



# CORAS Bulletin

Office of Emergency and Remedial Response  
Office of Program Management OS-240

Intermittent Bulletin  
Volume 2 Number 2

## HOW MUCH DO YOU KNOW ABOUT CONTRACT TERMINATIONS?

- When is it in the government's best interest to terminate a contract?
- What FAR principles govern contract terminations?
- How difficult is it to terminate a contract?
- What costs may contractor recover?
- Who is authorized to terminate a contract?

These are important questions, and as EPA program management staff, you have a duty to know the answers. In an effort to facilitate greater understanding of contract terminations, the CORAS Bulletin will publish two articles which discuss the issues and considerations relating to different types of terminations. This article focuses on termination of government contracts for convenience, while the second article will discuss termination for default.

All government contracts include some form of the Termination for Convenience clause (FAR 52.249-2). The government may terminate all or part of a contract. Under the Termination for Convenience clause, the government has a unilateral right to cancel work under a contract

whenever it determines that it is in its best interest. This means that the government may terminate the contract without cause and without the consent of the contractor; it does not mean that the Contracting Officer can abuse his/her discretion in exercising the government's right to terminate. There must be a justifiable reason for termination. For example, advances in technology, changes in strategic planning, and budgetary or funding considerations are all instances when it may be in the best interest of the government to terminate a contract for convenience. It is not, however, a decision that can be made lightly. Cancellation of the work under a contract may be an expensive and time consuming course of action and may result in litigation.



In exchange for the government's right to terminate, the contractor is entitled to recover monetary compensation, not previously paid the contractor. Recoverable expenses include both costs guaranteed under the contract regardless of termination as well as costs created by early termination. As outlined in the regulations (FAR 52.249-6), recoverable costs include the following:

- **Costs incurred in connection with contract performance until the effective termination date**
- **Costs that may continue for a reasonable time with contracting officer's approval or direction, provided that those costs are discontinued as rapidly as practicable**
- **Profit or fee commensurate with the percentage of work completed**
- **Costs of settling and paying claims on subcontracts or orders affected by termination**
- **Reasonable costs of settling the work terminated, including accounting, legal, clerical, and other expenses to prepare termination settlement proposals and supporting data; termination and settlement subcontracts; and storage, transportation, and other expenses for termination inventory.**

In addition to the recoverable costs explicitly listed in the FAR, the Board of Contract Appeals has allowed contractors to recover depreciation, insurance, maintenance, facilities capital, overhead, and advertising expenses.

The contractor must demonstrate a reasonable effort to discontinue costs. It is the contractor's "reasonable business judgement" that determines the length of the period of reimbursement after termination. FAR 32.204-42 contains the following broad guidance on the allowability of costs which continue after termination:

**Costs continuing after termination:**

Despite all reasonable efforts by the contractor, costs which cannot be discontinued immediately after the effective date of termination are generally allowable. However, any costs continuing after termination due to the negligent or willful failure of the contractor to discontinue the costs shall be unallowable.

In addition to costs paid under the contract, there may be extensive administrative effort required on the part of EPA with respect to the various actions necessary to complete the termination settlement (e.g., evaluation of settlement proposal, negotiation of settlement, protection and disposal of government property).

"Because of the legal ramifications and possible high costs to the government involved with a termination, a Contracting Officer, in consultation with higher level program and contract management

authorities and legal counsel, is the only person who may initiate and sign a termination notice. As outlined in FAR 49.102, a termination notice must contain the following information:

- **Effective date of termination**
- **Extent of termination (i.e., whether all or part of the contract will be terminated)**
- **Any special instructions on termination**

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FAR 49.601 contains suggested formats for contract termination notices.

"Upon receipt of the termination notice, the contractor has one year in which to submit its settlement proposal. The Contracting Officer then reviews the settlement proposal and negotiates a settlement. If the contractor's settlement proposal is \$25,000 or more, the Contracting Officer refers the proposal to the appropriate audit agency for review. If the contractor disagrees with the cost settlement, it may file a petition with the Contract Board of Appeals or the Claims Court."

