

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY**

DEPT: General Services Agency

BOARD AGENDA: 5.B.5  
AGENDA DATE: May 5, 2026

**SUBJECT:**

Approval of a Five-Year Lease Amendment with the United States Department of Agriculture for Office Space at 3800 Cornucopia Way, Modesto, for the Retroactive Term of August 1, 2025, Through July 31, 2030, and Related Matters

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2026-0212**

On motion of Supervisor Withdraw Seconded by Supervisor B. Condit  
and approved by the following vote,

Ayes: Supervisors: B. Condit, Withrow, Grewal, C. Condit, and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

**MOTION:**



ATTEST: MARY E. HARTSFIELD, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: General Services Agency

BOARD AGENDA:5.B.5  
AGENDA DATE: May 5, 2026

CONSENT:

CEO CONCURRENCE: YES

4/5 Vote Required: YES

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**SUBJECT:**

Approval of a Five-Year Lease Amendment with the United States Department of Agriculture for Office Space at 3800 Cornucopia Way, Modesto, for the Retroactive Term of August 1, 2025, Through July 31, 2030, and Related Matters

**STAFF RECOMMENDATION:**

1. Approve Amendment No. 7 to the lease with the United States Department of Agriculture (USDA) for the continued occupancy of approximately 7,480 square feet at the Stanislaus County Agricultural Center, located at 3800 Cornucopia Way in Modesto, for a retroactive term of August 1, 2025, through July 31, 2030, generating approximately \$1 million in revenue over the five-year term.
2. Authorize the General Services Agency Director/Purchasing Agent, or designee, to sign and execute the amendment.
3. Authorize the General Services Agency Director/Purchasing Agent, or designee, to execute the lease extension and any subsequent amendments to the lease agreement throughout the term of the agreement, consistent with the County Purchasing Policy and within budget authority.

**DISCUSSION:**

Stanislaus County has maintained a long-standing partnership with the United States Department of Agriculture (USDA) to support a 'one-stop-shopping' model for agricultural services. The USDA Service Center provides Stanislaus County farmers and agricultural producers with a single location to access services from the Farm Service Agency (FSA), Natural Resources Conservation Service (NRCS), and Rural Development agencies.

The USDA first occupied County facilities in 1995 at the County Center III site on Scenic Drive before relocating to the Agricultural Center Campus. The current leased premises at 3800 Cornucopia Way, Suite E, were established under Lease Amendment Number One in November 2004. Since then, the County and USDA have executed multiple lease amendments addressing lease extensions, rent schedules, tenant improvements which included construction of an Automatic Data Processing (ADP) server room, and administrative adjustments to services.

Most recently, Amendment Number Six extended the lease through July 31, 2025 and incorporated baseline Federal Acquisition Regulation (FAR) security provisions

prohibiting certain telecommunications equipment. Since August 2025, the lease has operated on a month-to-month basis while federal General Services Administration (federal GSA) representatives transitioned. The delay in formalizing the Amendment Number Seven was due to staff turnover on the federal GSA side. During this period, the parties agreed to an updated lease rate, necessitating a retroactive amendment to capture the revised terms effective August 1, 2025.

Lease Amendment Number Seven (Amendment) provides a five-year extension of the lease term, retroactive to August 1, 2025, through July 31, 2030, preserving the existing rentable area of 7,480 square feet for ongoing USDA service center operations. The Amendment maintains the gross-lease structure (a lease in which the landlord covers operating expenses), inclusive of janitorial services, utilities, and maintenance, consistent with prior Board of Supervisors (Board)-approved terms.

