senior leaders must not perform multiple roles in source selection for a major weapon system or major service acquisition.
- (b) Vacant acquisition positions must be filled on an “acting” basis from below until a permanent appointment is made. To provide promising professionals an opportunity

to gain experience by temporarily filling higher positions, these oversight duties must not accrue at the top.

(c) Acquisition process reviews of the military departments must be conducted to assess and improve acquisition and management processes, roles, and structures. The scope of the reviews should include—

- (1) Distribution of acquisition roles and responsibilities among personnel;
- (2) Processes for reporting concerns about unusual or inappropriate actions; and
- (3) Application of DoD Instruction 5000.2, Operation of the Defense Acquisition System, and the disciplines in the Defense Acquisition Guidebook.

(d) Source selection processes must be—

- (1) Reviewed and approved by cognizant organizations responsible for oversight;
- (2) Documented by the head of the contracting activity or at the agency level; and
- (3) Periodically reviewed by outside officials independent of that office or agency.

(e) Legal review of documentation of major acquisition system source selection must be conducted prior to contract award, including the supporting documentation of the source selection evaluation board, source selection advisory council, and source selection authority.

(f) Procurement management reviews must determine whether clearance threshold authorities are clear and must provide independent review for acquisitions exceeding the simplified acquisition threshold.

203.171 Senior DoD officials seeking employment with defense contractors.

203.171-1 Scope.

This section implements section 847 of the National Defense Authorization Act for Fiscal Year 2008 (Pub. L. 110-181).

203.171-2 Definition.

As used in this section—

“Covered DoD official” is defined in the clause at 252.203-7000, Requirements Relating to Compensation of Former DoD Officials.

203.171-3 Policy.

(a) A DoD official covered by the requirements of section 847 of Public Law 110-181 (a “covered DoD official”) who, within 2 years after leaving DoD service, expects to

receive compensation from a DoD contractor, must, prior to accepting such compensation, request a written opinion from the appropriate DoD ethics counselor regarding the applicability of post-employment restrictions to activities that the official may undertake on behalf of a contractor.

(b) A DoD contractor must not knowingly provide compensation to a covered DoD official within 2 years after the official leaves DoD service unless the contractor first determines that the official has received, or has requested at least 30 days prior to receiving compensation from the contractor, the post-employment ethics opinion described in paragraph (a) of this section.

(c) If a DoD contractor knowingly fails to comply with the requirements of the clause at 252.203-7000, consider taking administrative and contractual actions, including cancellation of a procurement, rescission of a contract, or initiation of suspension or debarment proceedings (41 U.S.C. 2105(c)).

203.171-4 Solicitation provision and contract clause.

(a) Insert the clause at 252.203-7000, Requirements Relating to Compensation of Former DoD Officials, in all solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services.

(b) Insert the provision at 252.203-7005, Representation Relating to Compensation of Former DoD Officials, in all solicitations, including solicitations using FAR part 12 procedures for the acquisition of commercial products and commercial services and solicitations for task orders and delivery orders.

SUBPART 203.5—OTHER IMPROPER BUSINESS PRACTICES

203.502-2 Subcontractor kickbacks.

(h) See PGI 203.502-2 for a list of organizations designated for investigations of possible kickbacks.

203.570 Prohibition on persons convicted of fraud or other defense-contract-related felonies.

203.570-1 Scope.

This section implements 10 U.S.C. 4656. For information on 10 U.S.C. 4656, see PGI 203.570-1.

203.570-2 Prohibition period.

DoD has sole responsibility for determining the period of the prohibition described in paragraph (b) of the clause at 252.203-7001, Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies. The prohibition period—

(a) Must not be less than 5 years from the date of conviction unless the agency head or a designee grants a waiver in the interest of national security. Follow the waiver procedures at PGI 203.570-2(a); and

(b) May be more than 5 years from the date of conviction if the agency head or a designee makes a written determination of the need for the longer period. The agency must provide a copy of the determination to the address at PGI 203.570-2(b).