Remember that while EPA has the right to terminate contracts for convenience, there may be considerable costs involved for the Agency which may not justify termination. Project and Contracting Officers must carefully consider the amount of time, effort, and money involved before making a decision to terminate a contract for convenience. In the next article, we will discuss the issues and considerations relating to contract terminations for default.

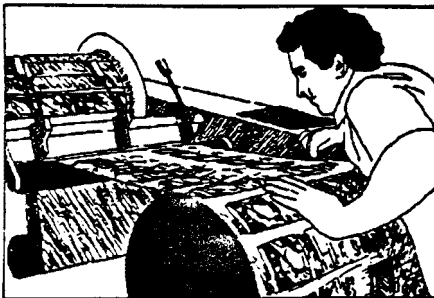




# Printing Management Circular

## ***SPECIAL ISSUE***

### **TO ALL MANAGERS AND SUPERVISORS**



#### **IN THIS ISSUE**

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In an effort to continue to provide the best service to our customers I would like to bring the following items to your attention.

With the advent of "user-friendly" desktop publishing systems, many offices are generating camera copy for their publications and newsletters within their own offices. Many times the copy contains computer generated screen tints and process color separations. The traditional method for this requirement is a ruby-lith overlay placed in position on the artwork with instructions to the printer as to the percentage of screen tint to be provided. Based on lessons learned over the past several months, it is highly recommended that all screen tints be generated in the traditional manner rather than providing computer generated screens. The traditional method provides the printer greater control over the final product with any corrections necessary made at his facility. If the screen tints are computer generated and the printer is experiencing problems maintaining quality, the originator will have to provide new camera copy and/or the computer disk. This process will delay any printing schedules established. We will continue to accept camera copy with computer generated screen tints for all work produced in-house in the EPA Printing Plant, however, for external printing through a GPO contractor, the originator must be willing to accept best results possible if no overlays for printer generated screens are provided. If you have any questions on this procedure, you may contact me or my staff at 260-2125.

James M. Anderson  
Printing Officer/Chief  
Printing Services Section

A handwritten signature in cursive script that reads "James M. Anderson".

# Prohibition of Printing Services Under EPA Contracts

Recently David J. O'Connor, Director, Procurement and Contracts Management Division sent a memo to HQ Senior Budget Officers, Deputy Regional Administrator, and Laboratory Directors regarding printing services under contracts. The text of this memo is included here for your information.

*"I wish to bring to your attention the prohibition against contractors and subcontractors providing printing services in connection with the performance of work under a contract. The Government Printing and Binding Regulations issued by the Joint Committee on Printing (JCP) mandate that contractors or subcontractors shall not become*

*prime or substantial sources of printing for Federal agencies.*

*Unless otherwise specified in the contract, or approved in writing by the Contracting Officer, contractors may not engage in, nor subcontract for, any printing in connection with the performance of work under an EPA contract. The term 'printing' includes: composition, plate making, presswork, binding, microform publishing, or the end items produced by such processes. All printing must be obtained through EPA's printing plant at Headquarters (FTS 260-2125), which is an approved Government Printing Office field printing plant. [Editors Note: Or Field Printing Control Officers].*

*EPA Contractors may provide 'duplication services', but only within specified limits. Duplication services are not the same as printing and binding. Duplication is the making of photocopies, i.e., 'xeroxing'. EPA contractors may duplicate less than*

*5,000 units of one page, or less than 25,000 units in the aggregate of multiple pages for any individual requirement. If performance of the contract will require reproduction in excess of these limits, program offices should make arrangements with the printing plant for the performance of the duplication services. In unusual circumstances, the Contracting Officer [through Printing Services Section] may seek a waiver from the JCP for performance of such services by a contractor.*

*Please ensure that copies of this memorandum reach those members of your organization who manage contracts. We have also notified EPA active contractors of the prohibition of providing printing services under EPA contracts.*

*Please direct any questions on this guidance to Paul Schaffer of the Procurement Policy Staff on FTS 260-9032."*

