



GSA Office of Government-wide Policy

2/21/2025

Acquisition Letter MV-2025-03

MEMORANDUM FOR THE GSA ACQUISITION WORKFORCE

FROM: JEFFREY A. KOSES, SENIOR PROCUREMENT EXECUTIVE
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SUBJECT: Termination for Convenience (T4C) FPDS Reporting Process

1. Purpose.

This guidance standardizes GSA practices for reporting terminations for convenience (T4Cs) in the Federal Procurement Data System (FPDS). This AL does not address how to process terminations. Contracting officers should refer to the FAR and GSAR guidance and contact assigned general counsel as needed.

2. Background.

Some contracting officers report T4Cs when the written notice of termination is first issued to the contractor while others report when the negotiated termination settlement is finalized. This lack of consistency reduces public transparency and creates confusion.

3. Effective Date.

This Acquisition Letter (AL) is effective immediately and remains in effect until rescinded or incorporated into the GSAM.

GSA contracting activities shall apply this guidance to any applicable T4C initiated on or after January 20, 2025.

4. Applicability.

This AL applies to all GSA contracts reported to FPDS.

This AL does not apply to GSA leases or contract actions not reported to FPDS¹. Lease information is publicly available at <https://www.gsa.gov/real-estate/real-estate-services/leasing>.

5. Requirements.

¹ See FAR 4.606(c)

(a) Any applicable T4C initiated on or after January 20, 2025 must be reported to FPDS using the following procedures.

(i) Upon notifying the contractor of the termination², execute a unilateral modification and report the modification to FPDS within three business days³ using the following information-

- FPDS Reason for Modification (element 12C), select “F - Termination for Convenience (complete or partial).”
- FPDS Description of Requirement (element 6M), clearly denote the action as a “Notice of Termination for Convenience.”
- This modification should be a zero dollar action.

(ii) Upon finalizing the termination settlement agreement⁴, if applicable⁵, execute a bilateral modification and report the modification to FPDS within three business days⁶ using the following information-

- FPDS Reason for Modification (element 12C), select “F - Termination for Convenience (complete or partial).”
- FPDS Description of Requirement (element 6M), clearly denote the action as a “Termination for Convenience Agreement.”
- This modification should reflect any changes in cost.

(b) If an applicable T4C was initiated between January 20, 2025 and the date of this AL, but not reported to FPDS in accordance with the procedures in paragraph 5(a), the contracting activity shall take action in accordance with this guidance (i.e., issue modification and report to FPDS) within three business days of the date of this AL.

6. Point of Contact.

Any questions regarding this AL may be directed to GSARPolicy@gsa.gov. FAQs will also be posted to the FPDS Reporting topic page on the Acquisition Portal at <https://insite.gsa.gov/acquisitionportal>.

² See FAR 49.102

³ See FAR 4.604

⁴ See FAR 49.105

⁵ There may be scenarios where a second modification will not be required (e.g., contract vehicles that do not obligate funds such as Indefinite Delivery Indefinite Quantity type contracts would not need a settlement agreement).

⁶ See FAR 4.604