# AFARS – PART 5111 Describing Agency Needs

*(Revised 23 December 2019)*

[Subpart 5111.1 – Selecting and Developing Requirements Documents 1](#_Toc27990078)

[5111.103 Market acceptance. 1](#_Toc27990079)

[Subpart 5111.2 – Using and Maintaining Requirements Documents 1](#_Toc27990080)

[5111.274 Item identification and valuation requirements. 1](#_Toc27990081)

[5111.274-2 Policy for item unique identification. 1](#_Toc27990082)

[5111.274-2 (S-90) 2](#_Toc27990083)

[5111.274-2 (S-91) 2](#_Toc27990084)

[5111.274-6 Contract clauses. 2](#_Toc27990085)

[Subpart 5111.5 – Liquidated Damages 2](#_Toc27990086)

[5111.501 Policy. 2](#_Toc27990087)

[Subpart 5111.6 – Priorities and Allocations 2](#_Toc27990088)

[5111.602 General. 2](#_Toc27990089)

[5111.602-90 Responsibilities. 2](#_Toc27990090)

[5111.603 Procedures. 3](#_Toc27990091)

[Subpart 5111.7—Variation in Quantity 3](#_Toc27990092)

[5111.703 Contract Clauses 3](#_Toc27990093)

## Subpart 5111.1 – Selecting and Developing Requirements Documents

### 5111.103 Market acceptance.

(a) The Assistant Secretary of the Army (Acquisition, Logistics and Technology) has the authority to require offerors to demonstrate that items offered meet the standards as set forth in FAR 11.103(a). See Appendix GG for further delegation.

## Subpart 5111.2 – Using and Maintaining Requirements Documents

### 5111.274 Item identification and valuation requirements.

#### 5111.274-2 Policy for item unique identification.

(b)(1) The head of the contracting activity, on a non-delegable basis, has the authority to determine use of the items as described in DFARS 211.274-2.

(b)(2)(i)(B) The head of the contracting activity shall execute the determination and findings. See Appendix GG for further delegation.

#### 5111.274-2 (S-90)

The contracting officer shall include separately identifiable contract line items as described at DFARS 204.7103 for items, including items of contractor acquired property, that require item unique identification as identified in DFARS 211.274-2.

#### 5111.274-2 (S-91)

See AFARS 5142.1503(b)(2)(vi) for requirements to document contractor compliance with item unique identification in the Contractor Performance Assessment Reports System.

#### 5111.274-6 Contract clauses.

(a)(1) Use the clause at 252.211-7003, Item Identification and Valuation, in all solicitations and contracts for supplies.

(2) The contracting officer must obtain from the requiring activity a list of items with a unit value less than $5,000 that require unique identification. The contracting officer must enter those items into paragraph (c)(1)(ii) of the clause.

(3) As required in DFARS 252.211-7003(c)(1)(iii), include an attachment in the contract which lists embedded DoD serially managed subassemblies, components and parts that are uniquely identified.

## Subpart 5111.5 – Liquidated Damages

### 5111.501 Policy.

(d) The Assistant Secretary of the Army (Acquisition, Logistics and Technology) may reduce or waive the amount of liquidated damages under a contract, as described at FAR 11.501(d). See Appendix GG for further delegation.

## Subpart 5111.6 – Priorities and Allocations

### 5111.602 General.

#### 5111.602-90 Responsibilities.

The G-4 Business Transformation, Headquarters, U.S. Army Materiel Command is responsible for administering the Priorities and Allocations System within the Army.

### 5111.603 Procedures.

(e) See DoD 4400.1-M, Department of Defense Priorities and Allocations Manual. Direct questions about areas not covered in DoD 4400.1-M to:

G-4 Business Transformation

Headquarters, U.S. Army Materiel Command

4400 Martin Road

Redstone Arsenal, AL 35898.

### Subpart 5111.7—Variation in Quantity

### 5111.703 Contract Clauses

(c)(i) Insert the provision at AFARS 5152.211-9000, Evaluation of Subline Items, in solicitations when a fixed-price construction contract is contemplated and the clause at AFARS 5152.211-9001 is included in the solicitation.

(ii) In addition to the clause at FAR 52.211-18, insert the clause at AFARS 5152.211-9001, Variations in Estimated Quantities—Subline Items, in solicitations and contracts when—

(A) A fixed-price construction contract is contemplated that authorizes a variation in the estimated quantity of unit-priced items; and

(B) Those unit priced items will be subdivided into subline items and separately priced for payment purposes.