## PRINTING SERVICES STAFF

Washington, D.C.  
FTS 382-2128

Printing Officer  
James Anderson

### Printing Specialists

Randall Bacon Dan Bell  
Patricia Blacknall Linda Creasey  
Roberta Hinton

## REGIONAL/FIELD PRINTING CONTROL OFFICERS

### Region I — Boston, MA

Bill Holbrook . . . . . 835-3374

### Region II — New York, NY

Carol Equo . . . . . 264-1414

### Region III — Philadelphia, PA

Bill Dixon . . . . . 597-6155

### Region IV — Atlanta, GA

Victor Emory . . . . . 257-7031

### Region V — Chicago, IL

Hedrick Partee . . . . . 886-7544

### Region VI — Dallas, TX

Alma Adams . . . . . 255-6570

### Region VII — Kansas City, KS

Shannon Campbell . . . . . 757-2828

### Region VIII — Denver, CO

Benton Jordan . . . . . 564-1635

### Region IX — San Francisco, CA

Fred Cordini . . . . . 484-1662

### Region X — Seattle, WA

Christopher Moffet . . . . . 399-4114

### ERL — Research Triangle Park, NC

Judy Elkins . . . . . 629-7627

### ERL — Las Vegas, NV

Brian Spavin . . . . . 545-2591

### ERL — Cincinnati, OH

Bob Morrison . . . . . 684-7478

### ERL — Corvallis, OR

Maggie Rea . . . . . 420-4651

### ERL — Montgomery, AL

Dr. Charles Petko . . . . . 288-3411

### NEIC — Denver, CO

Jane Chadbourne . . . . . 776-2381

### ERL — Athens, GA

Pam Gunter . . . . . 546-2300

### ERL — Ann Arbor, MI

Marion McQueen . . . . . 374-8217

### ERL — Duluth, MN

Evelyn Hunt . . . . . 780-5578

### ERL — Ada, OK

Barbara L. Marion . . . . . 743-2217

### ERL — Narragansett, RI

Sandy Barrington . . . . . 838-6121

## Contract Operations Review and Assessment Staff

We would like to take this opportunity to welcome to the CORAS Bulletin the Remedial Project Managers, the On Scene Coordinators and the Site Assessment Managers. Hopefully, you will find the CORAS Bulletin full of wonderful information on Superfund contract management. If you need back issues of the CORAS Bulletin, please feel free to contact Jalaria Ellis on FTS-260-8533. If you have comments, or suggested topics for articles please see our comments page.

CORAS has had a few changes to its appearance. Three staff members have taken details: Linda Garczynski to the revitalization team, John Comstock to Hazardous Site Control Division to work with RAC implementation, and Kay Waters to serve as special assistant to the Office of Program Management Director.

Three staff members have been detailed into CORAS to provide continuing support and coordination to the Delivery of Analytical Services (DAS) project: Kerry Kelly will serve as staff lead for the DAS project. Lynn Beasley comes from the Office of Hazardous Site Evaluation Division, where she served as project officer for both ESAT contracts, and Richard Troast comes from Hazardous Site Contract Division with remedial program and contracting expertise.

Telephone Numbers:

Linda Garczynski	FTS 260 - 8394
Kay Waters	260 - 2441
John Comstock	678 - 8332
Kerry Kelly	260 - 4025
Lynn Beasley	260 - 4026
Richard Troast	260 - 5273

## Hazardous Site Control Division (HSCD)

**ARCS Control Tracking System (ACTS) Update.** The ACTS steering committee was convened for the first time on January 14. David Boyd of PCMD was elected chairman, and both David and Steve Chang of OERR became permanent members. All Regional representatives would serve a one-year term.

