

PHASE II: CONTRACT ADMINISTRATION

Activity 32: Monitor Subcontract Management

Advanced Notification and Consent to Subcontracts

Identify subcontracts that require contracting officer consent.

Prime Contractor Does Not Have an Approved Purchasing System

If the prime contract is a cost-reimbursement, time-and-materials, or labor-hour contract, require consent to subcontract.

If the proposed subcontract is for an unpriced action under a fixed-price prime contract exceeding the simplified acquisition threshold (SAT).

If consent is required to protect Government interests, require consent to subcontract.

Identify the subcontract type.

If the proposed subcontract is a cost-reimbursement, time-and-materials, or labor-hour subcontract

Require consent to subcontract.

If the proposed fixed-price subcontract exceeds the SAT or 5% of the total estimated contract price

Require consent to subcontract.

Purchasing System Reviews

Conduct the contractor purchasing system review.

Determine whether to grant, withhold or withdraw purchasing system approval.

Promptly notify the contractor in writing when granting, withholding, or withdrawing purchasing system approval.

Distribute information on purchasing system approval status.

Establish a program for contractor purchasing system surveillance.

Take measures to protect the Government's interests on specific contracts when an administrative contracting officer (ACO) denies or withdraws purchasing system approval.

Maintain information on contractor purchasing system status.

Make-or-Buy Plans

Upon receipt of the contractor's written notification of a proposed change to the make-or-buy program, evaluate the contractor's justification for the proposed change.

Issue a written approval or disapproval of the proposed change.

Small Business Subcontracting Plan

Identify situations where small business subcontracting plan goals appears to fail due to a lack of good faith effort.

Determine the amount of any incentive payment due the contractor for exceeding its small business subcontracting plan goals.

Determine whether to assess liquidated damages for contractor failure to make a good faith effort to comply with its small business subcontracting plan.

Issue a final decision assessing liquidated damages for contractor failure to make a good faith effort to comply with its small business subcontracting plan.

Notify the contractor of any apparent failure to make a good faith effort to comply with its small business subcontracting plan.