**AFARS – PART 5111**

**Describing Agency Needs**

*(Revised 01 October 2024)*

[Subpart 5111.1 – Selecting and Developing Requirements Documents 1](#_Toc150935037)

[5111.103 Market acceptance. 1](#_Toc150935038)

[5111.106 Cloud Requirements. 2](#_Toc150935039)

[5111.106 (S-90) 2](#_Toc150935040)

[5111.106 (S-91) 2](#_Toc150935041)

[5111.106 (S-92) 3](#_Toc150935042)

[Subpart 5111.2 – Using and Maintaining Requirements Documents 3](#_Toc150935043)

[5111.274 Item identification and valuation requirements. 3](#_Toc150935044)

[5111.274-2 Policy for item unique identification. 3](#_Toc150935045)

[5111.274-2 (S-90) 3](#_Toc150935046)

[5111.274-2 (S-91) 3](#_Toc150935047)

[5111.274-6 Contract clauses. 3](#_Toc150935048)

[Subpart 5111.5 – Liquidated Damages 4](#_Toc150935049)

[5111.501 Policy. 4](#_Toc150935050)

[Subpart 5111.6 – Priorities and Allocations 4](#_Toc150935051)

[5111.602 General. 4](#_Toc150935052)

[5111.602-90 Responsibilities. 4](#_Toc150935053)

[5111.603 Procedures. 4](#_Toc150935054)

[Subpart 5111.7—Variation in Quantity 4](#_Toc150935055)

[5111.703 Contract Clauses 4](#_Toc150935056)

### 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.

#### 5111.106 Cloud Requirements.

#### 5111.106 (S-90)

The Army Enterprise Cloud Management Agency (ECMA) is the central point for all efforts and processes related to cloud adoption across the Army. The ECMA established a standardized cloud architecture intended for use by all Army mission areas. Through ECMA, the Army must collect, consolidate, and report commercial cloud spending. To achieve this objective, ECMA implemented the Technology Business Management (TBM) taxonomy with associated General Services Administration Product Service Codes (PSCs) and Contract Line-Item Numbers (CLINs) to provide more accurate and comprehensive reporting of cloud investments. See Appendix HH – Cloud Computing for the TBM taxonomy.

#### 5111.106 (S-91)

ECMA provides enterprise-level contracts for commercial Cloud Service Providers (CSP) offerings, common services, and application migration support.  Where feasible and cost effective, the ECMA will leverage DoD Enterprise contracts such as the Joint Warfighting Cloud Capability (JWCC) contract; while establishing Army Enterprise Cloud Contracts based on mission requirements.

(a) Army requiring activities will continue to use the Cloud Account Management Optimization (CAMO) production contract for Impact Level (IL) 5 and below cloud requirements.

(b) Army requiring activities will leverage the DoD JWCC contract for all new non-intelligence Secret (IL 6) cloud requirements; however, the Army will continue to centrally manage the procurement of cloud resources through ECMA to comply with reporting and tracking requirements. Army requiring activities will contact ECMA at [armycloud@army.mil](mailto:armycloud@army.mil) with their cloud service offering (CSO).

(c) Army requiring activities with existing CSO procurements that fund CSO usage with other means (e.g., Other Direct Costs on existing contracts), will coordinate with ECMA to develop transition plans to the Army approved CSO contract vehicles.

(d) The Army will continue to centrally manage the procurement of all existing and new Intelligence Community (IC) Component and Top-Secret cloud requirements through the Army Military Intelligence Cloud Computing Service Provider (AC2SP), using the Commercial Cloud Services (C2S) and Commercial Cloud Enterprise (C2E) contracts through the IC CloudWorks Program Management Office. Army requiring activities with Intelligence CSO requirements will contact the HQDA-DCS-G2 for AC2SP.

#### 5111.106 (S-92)

All cloud requirements owners shall use the CLIN descriptions aligned to the prescribed PSCs, located in AFARS Appendix HH, for all new cloud-related requirements for entry into contract management and portfolio management systems. The requiring organization shall identify the cloud activity, the assigned TBM tower, and PSC to enable clear mapping of the requirement to an appropriate CLIN(s). The prescribed PSCs are further aligned to the designated TBM investment areas for government-wide reporting requirements. Cloud requirements owners shall include applicable Performance Work Statement language, identified in Appendix HH, and ensure all cloud-related requirements and resulting contract action(s) implement the Army’s Common Cloud Contracting Language.

### 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 Assistant Secretary of the Army (Acquisition, Logistics, and Technology) (ASA(ALT)), Deputy Assistant Secretary of the Army (Sustainment) (DASA-S), Industrial Base Directorate is responsible for administering the Defense Priorities and Allocations System for the Department of 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:

DASA-S, SAAL-IB; Email [usarmy.pentagon.hqda-asa-alt.list.DPA-Title-I@army.mil](mailto:usarmy.pentagon.hqda-asa-alt.list.DPA-Title-I@army.mil)

Office of the Deputy Assistant Secretary of the Army (Sustainment), Industrial Base Directorate

2530 Crystal Drive, 11th Floor

Arlington, VA 22202

### 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.