While the extension continues to generate rental revenue for the County and supports uninterrupted federal service delivery to local agricultural stakeholders, the Amendment also introduces significant new federal compliance, reporting, and monitoring obligations. These additional obligations are specific to federal leases. Key requirements include:

- **System for Award Management (SAM) Registration:** The County must maintain an active SAM registration for 'All Awards,' including completion of all required federal representations and certifications, prior to the lease award date.
- **Expanded FAR and federal GSA Technology and Security Prohibitions:** The amendment incorporates enhanced federal supply-chain security restrictions, including prohibitions on TikTok or successor applications provided by ByteDance, telecommunications or video-surveillance equipment from Huawei, ZTE, Hytera, Hikvision, or Dahua, hardware/software/services from Kaspersky Lab, and unmanned aircraft systems tied to covered foreign entities. The County is also prohibited from using any products or services restricted by the Office of Foreign Assets Control (OFAC), including transactions involving Cuba, Iran, Sudan, Burma, or North Korea.
- **Strict Incident-Reporting and Monitoring Requirements:** If the County identifies or is informed of prohibited technologies or services used in contract performance, it must report detailed supply-chain information to the Contracting Officer within 72 hours. The County must review the SAM database quarterly for new Federal Acquisition Supply Chain Security Act (FASCSA) orders, conduct reasonable inquiries, and pass down FAR 52.240-91 (supply chain security prohibitions) to all subcontractors. General Services Agency (GSA) may conduct compliance reviews to ensure adherence.

County staff continue to maintain a strong and collaborative working relationship with the USDA and federal GSA personnel. Approval of this amendment ensures continuity of federal agricultural programs that directly benefit Stanislaus County residents while preserving productive use of County-owned facilities.

#### **POLICY ISSUE:**

The County's purchasing policy ([Board Resolution 2025-0376](#)) requires Board approval for contracts exceeding \$200,000 per contract year, and for multi-year contracts which exceed \$200,000 during the term of the contract. This requirement is based upon

California Government Codes §25212, et seq, and §25502.5, et seq., which establish the powers of the Board and the Purchasing Agent.

Additionally, Section 13.4 of the Stanislaus County Purchasing and Salvage Policy requires a four-fifths vote of the Board to approve County leases or lease extensions.

**FISCAL IMPACT:**

Under the Amendment, the USDA paid a lease rate of \$2.11 per square foot per month for the retroactive period of August 1, 2025, through September 30, 2025. The rent increased to \$2.24 per square foot per month effective October 1, 2025, and will remain at that rate through July 31, 2030. Due to this amendment being retroactive, both rate periods have already taken effect.

If approved, the lease amendment with the USDA will generate approximately \$1 million in revenue over the five-year term as indicated in the chart below:

<b>Lease Year</b>	<b>Annual Rent</b>
Year 1	\$199,119.60
Year 2	\$201,064.80
Year 3	\$201,064.80
Year 4	\$201,064.80
Year 5	\$201,064.80
<b>Total</b>	<b>\$1,003,378.80</b>

All revenue from this lease will be deposited into the Chief Executive Office’s Discretionary Revenue budget.

**BOARD OF SUPERVISORS’ PRIORITY:**

Approval of the recommended actions supports the Board’s priority of *Delivering Efficient Public Services* by maintaining collaboration with federal agencies and ensuring the effective use of County-owned space.

**STAFFING IMPACT:**

Existing staff in the General Services Agency will successfully complete and execute this lease.

**CONTACT PERSON:**

Andrew Johnson, Stanislaus County GSA Director/Purchasing Agent  
(209) 525-4380

Cody Nelson, Real Estate Program Manager  
(209) 525-4380

**ATTACHMENT(S):**

1. Amendment No. 7

<b>UNITED STATES DEPARTMENT OF AGRICULTURE</b>  <b>LEASE AMENDMENT</b>	LEASE AMENDMENT No. 7
	TO LEASE NO. 57-9104-005
ADDRESS OF PREMISES Modesto USDA Service Center 3800 CORNUCOPIA WAY, SUITE E Modesto, CA 95354	GREX DELEGATION NO.: DCA10704-002 RPUID NO: 4335054320 EUID NO: JVUBT686JGX7

**THIS AMENDMENT** is made and entered into between **County of Stanislaus (California)**

whose address is: **1010 10<sup>th</sup> Street, Suite 5100, Modesto, CA 95354-0872**

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

**WHEREAS**, the parties hereto desire to amend the above Lease to extend the term of the Lease.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective August 1, 2025, as follows:

**A.** Paragraph 2, "TO HAVE AND TO HOLD" of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

"To Have and To Hold the said Premises with its appurtenances for the term beginning upon November 1, 2004, through July 31, 2030, subject to termination and renewal rights as may be hereinafter set forth."