The nine committee members took up the first task of revamping ACTS by reviewing change requests submitted by the regions in October 1991. The second meeting took place on January 22. Topics discussed included electronic invoicing by the ARCS contractors to reduce data input effort by EPA staff, and how to accommodate the many requests for changes coming from various quarters. The Regional project officers are trying to determine what ACTS can do for them. The meeting is scheduled for February 12. (Contact: Steve Chang, FTS 398 - 8348)

## Emergency Response Division (ERD)

**Emergency Response Cleanup Services (ERCS)**

On January 31, 1992, Region III awarded a new Regional ERCS contract which has a 2 - 4 hour emergency response time and a provision for rapid remedial response actions. Guidance is forthcoming from OERR regarding use of the new generation ERCS contracts, such as this one, which provide for rapid remedial response actions as well as the traditional removal activities. The inclusion of the rapid remedial response capability into ERCS contracts was mandated by the Superfund Long Term Contracting Strategy (LTCS). Regions I, II, and V are currently procuring Regional ERCS contracts which will replace expiring ERCS contracts. Region VII is coordinating the procurement of a new Zone ERCS contract to cover Regions VI, VII and VIII.

**Technical Assistance Team (TAT)**

In September 1991, two new TAT contracts were awarded to supplement the main TAT contracts. These new contracts were awarded as 8(a) set-asides for small and disadvantaged businesses. Additionally, Region III is currently proceeding with procurement of a pilot Regional TAT/FIT contract. The LTCS calls for Regional TAT/FIT contracts in FY95.

**Technical and Analytical Support for Emergency Response Activities**

On January 24, 1992, ERD awarded a new Technical and Analytical Support contract which enables the Agency to develop a scientific and technical basis for designation of hazardous substances and reportable quantity adjustments. Another service provided under this contract includes analytical, technical and other support required to implement the recently enacted Oil Pollution Act.

## CONTRACT RELATED

# **M**eetings **C**onferences and **T**rainings

<b>Title</b>	<b>Date</b>	<b>Location</b>	<b>Contact</b>
Contract Management for Executives/Managers (for WMDs)	07/01/92	Chicago, IL	Richard Troast 202-260-5273 CORAS
ARCS PO/CO Meeting	06/15-19-92	Rockville, MD	Doreatha Vaughn 202-260-9033 PCMD

## C O R A S   C O M M E N T S...

After completing this page, please fold it into three sections so that the return address appears on the outside. Please staple or tape together. Thank you for taking the time to assist in generating future articles for the CORAS Bulletin.

### WE      WANT      YOUR      FEEDBACK!

*I would like to contribute the article(s) listed below to the CORAS Bulletin:*

<i>Article(s)</i>	<i>Will Submit to CORAS by:</i>

*I would like to see the following subject(s) as articles in the CORAS Bulletin:*


<i>Contact Name:</i>	
<i>Address:</i>	
<i>Telephone No.:</i>	<i>FTS</i>

*Remarks:*

Fold 2nd



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Agency  
Washington, DC 20460  
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**Ms Jalaria Ellis**  
**U.S. Environmental Protection Agency**  
**OERR/OPM/CORAS**  
**401 M Street, S.W.**  
**Mailstop: OS-240**  
**Washington, DC 20460**

