



DEC 22 2005

MEMORANDUM FOR CIVILIAN AGENCIES (EXCEPT NASA)

FROM: GERALD ZAFFOS
CHAIR
CIVILIAN AGENCY ACQUISITION COUNCIL (CAAC)

A handwritten signature in blue ink, appearing to read "Gerald Zaffos", is written over the printed name and title.

SUBJECT: Consultation on Class Deviation—Submittal of Paper SF 294 and 295.

This CAAC letter serves as evidence of your consultation with the CAAC Chair as required by FAR 1.404 for a class deviation. FAR 19.704, 19.705-7 and 52.219-9 require the contractor to submit a copy of the Standard Form 294, Subcontracting Report for Individual Contracts, and Standard Form 295, Summary Subcontract Report, in accordance with the instructions on the forms or as provided in agency regulations. Failure to submit the forms in good faith could result in liquidated damages being assessed against the contractor.

On October 18, 2004 and March 18, 2005, OFPP, in the expectation that the Electronic Subcontracting Reporting System (eSRS) would shortly be implemented, authorized agencies, at their discretion, to grant 60 day extensions to contractors to submit their subcontracting reports. ESRS became operational on October 28, 2005. Therefore, contractors should no longer be required to manually submit their reports in accordance with the instructions on the forms. Instead, they should submit their reports directly into eSRS at the eSRS website, www.esrs.gov.

Please refer to the attached November 3, 2005, memorandum from the Associate Administrator, OFPP, for further instructions.

If you have any questions, please contact Rhonda Cundiff, at 202-501-0044, or email rhonda.cundiff@gsa.gov.

Attachment



OFFICE OF FEDERAL
PROCUREMENT POLICY

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

November 3, 2005

MEMORANDUM FOR: CHIEF ACQUISITION OFFICERS
SENIOR PROCUREMENT EXECUTIVES
DIRECTORS, OFFICES OF SMALL AND
DISADVANTAGED BUSINESS UTILIZATION

FROM:

Robert A. Burton
Associate Administrator

SUBJECT:

Update on the Electronic Subcontracting Reporting System

I am pleased to announce that the Electronic Subcontracting Reporting System (eSRS) became operational on October 28, 2005, and is currently available for use by all civilian agencies and their contractors. The eSRS is now functioning at the Initial Operating Capability (IOC) level, which will allow the civilian contractors to enter their *Subcontracting Reports for Individual Contracts* (formerly the SF-294) and *Summary Subcontract Reports* (formerly the SF-295). The eSRS is the latest system under the umbrella of the Integrated Acquisition Environment (IAE).

Implementation of the eSRS for the Department of Defense (DOD) contractors is targeted for the second quarter of fiscal year 2006. Accordingly, all DOD contractors are to continue to submit paper SF-294s and/or SF-295s in accordance with the instructions in their contract clauses. We will provide a formal notice, similar to this, when the eSRS becomes available for use by DOD contractors.

On October 18, 2004, and March 18, 2005, this office issued guidance regarding the status of the eSRS. The March 18, 2005 memorandum authorized agencies to grant, at their discretion, a 60-day extension for contractors to file their reports for the periods ending September 30, 2004, and April 30, 2005. This memorandum extends that authorization to cover the reports due on October 30, 2005, for the period ending September 30, 2005. Where agencies choose to exercise this authorization, their contractors' reports would be due on December 31, 2005 (60 days after IOC with an additional allowance for three holidays).

We recognize that some confusion is bound to occur regarding the due dates and submission of reports for fiscal years 2004 and 2005, especially since DOD contractors will continue to submit paper reports in accordance with the corresponding submission schedule. In order to minimize this confusion, we have coordinated with the Small Business Administration (SBA) on the following guidance:

- Except as indicated below, all contractors with subcontract reporting requirements related to contracts with civilian agencies must submit their *Summary Subcontract Reports* for fiscal year 2004 into the eSRS. Contractors of the General Services Administration (GSA) holding contracts with the Federal Supply Schedule (FSS) and contractors of the National Aeronautics and Space Administration (NASA) that have entered their fiscal year 2004 reports into the GSA and NASA electronic reporting systems, respectively, will be exempt from this requirement.
- No contractors of any agency will be required to submit the semi-annual *Subcontracting Reports for Individual Contracts* into the eSRS for fiscal year 2004 (i.e., for the periods ending March 31 and September 30, 2004).
- No contractors of any agency will be required to submit mid-year reports for fiscal year 2005 (normally due April 30 for the period ending March 31) into the eSRS. This exemption applies to both the *Subcontracting Reports for Individual Contracts* and the *Summary Subcontract Reports*.
- All contractors for civilian agencies, including contractors of GSA and NASA, must use the eSRS to submit both the *Summary Subcontract Reports* and *Subcontracting Reports for Individual Contracts* for fiscal year 2005.
- The Federal Acquisition Regulation currently requires a final report (*Subcontracting Report for Individual Contracts*) at contract completion. Contractors for civilian agencies that have not yet submitted a final report for any contracts closed during FY 2004 or FY 2005 should do so now using the eSRS.
- As noted above, DOD contractors should continue to submit paper reports (i.e., the SF-294 and SF-295) until they receive official notification to begin using the eSRS.

Frequently Asked Questions and other information are available on the eSRS website at www.esrs.gov. If you have any further questions or comments, you may contact the SBA at eSRS@sba.gov or the IAE at integrated.acquistion@gsa.gov.