**B.** Rentable Square Footage (RSF) remains 7,480 and ANSI/BOMA Square Footage (ABOA) remains 7,480.

**C.** Paragraph 3 "The Government shall pay the Lessor" is hereby deleted in its entirety and the following is inserted in lieu thereof:

This Lease Amendment contains 11 pages.

All other terms and conditions of the lease shall remain in force and effect.  
IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

**FOR THE LESSOR:**

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Entity: \_\_\_\_\_  
Date: \_\_\_\_\_

**FOR THE GOVERNMENT:**


Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Lease Contracting Officer  
United States Department of Agriculture, USDA  
Date: \_\_\_\_\_

**WITNESSED FOR THE LESSOR BY:**

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

**Thomas Boze, County Counsel**

Signature:  \_\_\_\_\_  
Thomas Boze (Apr 29, 2026 15:09:13 PDT)

“A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	EFFECTIVE 08/01/2025 – 9/30/2025	EFFECTIVE 10/01/2025 – 07/31/2030
	ANNUAL RENT	ANNUAL RENT
SHELL RENT	\$ 134,640.00	\$ 134,640.00
OPERATING COSTS*	\$ 54,753.60	\$ 66,424.80
<b>ANNUAL RENT</b>	<b>\$ 189,393.60</b>	<b>\$ 201,064.80</b>

*Effective 08/01/2025 – 09/30/2025*

*Annual Rental Rate (rounded) of \$25.32 per RSF reflects rental rate breakdown as follows:*

*Shell Rent \$18.00 per RSF (rounded)*

*Operating Costs \$7.32 per RSF (rounded)*

*Effective 10/01/2025 – 07/31/2030*

*Annual Rental Rate (rounded) of \$26.88 per RSF reflects rental rate breakdown as follows:*

*Shell Rent \$18.00 per RSF (rounded)*

*Operating Costs \$8.88 per RSF (rounded)*

- D. The clauses contained in the attachment “Additional FAR and GSAR Clauses for Lease Extensions and Renewals” are hereby attached to and incorporated into the Lease.
- E. The Lessor must have an active registration in the System for Award Management (SAM), via the Internet at <https://www.sam.gov/SAM/> prior to the Lease Award Date. Offerors must be registered for purposes of “All Awards,” including completion of all required representations and certifications within SAM. This registration service is free of charge.

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**ADDITIONAL FAR AND GSAR CLAUSES FOR LEASE EXTENSIONS**

The following clauses are hereby incorporated into the Lease and replace any prior versions of these clauses contained in the Lease or its attachments:

1) 52.240-91 SECURITY PROHIBITIONS AND EXCLUSIONS (NOV 2025 – GSA Class Deviation RFO-2025-40)

As prescribed in 40.205(b), insert the following clause:

Security Prohibitions and Exclusions (Deviation Date)

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

*American Security Drone Act-covered foreign entity* means an entity included on a list that the Federal Acquisition Security Council (FASC) develops and maintains and publishes in the System for Award Management (SAM) at [HTTPS://WWW.SAM.GOV](https://www.sam.gov) (section 1822 of Pub. L. 118-31, 41 U.S.C. 3901 note prec.).

*Backhaul* means intermediate links between the core network, or backbone network, and the small subnetworks at the edge of the network (e.g., connecting cell phones/towers to the core telephone network). Backhaul can be wireless (e.g., microwave) or wired (e.g., fiber optic, coaxial cable, Ethernet).