Fold 1st



# **KEY PERSONNEL IN SUPERFUND CONTRACT MANAGEMENT**

Contract	Headquarters (PO, DPO if possible)	Region 1	Region 2	Region 3	Region 4
REM	REM I & II - Tracy Loy EMAIL5201, 678-8349 REM III & IV - Steve Chang EMAIL5644, 678-8348 REM IV - Florence Blair EMAIL5241, 678-8327	Nancy Barmakian 833-1797, EMAIL9170 Mail Code HCP-CAN7 JFK Federal Building Boston, MA 02203	Shaheer Ali 264-2221, EMAIL9204 26 Federal Plaza New York, NY 10278	James McKenzie 597-3229, EMAIL93035 841 Chestnut Street Philadelphia, PA 19107	Ken Myer 257-2930, EMAIL 345 Courtland St., N.E. Atlanta, GA 30365
ARCS	Bill Zobel EMAIL5516, 678-8354  Barbara McDonough EMAIL5236, 678-8347	Nancy Barmakian 833-1797, EMAIL9170 Diane Kelley 833-1672, EMAIL5236 Mail Code HCP-CAN7 JFK Federal Building Boston, MA 02203	Jill Hacker 264-4197, EMAIL Fernando Rosado 264-6130, EMAIL9171 Keith Kollar 264-1576, EMAIL Keith Moncino 264-9300, EMAIL 26 Federal Plaza New York, NY 10278	Elaine Splawak 597-3229, EMAIL James McKenzie 597-3229, EMAIL93035 841 Chestnut Street Philadelphia, PA 19107	Matt Robbins 257-2930, EMAIL9428 Doug Thompson 257-2234, EMAIL Charles Swan 257-2234, EMAIL 345 Courtland St., N.E. Atlanta, GA 30365
ERCS	Zone 1 - Patricia Tidwell EMAIL5216, 260-2668	John Carlson 617-860-4624, EMAIL9161 New England Regional Lab 60 Westview Street Lexington, MA 02173	Norm Vogelsang 342-4346, EMAIL9283 Lisa Guarnieri 340-6108, EMAIL9490 2890 Woodbridge Ave. Edison, NJ 08837	Rich Fetzer 597-1389, EMAIL9324 Mail Code 3HW30 841 Chestnut Street Philadelphia, PA 19107	Colette Botts 257-2930, EMAIL 345 Courtland St., N.E. Atlanta, GA 30365
TAT	Zone 1 - Pat Hawkins EMAIL5191, 260-2458  Zone 2 - Karen Tomimatsu EMAIL30026, 260-9861	John Carlson 828-6624, EMAIL9119 JFK Federal Building Boston, MA 02203	Lisa Guarnieri 340-6180, EMAIL 2890 Woodbridge Avenue Edison, NJ 08837	Charlie Keeman 597-4018, EMAIL9340 841 Chestnut Street Philadelphia, PA 19107	Sharon Camp 257-2930, EMAIL 345 Courtland St., N.E. Atlanta, GA 30365
TES	Zone 1 - Jack Jojokian EMAIL , 678-8650 Zone 2 - Jean Wright EMAIL , 678-8659 Zone 3 - Marlene Lemro EMAIL , 678-8639 Zone 4 - Nancy Deck EMAIL , 678-8647	Rick Leighton 833-1654, EMAIL9156 JFK Federal Building Boston, MA 02203	Cathy Moyik 264-8123, EMAIL9206 Erwin Sieszek 264-4311, EMAIL 26 Federal Plaza New York, NY 10278	Donna McGowan 597-8230, EMAIL 841 Chestnut Street Philadelphia, PA 19107	Ken Meyer 257-2930, EMAIL 345 Courtland St., N.E. Atlanta, GA 30365
ESAT	Terry Simpson, Actg. PO EMAIL93018, 260-8607 Zone 1 - Reg. 1,2,3, & 5 Zone 2 - Reg. 4,6,10, & HQs	Scott Clifford 828-6631, EMAIL9161 60 Westview Street Lexington, MA 02173	Joseph Hudek 340-6713, EMAIL9252 Woodbridge Raritan Depot-Bldg. 209 Edison, NJ 08837	Cindy Caporale, Actg. PO 652-2138, EMAIL 839 Bestgate Road Annapolis, MD 21401	Bobby Carroll 250-3309, EMAIL9434 College Station Road, ASB Athens, GA 30613