203.570-3 Contract clause.

Insert the clause at 252.203-7001, Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies, in all solicitations and contracts exceeding the simplified acquisition threshold, except solicitations and contracts for commercial products or commercial services.

SUBPART 203.7—VOIDING AND RESCINDING CONTRACTS

203.703 Authority.

The authority to act for the agency head under this subpart is limited to a level no lower than an official who is appointed by and with the advice of the Senate, without power of redelegation. For the defense agencies, for purposes of this subpart, the agency head designee is the Under Secretary of Defense (Acquisition and Sustainment).

**SUBPART 203.8—LIMITATIONS ON THE PAYMENT OF FUNDS TO
INFLUENCE FEDERAL TRANSACTIONS**

203.806 Processing suspected violations.

Report suspected violations to the address at PGI 203.806(a).

**SUBPART 203.9—WHISTLEBLOWER PROTECTIONS FOR CONTRACTOR
EMPLOYEES**

203.900 Scope of subpart.

This subpart implements 10 U.S.C. 4701 and section 883 of the National Defense Authorization Act for Fiscal Year 2021 (Pub. L. 116-283).

(a)(i) 10 U.S.C. 4701 provides DoD whistleblower protection policies and procedures for contractor employees. Use sections 203.901 through 203.906 of this subpart in lieu of FAR sections 3.901 through 3.906 to implement 10 U.S.C. 4701.

(ii) 10 U.S.C. 4701 does not apply to any element of the intelligence community, as defined in 50 U.S.C. 3003(4). Sections 203.901 through 203.906 do not apply to any disclosure made by an employee of a contractor or subcontractor of an element of the intelligence community if such disclosure—

(A) Relates to an activity or an element of the intelligence community; or

(B) Was discovered during contract or subcontract services provided to an element of the intelligence community.

(c) Section 883 of the National Defense Authorization Act for Fiscal Year 2021 (Pub. L. 116-283) prohibits the award of a DoD contract to contractors that require their employees to sign internal confidentiality agreements or statements that would prohibit or otherwise restrict such employees from lawfully reporting waste, fraud, or abuse

related to the performance of a DoD contract to a designated investigative or law enforcement representative within DoD authorized to receive such information.

203.901 Definitions.

As used in this subpart—

“Abuse of authority” means an arbitrary and capricious exercise of authority that is inconsistent with the mission of DoD or the successful performance of a DoD contract.

203.903 Policy.

(1) *Prohibition.* 10 U.S.C. 4701 prohibits contractors and subcontractors from discharging, demoting, or otherwise discriminating against an employee as a reprisal for disclosing, to any of the entities listed at paragraph (3) of this section, information that the employee reasonably believes is evidence of gross mismanagement of a DoD contract, a gross waste of DoD funds, an abuse of authority relating to a DoD contract, a violation of law, rule, or regulation related to a DoD contract (including the competition for or negotiation of a contract), or a substantial and specific danger to public health or safety. Such reprisal is prohibited even if undertaken at the request of an executive branch official, unless the request takes the form of a non-discretionary directive and is within the authority of the executive branch official making the request.

(2) *Classified information.* As provided in section 827(h) of the National Defense Authorization Act for Fiscal Year 2013, nothing in this subpart provides any rights to disclose classified information not otherwise provided by law.

(3) Entities to whom disclosure may be made include:

- (i) A Member of Congress or a representative of a committee of Congress.
- (ii) An Inspector General that receives funding from or has oversight over contracts awarded for or on behalf of DoD.
- (iii) The Government Accountability Office.
- (iv) A DoD employee responsible for contract oversight or management.
- (v) An authorized official of the Department of Justice or other law enforcement agency.
- (vi) A court or grand jury.
- (vii) A management official or other employee of the contractor or subcontractor who has the responsibility to investigate, discover, or address misconduct.