*Covered application* means the social networking service TikTok or any successor application or service developed or provided by ByteDance Limited or an entity owned by ByteDance Limited.

*Covered article*, as defined in 41 U.S.C. 4713(k), means:

- (1) Information technology, as defined in 40 U.S.C. 11101, including cloud computing services of all types;
- (2) Telecommunications equipment or telecommunications service, as those terms are defined in section 3 of the Communications Act of 1934 (47 U.S.C. 153);
- (3) The processing of information on a Federal or non-Federal information system, subject to the requirements of the Controlled Unclassified Information program (see 32 CFR part 2002); or
- (4) Hardware, systems, devices, software, or services that include embedded or incidental information technology.

*Covered foreign country* means The People's Republic of China.

*Covered telecommunications equipment or services* means—

- (1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);
- (2) For the purpose of public safety, security of Government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);
- (3) Telecommunications or video surveillance services provided by such entities or using such equipment; or
- (4) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of National Intelligence or the Director of the Federal Bureau of

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Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

*Critical technology* means—

- (1) Defense articles or defense services included on the United States Munitions List set forth in the International Traffic in Arms Regulations under subchapter M of chapter I of title 22, Code of Federal Regulations;
- (2) Items included on the Commerce Control List set forth in Supplement No. 1 to part 774 of the Export Administration Regulations under subchapter C of chapter VII of title 15, Code of Federal Regulations, and controlled—
  - (i) Pursuant to multilateral regimes, including for reasons relating to national security, chemical and biological weapons proliferation, nuclear nonproliferation, or missile technology; or
  - (ii) For reasons relating to regional stability or surreptitious listening;
- (3) Specially designed and prepared nuclear equipment, parts and components, materials, software, and technology covered by part 810 of title 10, Code of Federal Regulations (relating to assistance to foreign atomic energy activities);
- (4) Nuclear facilities, equipment, and material covered by part 110 of title 10, Code of Federal Regulations (relating to export and import of nuclear equipment and material);
- (5) Select agents and toxins covered by part 331 of title 7, Code of Federal Regulations, part 121 of title 9 of such Code, or part 73 of title 42 of such Code; or
- (6) Emerging and foundational technologies controlled pursuant to section 1758 of the Export Control Reform Act of 2018 (50 U.S.C. 4817).

*FASC-prohibited unmanned aircraft system* means an unmanned aircraft system manufactured or assembled by an American Security Drone Act—covered foreign entity.

*FASCSA order* means any of the following orders issued under the Federal Acquisition Supply Chain Security Act (FASCSA) requiring removing covered articles from executive agency information systems or excluding one or more named sources or named covered articles from executive agency procurement actions, as described in 41 CFR 201-1.303(d) and (e):

- (1) The Secretary of Homeland Security may issue FASCSA orders that apply to civilian agencies, to the extent not covered by paragraph (2) or (3) of this definition. This type of FASCSA order may be referred to as a Department of Homeland Security (DHS) FASCSA order.
- (2) The Secretary of Defense may issue FASCSA orders that apply to the Department of Defense (DoD) and national security systems other than sensitive compartmented information systems. This type of FASCSA order may be referred to as a DoD FASCSA order.
- (3) The Director of National Intelligence (DNI) may issue FASCSA orders that apply to the intelligence community and sensitive compartmented information systems, to the extent not covered by paragraph (2) of this definition. This type of FASCSA order may be referred to as a DNI FASCSA order.

*Information technology*, as defined in 40 U.S.C. 11101(6)—

- (1) Means any equipment or interconnected system or subsystem of equipment, used in the automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange,

transmission, or reception of data or information by the executive agency, if the equipment is used by the executive agency directly or is used by a contractor under a contract with the executive agency that requires the use—

- (i) Of that equipment; or
  - (ii) Of that equipment to a significant extent in the performance of a service or the furnishing of a product;
- (2) Includes computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including support services), and related resources; but
- (3) Does not include any equipment acquired by a Federal contractor incidental to a Federal contract.