# KEY PERSONNEL IN SUPERFUND CONTRACT MANAGEMENT

Contract	Region 5	Region 6	Region 7	Region 8	Region 9	Region 10
REM	Gail Nabsny 353-1056, EMAIL95019 230 South Dearborn St. Chicago, IL 60604	Tom Oliver 255-2240, EMAIL 1445 Ross Avenue Dallas, TX 75202	Karen Flournoy 276-7782, EMAIL9722 726 Minnesota Avenue Kansas City, KS 66101	Gregg Hargreaves 330-1061, EMAIL9832 999 18th Street Denver, CO 80202	Rob Stern 484-2339, EMAIL99039 75 Hawthorne Street San Francisco, CA 94103	Joanne LaBaw 399-2594, EMAIL9069 1200 6th Street Seattle, WA 98101
ARCS	Steven Nathan 886-5496, EMAIL95019 Pat Vogtman 886-5496, EMAIL95021 Carl Norman 886-5496, EMAIL95020 230 South Dearborn St. Chicago, IL 60604	Carlene Chambers or Eve Boss 255-6720, EMAIL9698 1445 Ross Avenue Mail Code 6E-E Dallas, TX 75202	Debi Morey 276-7593, EMAIL9733 726 Minnesota Avenue Kansas City, KS 66101	Jeff Mashburn 330-7156, EMAIL98002 Gregg Hargreaves 330-1061, EMAIL9832 999 18th Street Denver, CO 80202	Rob Stern 484-2339, EMAIL99039 Matt Mitguard 484-2335, EMAIL2333 Sherry Nikzat 484-9984, EMAIL99103 Doug Frazier 484-2338, EMAIL99173 75 Hawthorne Street San Francisco, CA 94103	Joanne LaBaw 399-2594, EMAIL9069 1200 6th Street Seattle, WA 98101
ERCS	Charles Brasher 353-7625, EMAIL 230 South Dearborn St. Chicago, IL 60604	JoAnn Woods 255-2270, EMAIL9625 1445 Ross Avenue Dallas, TX 75202	Larry Stafford 276-5102, EMAIL9789 25 Funston Road Kansas City, KS 66115	Mike Zimmerman 564-1723, EMAIL9873 Mail Code 8HWN-ER 999 18th Street Denver, CO 80202	Chris Weden 484-2291, EMAIL99026 75 Hawthorne Street San Francisco, CA 94103	William Longston 399-1679, EMAIL9043 1200 6th Street Mail Code HW093 Seattle, WA 98101
TAT	Duane Heaton 353-1788, EMAIL 230 South Dearborn St. Chicago, IL	Chris Peterson 255-2277, EMAIL9625 1445 Ross Avenue Dallas, TX 75202	Paul Doherty 276-5008, EMAIL9783 726 Minnesota Avenue Kansas City, KS 66101	Karen Moor 330-7063, EMAIL 999 18th Street Denver, CO 80202	William Lewis 484-2292, EMAIL99086 Mail Code T-4-8 75 Hawthorne Street San Francisco, CA 94103	Chris Field 399- , EMAIL 1200 6th Street Seattle, WA 98101
TES	TES 10 - Gail Nabsny 353-1056, EMAIL95019 TES 9 - Eva Howard 886-7274, EMAIL95019 230 South Dearborn St. Chicago, IL 60604	Karen Witten 255-6720, EMAIL 1445 Ross Avenue Dallas, TX 75270	Maureen Hunt 276-7722, EMAIL Nancy Healy 276-7713, EMAIL Aaron Zimmerman 276-7333, EMAIL 726 Minnesota Avenue Kansas City, KS 66101	Sam Marquez 330-7151, EMAIL9826 999 18th Street Denver, CO 80202	Judy Walker 484-2334, EMAIL Mail Code T-4-8 75 Hawthorne Street San Francisco, CA 94103	Mike Slater 399-0455, EMAIL 1200 6th Street Seattle, WA 98101
ESAT	Jay Thakkar 886-1972, EMAIL Mail Code 5SCRL 77 W. Jackson Blvd. Chicago, IL 60605	Michael Daggett 730-2107, EMAIL 10625 Fallstone Houston, TX 77099	Harold Brown 276-5127, EMAIL9784 726 Minnesota Avenue Kansas City, KS 66101	Steve Callo 330-1056, EMAIL98014 999 18th Street Denver, CO 80202	Terry Stumph 484-1522, EMAIL9957 Mail Code P-3 75 Hawthorne Street San Francisco, CA 94103	Gerald Muth 390-1282, EMAIL 7411 Beach Drive Port Orchard, WA 98366



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