(4) *Disclosure clarified.* An employee who initiates or provides evidence of contractor or subcontractor misconduct in any judicial or administrative proceeding relating to waste, fraud, or abuse on a DoD contract will be deemed to have made a disclosure.

(5) *Contracting officer actions.* Upon receipt of a complaint of reprisal of the type described in paragraph (1) of this section, forward it to legal counsel or to the appropriate party in accordance with agency procedures.

203.904 Procedures for filing complaints.

(1) Any employee of a contractor or subcontractor who believes that he or she has been discharged, demoted, or otherwise discriminated against contrary to the policy in 203.903 may file a complaint with the DoD Inspector General.

(2) A complaint may not be brought under this section more than three years after the date on which the alleged reprisal took place.

(3) The complaint must be signed and must contain—

- (i) The name of the contractor;
- (ii) The contract number, if known; if not, a description reasonably sufficient to identify the contract(s) involved;
- (iii) The violation of law, rule, or regulation giving rise to the disclosure;
- (iv) The nature of the disclosure giving rise to the discriminatory act, including the party to whom the information was disclosed; and
- (v) The specific nature and date of the reprisal.

203.905 Procedures for investigating complaints.

(1) Unless the DoD Inspector General makes a determination that the complaint is frivolous, fails to allege a violation of the prohibition in 203.903, or has been previously addressed in another Federal or State judicial or administrative proceeding initiated by the complainant, the DoD Inspector General will investigate the complaint.

(2) If the DoD Inspector General investigates the complaint, the DoD Inspector General will—

- (i) Notify the complainant, the contractor alleged to have committed the violation, and the head of the agency; and
- (ii) Provide a written report of findings to the complainant, the contractor alleged to have committed the violation, and the head of the agency.

(3) Upon completion of the investigation, the DoD Inspector General—

- (i) Either will determine that the complaint is frivolous, fails to allege a violation of the prohibition in 203.903, or has been previously addressed in another Federal or State judicial or administrative proceeding initiated by the complainant, or will submit the report addressed in paragraph (2) of this section within 180 days after receiving the complaint; and

(ii) If unable to submit a report within 180 days, will submit the report within the additional time period, up to 180 days, as agreed to by the person submitting the complaint.

(4) The DoD Inspector General may not respond to any inquiry or disclose any information from or about any person alleging the reprisal, except to the extent that such response or disclosure is—

(i) Made with the consent of the person alleging reprisal;

(ii) Made in accordance with 5 U.S.C. 552a (the Freedom of Information Act) or as required by any other applicable Federal law; or

(iii) Necessary to investigate the alleged reprisal.

(5) The legal burden of proof specified at paragraph (e) of 5 U.S.C. 1221 (Individual Right of Action in Certain Reprisal Cases) applies for the purposes of an investigation conducted by the DoD Inspector General, decision by the head of an agency, or judicial or administrative proceeding to determine whether prohibited discrimination has occurred.

203.906 Remedies.

(1) Not later than 30 days after receiving a DoD Inspector General report in accordance with 203.905, the head of the agency must determine whether sufficient basis exists to conclude that the contractor has subjected the complainant to a reprisal as prohibited by 203.903 and must either issue an order denying relief or take one or more of the following actions:

(i) Order the contractor to take affirmative action to abate the reprisal.

(ii) Order the contractor to reinstate the person to the position that the person held before the reprisal, together with compensatory damages (including back pay), employment benefits, and other terms and conditions of employment that would apply to the person in that position if the reprisal had not been taken.

(iii) Order the contractor to pay the complainant an amount equal to the aggregate amount of all costs and expenses (including attorneys' fees and expert witnesses' fees) that were reasonably incurred by the complainant for, or in connection with, bringing the complaint regarding the reprisal, as determined by the head of the agency.