*Intelligence community*, as defined by 50 U.S.C. 3003(4), means the following—

- (1) The Office of the Director of National Intelligence;
- (2) The Central Intelligence Agency;
- (3) The National Security Agency;
- (4) The Defense Intelligence Agency;
- (5) The National Geospatial-Intelligence Agency;
- (6) The National Reconnaissance Office;
- (7) Other offices within the Department of Defense for the collection of specialized national intelligence through reconnaissance programs;
- (8) The intelligence elements of the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, the Federal Bureau of Investigation, the Drug Enforcement Administration, and the Department of Energy;
- (9) The Bureau of Intelligence and Research of the Department of State;
- (10) The Office of Intelligence and Analysis of the Department of the Treasury;
- (11) The Office of Intelligence and Analysis of the Department of Homeland Security; or
- (12) Such other elements of any department or agency as may be designated by the President, or designated jointly by the Director of National Intelligence and the head of the department or agency concerned, as an element of the intelligence community.

*Interconnection arrangements* means arrangements governing the physical connection of two or more networks to allow the use of another's network to hand off traffic where it is ultimately delivered (e.g., connecting a customer of telephone provider A to a customer of telephone company B) or sharing data and other information resources.

*Kaspersky Lab-covered article* means any hardware, software, or service that—

- (1) Is developed or provided by a Kaspersky Lab-covered entity;

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(2) Includes any hardware, software, or service developed or provided in whole or in part by a Kaspersky Lab-covered entity; or

(3) Contains components using any hardware or software developed in whole or in part by a Kaspersky Lab-covered entity.

*Kaspersky Lab-covered entity* means—

- (1) Kaspersky Lab;
- (2) Any successor entity to Kaspersky Lab, including any change in name, e.g., “Kaspersky”;
- (3) Any entity that controls, is controlled by, or is under common control with Kaspersky Lab; or
- (4) Any entity of which Kaspersky Lab has a majority ownership.

*National security system*, as defined in 44 U.S.C. 3552, means any information system (including any telecommunications system) used or operated by an agency or by a contractor of an agency, or other organization on behalf of an agency—

(1) The function, operation, or use of which involves intelligence activities; involves cryptologic activities related to national security; involves command and control of military forces; involves equipment that is an integral part of a weapon or weapons system; or is critical to the direct fulfillment of military or intelligence missions, but does not include a system that is to be used for routine administrative and business applications (including payroll, finance, logistics, and personnel management applications); or

(2) Is protected at all times by procedures established for information that have been specifically authorized under criteria established by an Executive order or an Act of Congress to be kept classified in the interest of national defense or foreign policy.

*Roaming* means cellular communications services (e.g., voice, video, data) received from a visited network when unable to connect to the facilities of the home network either because signal coverage is too weak or because traffic is too high.

*Sensitive compartmented information* means classified information concerning or derived from intelligence sources, methods, or analytical processes, which is required to be handled within formal access control systems established by the Director of National Intelligence.

*Sensitive compartmented information system* means a national security system authorized to process or store sensitive compartmented information.

*Source* means a non-Federal supplier, or potential supplier, of products or services, at any tier.

*Subsidiary* means an entity in which more than 50 percent of the entity is owned directly by a parent corporation or through another subsidiary of a parent corporation.

*Substantial or essential component* means any component necessary for the proper function or performance of a piece of equipment, system, or service.

*Unmanned aircraft* means an aircraft that is operated without the possibility of direct human intervention from within or on the aircraft (49 U.S.C. 44801(11)).

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*Unmanned aircraft system* means an unmanned aircraft and associated elements (including communication links and the components that control the unmanned aircraft) that are required for the operator to operate safely and efficiently in the national airspace system (49 U.S.C. 44801(12)).

