**Attachment A**

Subpart 34.1- Postaward

34.100 Testing, Qualification and Use of Industrial Resources Developed Under Title III of the Defense Production Act.

34.101 Scope.

This section describes policies and procedures for testing, qualification, and use of industrial resources manufactured or developed with Government assistance under Title III of the Defense Production Act (DPA) (50 U.S.C. 4531 et seq.). Title III of the Act authorizes Government assistance to encourage expansion of production capacity and the supply of industrial resources essential to national defense.

34.102 Definitions.

*Item of supply*, as used in this section, means any part or component that is part of a larger system. The item can be a small part, group of parts, or a complete unit. It also includes spare or replacement parts used during the system’s life. This definition does not include packaging or labeling used for shipment or identification of an “item.”

34.103 Policy.

The Government will generally pay the costs of any testing and qualification it needs to use an industrial resource manufactured or developed with assistance provided under Title III of the DPA.

34.104 Testing and qualification.

Insert the clause at [52.201](https://far-overhaul/far-part-deviation-guide/far-overhaul-part-52#FAR_52_201_1), Industrial Resources Developed under Title III, Defense Production Act, in all contracts for major systems and items of supply.

(a)

(1)When notified that a Title III project contractor has requested testing and approval of a Title III industrial resource, the contracting officer will review the request according to agency procedures to determine if—

(i)The Title III industrial resource is being used or might be used in the manufacture or development of a major system or item of supply; and

(ii)The remaining quantities available for purchase justify incurring the cost of testing and qualification.

(2)The contracting officer may also consult with the Defense Production Act Office, Title III Program, located at Wright Patterson Air Force Base, Ohio 45433-7739.

(b)If both conditions at 34.104(a)(1) are met, the contracting officer must modify the contract to require the contractor to conduct testing.

(c)The Title III Program will provide the contractor enough of the Title III industrial resource to conduct the necessary tests.

34.105 Contract clause.

Insert the clause at [52.201](https://far-overhaul/far-part-deviation-guide/far-overhaul-part-52#FAR_52_201_1), Industrial Resources Developed under Title III of the Defense Production Act, in all contracts for major systems and items of supply.

Subpart 34.2- Earned Value Management System

34.201 Policy.

(a)In accordance with OMB Circular A-11, agencies must require an Earned Value Management System (EVMS) in major acquisitions for development.

(b)For contracts with EVMS requirements, agencies must require contractor submission of monthly EVMS reports.

(c)EVMS requirements apply to subcontractors using the same rules as applied to the prime contractor.

(d)When a solicitation requires a contractor-proposed EVMS plan, agencies will determine adequacy of the plan prior to contract award.

34.202 Integrated Baseline Reviews.

When an EVMS is required, the agency will conduct an Integrated Baseline Review.

34.203 Contract clause.

Insert a clause that is substantially the same as the clause at FAR 52.234-4, Earned Value Management System, in solicitations and contracts that require a contractor to use an EVMS.