(2) If the head of the agency issues an order denying relief or has not issued an order within 210 days after the submission of the complaint or within 30 days after the expiration of an extension of time granted in accordance with 203.905(3)(ii), and no evidence exists that such delay is due to the bad faith of the complainant—

(i) The complainant will be deemed to have exhausted all administrative remedies with respect to the complaint; and

(ii) The complainant may bring a de novo action at law or equity against the contractor to seek compensatory damages and other relief available under 10 U.S.C. 4701 in the appropriate district court of the United States, which has jurisdiction over such an action without regard to the amount in controversy. Either party to the action may request a jury trial. An action under this authority may not be brought more than 2 years after the date on which remedies are deemed to have been exhausted.

(3) An Inspector General determination and an agency head order denying relief under paragraph (2) of this section is admissible in evidence in any de novo action at law or equity brought pursuant to 10 U.S.C. 4701(c).

(4) Whenever a contractor fails to comply with an order issued by the head of the agency in accordance with 10 U.S.C. 4701, the head of the agency or designee must request the Department of Justice to file an action for enforcement of such order in the United States district court for a district in which the reprisal was found to have occurred. In any action brought under this paragraph, the court may grant appropriate relief, including injunctive relief, compensatory and exemplary damages, and reasonable attorney fees and costs. The person upon whose behalf an order was issued may also file such an action or join in an action filed by the head of the agency.

(5) Any person adversely affected or aggrieved by an order issued by the head of the agency in accordance with 10 U.S.C. 4701 may obtain judicial review of the order's conformance with the law, and the implementing regulation, in the United States Court of Appeals for a circuit in which the reprisal is alleged in the order to have occurred. No petition seeking such review may be filed more than 60 days after issuance of the order by the head of the agency or designee. This review must conform to Chapter 7 of Title 5, United States Code. Filing such an appeal does stay the enforcement of the order by the head of an agency, unless the court specifically enters a stay.

(6) The rights and remedies provided for in this subpart may not be waived by any agreement, policy, form, or condition of employment.

203.909 Prohibition on providing funds to an entity that requires certain internal confidentiality agreements or statements.

203.909-3 Solicitation provision and contract clause.

Insert the provision at FAR 52.203-18, Prohibition on Contracting with Entities That Require Certain Internal Confidentiality Agreements or Statements—Representation, and the clause at FAR 52.203-19, Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements, prescribed at FAR 3.909-3 to implement section 883 of the National Defense Authorization Act for Fiscal Year 2021.

203.970 Contract clause.

Insert the clause at 252.203-7002, Requirement to Inform Employees of Whistleblower Rights, in all solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products or commercial services.

SUBPART 203.10—CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT

203.1003 Requirements.

(b) *Notification of possible contractor violation.* Upon notification of a possible contractor violation of the type described in FAR 3.1003(b), coordinate the matter with the following office:

Department of Defense Office of Inspector General, Administrative Investigations
Contractor Disclosure Program, 4800 Mark Center Drive, Suite 14L25, Arlington, VA
22350-1500.

Toll-Free Telephone: 866-429-8011. Website:
<https://www.dodig.mil/Programs/Contractor-Disclosure-Program/>.

(c) *Fraud hotline poster.* For contracts performed outside the United States, when security concerns can be appropriately demonstrated, the contracting officer may provide the contractor the option to publicize the program to contractor personnel in a manner other than public display of the poster required by 203.1004(b)(2)(ii), such as private employee written instructions and briefings.

203.1004 Contract clauses.

(a) Insert the clause at 252.203-7003, Agency Office of the Inspector General, in solicitations and contracts that include the FAR clause 52.203-13, Contractor Code of Business Ethics and Conduct.

(b)(2)(ii) Unless the contract is for the acquisition of a commercial product or commercial service, insert the clause at 252.203-7004, Display of Hotline Posters, in lieu of the clause at FAR 52.203-14, Display of Hotline Poster(s), in solicitations and contracts, if the contract value exceeds \$7.5 million. If the Department of Homeland Security (DHS) provides disaster relief funds for the contract, DHS will provide information on how to obtain and display the DHS fraud hotline poster (see FAR 3.1003).