(b) *Prohibitions on providing or using specific products or services in performance of contract.* Unless a waiver or exception applies, the Contractor is prohibited from providing any products or services to the Government or using in the performance of the contract any of the following:

(1) A covered application on any information technology owned or managed by the Government, or on any information technology used or provided by the Contractor under this contract, including equipment provided by the Contractor's employees (section 102 of Division R of the Consolidated Appropriations Act, 2023 (Pub. L. 117-328));

(2) A Kaspersky Lab-covered article (Section 1634 of Division A of the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. 115-91));

(3) Covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system (paragraphs (a)(1)(A) of section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232)). This does not prohibit contractors from providing—

(i) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or

(ii) Telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(c) Prohibition on unmanned aircraft systems manufactured or assembled by American Security Drone Act—covered foreign entities.

(1) Prohibition. The Contractor is prohibited from—

(i) Delivering any FASC-prohibited unmanned aircraft system, which includes unmanned aircraft (i.e., drones) and associated elements (sections 1823 and 1826 of American Security Drone Act of 2023, within the National Defense Authorization Act for Fiscal Year 2024, Pub. L. 118-31, Div. A, Title XVIII, Subtitle B, 41 U.S.C. 3901 note prec.);

(ii) On or after December 22, 2025, operating a FASC-prohibited unmanned aircraft system in the performance of the contract (section 1824 of Pub. L. 118-31); and

(iii) On or after December 22, 2025, using Federal funds to procure or operate a FASC-prohibited unmanned aircraft system (section 1825 of Pub. L. 118-31).

(2) *Procedures.* The Contractor shall search SAM for the FASC-maintained list of American Security Drone Act—covered foreign entities before proposing, or using in performance of the contract, any unmanned aircraft system. Also, the Contractor shall ensure any effort or expenditure associated with a FASC-prohibited unmanned aircraft system is consistent with a corresponding exemption, exception, or waiver determination expressly stated in the contract.

(3) *Exemptions, exceptions, and waivers.* The prohibitions in paragraph (c) of this clause do not apply where the agency has determined an exemption, exception, or waiver applies, and the contract indicates that such a determination has been made. See sections 1823 through 1825 and 1832 of Public Law 118-31 for statutory requirements pertaining to exemptions, exceptions, and waivers.

(d) *Prohibition on using or providing specific products or services or conducting certain transactions regardless of connection to contract.*

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(1) *Certain telecommunications and video surveillance equipment, systems, or services.*

(i) Unless an applicable waiver has been issued by the Government, the Contractor cannot use any equipment, systems, or services that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system (paragraph (a)(1)(B) of section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232)).

(ii) This prohibition applies to using covered telecommunications equipment or services, regardless of whether that use is in performance of work under a Federal contract. This does not prohibit the contractor from using—

(A) A service that connects to the facilities of a third party, such as backhaul, roaming, or interconnection arrangements; or

(B) Telecommunications equipment that cannot route or redirect user data traffic or cannot permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(2) *Office of Foreign Assets Control Restrictions.*

(i) Except as authorized by the Office of Foreign Assets Control (OFAC) in the Department of the Treasury, the Contractor shall not acquire, for use in the performance of this contract, any supplies or services if any proclamation, Executive order, or statute administered by OFAC, or if OFAC's implementing regulations at 31 CFR chapter V, would prohibit such a transaction by a person subject to the jurisdiction of the United States.

(ii) Except as authorized by OFAC, most transactions involving Cuba, Iran, and Sudan are prohibited, as are most imports from Burma or North Korea, into the United States or its outlying areas.

(A) For lists of entities and individuals subject to economic sanctions, see OFAC's List of Specially Designated Nationals and Blocked Persons at [HTTPS://HOME.TREASURY.GOV/POLICY-ISSUES/FINANCIAL-SANCTIONS/SPECIALLY-DESIGNATED-NATIONALS-AND-BLOCKED-PERSONS-LIST-SDN-HUMAN-READABLE-LISTS](https://home.treasury.gov/policy-issues/financial-sanctions/specially-designated-nationals-and-blocked-persons-list-sdn-human-readable-lists).