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

SUBPART 252.2—TEXT OF PROVISIONS AND CLAUSES

252.203-7000 Requirements Relating to Compensation of Former DoD Officials.

As prescribed in 203.171-4(a), use the following clause:

REQUIREMENTS RELATING TO COMPENSATION OF FORMER DOD OFFICIALS (SEP 2011)

(a) *Definition. Covered DoD official*, as used in this clause, means an individual that—

- (1) Leaves or left DoD service on or after January 28, 2008; and

(2)(i) Participated personally and substantially in an acquisition as defined in 41 U.S.C. 131 with a value in excess of \$10 million, and serves or served—

(A) In an Executive Schedule position under subchapter II of chapter 53 of Title 5, United States Code;

(B) In a position in the Senior Executive Service under subchapter VIII of chapter 53 of Title 5, United States Code; or

(C) In a general or flag officer position compensated at a rate of pay for grade O-7 or above under section 201 of Title 37, United States Code; or

(ii) Serves or served in DoD in one of the following positions: Program manager, deputy program manager, procuring contracting officer, administrative contracting officer, source selection authority, member of the source selection evaluation board, or chief of a financial or technical evaluation team for a contract in an amount in excess of \$10 million.

(b) The Contractor shall not knowingly provide compensation to a covered DoD official within 2 years after the official leaves DoD service, without first determining that the official has sought and received, or has not received after 30 days of seeking, a written opinion from the appropriate DoD ethics counselor regarding the applicability of post-employment restrictions to the activities that the official is expected to undertake on behalf of the Contractor.

(c) Failure by the Contractor to comply with paragraph (b) of this clause may subject the Contractor to rescission of this contract, suspension, or debarment in accordance with 41 U.S.C. 2105(c).

(End of clause)

252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies.

As prescribed in 203.570-3, use the following clause:

PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE-
CONTRACT-RELATED FELONIES (JAN 2023)

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

(1) *Arising out of a contract with the DoD* means any act in connection with—

(i) Attempting to obtain;

(ii) Obtaining; or

(iii) Performing a contract or first-tier subcontract of any agency, department, or component of the Department of Defense (DoD).

(2) *Conviction of fraud or any other felony* means any conviction for fraud or a felony in violation of state or Federal criminal statutes, whether entered on a verdict or plea, including a plea of nolo contendere, for which sentence has been imposed.

(3) *Date of conviction* means the date judgment was entered against the individual.

(b) Any individual who is convicted after September 29, 1988, of fraud or any other felony arising out of a contract with the DoD is prohibited from serving—

- (1) In a management or supervisory capacity on this contract;
- (2) On the board of directors of the Contractor;
- (3) As a consultant, agent, or representative for the Contractor; or

(4) In any other capacity with the authority to influence, advise, or control the decisions of the Contractor with regard to this contract.

(c) Unless waived, the prohibition in paragraph (b) of this clause applies for not less than 5 years from the date of conviction.

(d) 10 U.S.C. 4656 provides that the Contractor shall be subject to a criminal penalty of not more than \$500,000 if convicted of knowingly—

(1) Employing a person under a prohibition specified in paragraph (b) of this clause; or

(2) Allowing such a person to serve on the board of directors of the contractor or first-tier subcontractor.

(e) In addition to the criminal penalties contained in 10 U.S.C. 4656, the Government may consider other available remedies, such as—

- (1) Suspension or debarment;
- (2) Cancellation of the contract at no cost to the Government; or
- (3) Termination of the contract for default.

(f) The Contractor may submit written requests for waiver of the prohibition in paragraph (b) of this clause to the Contracting Officer. Requests shall clearly identify—

- (1) The person involved;
- (2) The nature of the conviction and resultant sentence or punishment imposed;
- (3) The reasons for the requested waiver; and
- (4) An explanation of why a waiver is in the interest of national security.

(g) *Subcontracts*. The Contractor agrees to include the substance of this clause, appropriately modified to reflect the identity and relationship of the parties, in all first-tier subcontracts exceeding the simplified acquisition threshold in part 2 of the Federal Acquisition Regulation, except those for commercial products, commercial services, or commercial components.

(h) Pursuant to 10 U.S.C. 4656(c), defense contractors and subcontractors may obtain information as to whether a particular person has been convicted of fraud or any other felony arising out of a contract with the DoD by contacting The Office of Justice Programs, The Denial of Federal Benefits Office, U.S. Department of Justice, telephone (301) 937-1542; www.ojp.usdoj.gov/BJA/grant/DPFC.html.

(End of clause)

252.203-7002 Requirement to Inform Employees of Whistleblower Rights.

As prescribed in 203.970, use the following clause:

REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (DEC 2022)

(a) The Contractor shall inform its employees in writing, in the predominant native language of the workforce, of contractor employee whistleblower rights and protections under 10 U.S.C. 4701, as described in subpart 203.9 of the Defense Federal Acquisition Regulation Supplement.

(b) The Contractor shall include the substance of this clause, including this paragraph (b), in all subcontracts.

(End of clause)

252.203-7003 Agency Office of the Inspector General.

As prescribed in 203.1004(a), use the following clause:

AGENCY OFFICE OF THE INSPECTOR GENERAL (AUG 2019)

The agency office of the Inspector General referenced in paragraphs (c) and (d) of FAR clause 52.203-13, Contractor Code of Business Ethics and Conduct, is the DoD Office of Inspector General at the following address:

Department of Defense Office of Inspector General, Administrative Investigations, Contractor Disclosure Program, 4800 Mark Center Drive, Suite 14L25, Alexandria, VA 22350-1500.

Toll Free Telephone: 866-429-8011. Website:
<https://www.dodig.mil/Programs/Contractor-Disclosure-Program/>.

(End of clause)

252.203-7004 Display of Hotline Posters.

As prescribed in 203.1004(b)(2)(ii), use the following clause:

DISPLAY OF HOTLINE POSTERS (JAN 2023)

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

United States means the 50 States, the District of Columbia, and outlying areas.

(b) *Display of hotline poster(s).* (1)(i) The Contractor shall display prominently the DoD fraud, waste, and abuse hotline poster prepared by the DoD Office of the Inspector General, in effect at time of contract award, in common work areas within business segments performing work under Department of Defense (DoD) contracts.

(ii) For contracts performed outside the United States, when security concerns can be appropriately demonstrated, the contracting officer may provide the contractor the option to publicize the program to contractor personnel in a manner other than public display of the poster, such as private employee written instructions and briefings.

(2) If the contract is funded, in whole or in part, by Department of Homeland Security (DHS) disaster relief funds and the work is to be performed in the United States, the DHS fraud hotline poster shall be displayed in addition to the DoD hotline poster. If a display of a DHS fraud hotline poster is required, the Contractor may obtain such poster from—

(i) DHS Office of Inspector General/MAIL STOP 0305, Attn: Office of Investigations—Hotline, 245 Murray Lane SW., Washington, DC 20528-0305; or

(ii) Via the Internet at
https://www.oig.dhs.gov/assets/Hotline/DHS_OIG_Hotline-optimized.jpg.

(c)(1) These DoD hotline poster may be obtained from: Defense Hotline, The Pentagon, Washington, DC 20301-1900, or is also available via the internet at <https://www.dodig.mil/Resources/Posters-and-Brochures/>.

(2) If a significant portion of the employee workforce does not speak English, then the poster is to be displayed in the foreign languages that a significant portion of the employees speak.