(B) For more information about these restrictions, as well as updates, see OFAC's regulations at 31 CFR chapter V and at [HTTPS://HOME.TREASURY.GOV/POLICY-ISSUES/OFFICE-OF-FOREIGN-ASSETS-CONTROL-SANCTIONS-PROGRAMS-AND-INFORMATION](https://home.treasury.gov/policy-issues/office-of-foreign-assets-control-sanctions-programs-and-information).

(C) To conduct electronic screens of potential parties to regulated transactions, see the consolidated screening list at [HTTPS://WWW.TRADE.GOV/CONSOLIDATED-SCREENING-LIST](https://www.trade.gov/consolidated-screening-list), which consolidates multiple export screening lists of the Departments of Commerce, State, and the Treasury.

(3) *Sudan prohibition.* The Contractor is prohibited from conducting any restricted business operations in Sudan in accordance with Accountability and Divestment Act of 2007 (Pub. L. 110-174).

(4) *Iran prohibitions.*

(i) Unless an exception applies according to paragraph (d)(4)(iii) or the Government grants a waiver, the contractor shall not engage in certain activities or transactions relating to Iran (section 6(b)(1)(A) of Iran Sanctions Act (50 U.S.C. 1701 note)).

(ii) Unless an exception applies according to paragraph (d)(4)(iii) or the Government grants a waiver, contractor shall not export certain sensitive technology to Iran, as determined by the President, and has an active exclusion in SAM (22 U.S.C. 8515).

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(iii) The prohibition in paragraphs (d)(4)(i) and (d)(4)(ii) do not apply if the acquisition is subject to trade agreements and the offeror certifies that all the offered products are designated country end products or designated country construction material (see part 25).

(iv) Unless an exception applies or the Government grants a waiver, contractors are prohibited from knowingly engaging in any significant transaction (i.e., over \$15,000) with Iran's Revolutionary Guard Corps or any of its officials, agents, or affiliates, the property and interests in property of which are blocked according to the International Emergency Economic Powers Act (section 6(b)(1)(B) of Iran Sanctions Act (50 U.S.C. 1701 note)).

(e) *Governmentwide exclusion and removal orders.*

(1) Unless the Government has issued an applicable waiver, contractors shall not provide or use as part of the performance of the contract any covered article, or any products or services produced or provided by a source, if the covered article or the source is prohibited by an applicable FASCSA order as follows:

(i) For solicitations and contracts awarded by a Department of Defense contracting office, DoD FASCSA orders apply.

(ii) For all other solicitations and contracts, DHS FASCSA orders apply.

(2) The Contractor shall search for the phrase "FASCSA order" in the System for Award Management (SAM) at [HTTPS://WWW.SAM.GOV](https://www.sam.gov) to locate applicable FASCSA orders.

(3) The Government may identify in the solicitation other FASCSA orders that are not in SAM, which are effective and apply to the solicitation and resulting contract.

(4) A FASCSA order issued after the date of solicitation applies to this contract only if added by an amendment to the solicitation or modification to the contract (see FAR 40.204-1(c)).

(f) *Reasonable inquiry.* The contractor shall conduct a reasonable inquiry to determine if there are any prohibited products or services. The inquiry will look at any information in the entity's possession but does not need to include an internal or third-party audit.

(g) *Removal of prohibited products and services.* For Federal Supply Schedules, Governmentwide acquisition contracts, multi-agency contracts or any other procurement instrument intended for use by multiple agencies, upon notification from the Contracting Officer, during the performance of the contract, the Contractor shall promptly make any necessary changes or modifications to remove any product or service produced or provided by a source that this clause prohibits.