(3) Additionally, if the Contractor maintains a company Web site as a method of providing information to employees, the Contractor shall display an electronic version of the required poster at the Web site.

(d) *Subcontracts.* The Contractor shall include the substance of this clause, including this paragraph (d), in all subcontracts that exceed the threshold specified in Defense Federal Acquisition Regulation Supplement 203.1004(b)(2)(ii) on the date of subcontract award, except when the subcontract is for the acquisition of a commercial product or commercial service.

(End of clause)

252.203-7005 Representation Relating to Compensation of Former DoD Officials.

As prescribed in 203.171-4(b), insert the following provision:

REPRESENTATION RELATING TO COMPENSATION OF FORMER DOD
OFFICIALS (SEP 2022)

(a) *Definition.* Covered DoD official is defined in the clause at 252.203-7000, Requirements Relating to Compensation of Former DoD Officials.

(b) By submission of this offer, the Offeror represents, to the best of its knowledge and belief, that all covered DoD officials employed by or otherwise receiving compensation from the Offeror, and who are expected to undertake activities on behalf of the Offeror for any resulting contract, are presently in compliance with all applicable post-employment restrictions, including those contained in 18 U.S.C. 207, 41 U.S.C. 2101-2107, 5 CFR part 2641, section 1045 of the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. 115-91), and Federal Acquisition Regulation 3.104-2.

(End of provision)

PGI 203—IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST

PGI 203.5--OTHER IMPROPER BUSINESS PRACTICES

PGI 203.502-2 Subcontractor kickbacks.

The DoD Inspector General has designated Special Agents of the following investigative organizations as representatives for conducting inspections and audits under 41 U.S.C. chapter 87, Kickbacks:

- (a) U.S. Army Criminal Investigation Command.
- (b) Naval Criminal Investigative Service.
- (c) Air Force Office of Special Investigations.
- (d) Defense Criminal Investigative Service.

PGI 203.570 Prohibition on persons convicted of fraud or other defense-contract-related felonies.

PGI 203.570-1 Scope.

The complete text of 10 U.S.C. 4656, Prohibition on Persons Convicted of Defense-Contract Related Felonies and Related Criminal Penalty on Defense Contractors, is available at <http://uscode.house.gov/>. Select "Search the U.S. Code", then type "10 USC Sec. 4656" (including the quotation marks) in the search engine window and click on the search button.

PGI 203.570-2 Prohibition period.

- (a)(1) Review any waiver request, and either—
 - (i) Deny the request if the contracting officer decides the waiver is not required in the interests of national security; or
 - (ii) Forward the request to the head of the agency or designee for approval if the contracting officer decides the waiver may be in the interest of national security.
- (2) The head of the agency or designee must report all waivers granted, and the reasons for granting the waiver, to the Under Secretary of Defense (Acquisition and Sustainment), who will forward the report to Congress.
- (3) Guidance on using the Exclusions section of the System for Award Management is available at [PGI 209.105-1](#).
- (b) Submit a copy of the determination to Bureau of Justice Assistance, U.S. Department of Justice, 810 Seventh Street, NW, Washington, DC 20531.

**PGI 203.8—LIMITATIONS ON THE PAYMENT OF FUNDS TO INFLUENCE
FEDERAL TRANSACTIONS**

PGI 203.806 Processing suspected violations.

(a) Report violations or potential violations of the Lobbying Disclosure Act (31 U.S.C. 1352) through agency channels to the Office of the Principal Director, Defense Pricing, Contracting, and Acquisition Policy (Contract Policy) via email at osd.pentagon.ousd-a-s.mbx.asda-dp-c-contractpolicy@mail.mil.

(b) The OUSD(AT&L) memorandum dated March 5, 2012, Department of Defense Inspector General (DODIG) Report 2012-030, Contractor Compliance Varies with Classification of Lobbying Costs and Reporting of Lobbying Activities (Project No. D2010-DOOOCF-0145.000) is available [here](#).