(h) *General report.*

(1) If the Contractor identifies or is notified by any source, (including a subcontractor at any tier), that any product or service provided or used (or to be provided or used) during contract performance does not comply with any prohibition in this clause, then the Contractor shall report the following information, or as much information is known, in writing to the contracting office as identified in paragraph (h)(2) within 72 hours:

(i) Contract number and order number, if applicable;

(ii) The specific prohibition the product or service is not complying with;

(iii) A description of the products or services that the Contractor identifies or has reason to suspect is prohibited (include brand; model number, such as the original equipment manufacturer (OEM) number, manufacturer part number, or wholesaler number; and item description, as applicable);

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(iv) The entity that produced the product or service (include entity name, unique entity identifier, Contractor and Government Entity (CAGE) code, facilities responsible for design, fabrication, assembly, packaging, and test of the product, and whether the entity was the OEM or a distributor (provide manufacturer codes and distributor codes used for the product));

(v) Description of the functionality of the product or service and how that functionality impacts the risk to the product or service;

(vi) An explanation of any factors relevant to determining if the product or service should be permitted by an applicable exception, exemption, or waiver (if the contractor would like the Government to consider a waiver, and asks for such a waiver);

(vii) Whether alternative products or services are available that would comply with the prohibition;

(viii) If the product or service is related to item maintenance, include the following information on the item being maintained:

(A) Brand;

(B) Model number, OEM number, manufacturer part number, or wholesaler number; and

(C) Item description, as applicable.

(ix) Any readily available information about mitigation actions implemented or recommended.

(2) If a report must be submitted to a contracting office, the Contractor shall submit the report as follows:

(i) If a Department of Defense contracting office, the Contractor shall report to the website at <HTTPS://DIBNET.DOD.MIL>.

(ii) For all other contracting offices, the Contractor shall report to the Contracting Officer.

(iii) For indefinite delivery contracts, the Contractor shall report to both the contracting office for the indefinite delivery contract and the contracting office for any affected order.

(3) If the report provided does not contain any of the information required by paragraph (h)(1) of this clause, and the contractor later discovers new information that is required by paragraph (h)(1) of this clause, then the contractor shall submit a subsequent report within 72 hours of discovering the new information.

(4) The contractor shall also report the information in paragraph (h)(1) if the contractor wishes to ask for a waiver of the requirements of a new FASCSA order being applied through modification.

(i) *New FASCSA orders report.*

(1) During contract performance, the Contractor shall review SAM at least once every three months, or as advised by the Contracting Officer, to check for covered articles subject to FASCSA order(s), or for products or services produced by a source subject to FASCSA order(s) not currently identified under paragraph (e) of this clause.

(2) If the Contractor identifies a new FASCSA order(s) that could impact their supply chain, then the Contractor shall conduct a reasonable inquiry to identify whether a covered article or product or service produced or provided by a source subject to the FASCSA order(s) was provided to the Government or used during contract performance. The inquiry will look at any information in the entity's possession but does not need to include an internal or third-party audit.

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(3) The Contractor shall submit a report to the contracting office identified in paragraph (h)(2) of this clause if the Contractor identifies, including through any notification by a subcontractor at any tier, that a covered article or product or service produced or provided by a source was provided to the Government or used during contract performance and is subject to a FASCSA order(s). For indefinite delivery contracts, the Contractor shall report to both the contracting office for the indefinite delivery contract and the contracting office for any affected order. The Contractor shall report the following information within 72 hours for each covered article or each product or service produced or provided by a source, where the covered article or source is subject to a FASCSA order:

- (i) Contract number and order number, if applicable;
- (ii) Name of the covered article or source subject to a FASCSA order;
- (iii) The specific FASCSA order the product or service does not comply with;
- (iv) The elements of (h)(1)(iii) through (ix) of this clause.

(j) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (j) but excluding subparagraphs (d)(1) and (i)(1), in all subcontracts and other contractual instruments, including subcontracts for acquiring commercial products or commercial services.

**2) 552.270-33 INTENTIONALLY DELETED**

**3) 552.270-34 INTENTIONALLY DELETED**

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