

**PART 244—SUBCONTRACTING
POLICIES AND PROCEDURES**

Subpart 244.2—Consent to Subcontracts

Sec.

- 244.202 Contracting officer's evaluation.
- 244.202-2 Considerations.

**Subpart 244.3—Contractors' Purchasing
Systems Reviews**

- 244.301 Objective.
- 244.303 Extent of review.
- 244.304 Surveillance.
- 244.305 Granting, withholding, or withdrawing approval.
- 244.305-70 Granting, withholding, or withdrawing approval.

**Subpart 244.4—Subcontracts for Commercial
Items and Commercial Components**

- 244.402 Policy requirements.
- 244.403 Contract clause.

AUTHORITY: 41 U.S.C. 421 and 48 CFR chapter 1.

SOURCE: 56 FR 36447, July 31, 1991, unless otherwise noted.

**Subpart 244.2—Consent to
Subcontracts**

244.202 Contracting officer's evaluation.

244.202-2 Considerations.

(a) Where other than lowest price is the basis for subcontractor selection, has the contractor adequately substantiated the selection as offering the greatest value to the Government?

[60 FR 29501, June 5, 1995]

**Subpart 244.3—Contractors'
Purchasing Systems Reviews**

244.301 Objective.

The administrative contracting officer (ACO) is responsible for reviewing the contractor's purchasing systems. Members of other organizations such as audit or program management activities should not conduct separate reviews of a contractor's purchasing system, but may participate in a review conducted for the ACO. These organizations may, if they suspect a problem, recommend that the ACO initiate a special review.

244.303 Extent of review.

Also review the adequacy of rationale documenting commercial item determinations to ensure compliance with the definition of "commercial item" in FAR 2.101.

[67 FR 38023, May 31, 2002]

244.304 Surveillance.

(b) The ACO, or the purchasing system analyst (PSA) with the concurrence of the ACO, may initiate a special review of specific weaknesses in the contractor's purchasing system. The weaknesses, for example—

(i) May arise because of—

(A) Major changes in the contractor's purchasing policies, procedures, or key personnel; or

(B) Changes in plant workload or type of work.

(ii) May be discovered—

(A) During reviews of subcontracts submitted under advance notification and consent (FAR subpart 44.2); or

(B) From information provided by Government personnel.

[56 FR 36447, July 31, 1991, as amended at 61 FR 50455, Sept. 26, 1996]

244.305 Granting, withholding, or withdrawing approval.

244.305-70 Granting, withholding, or withdrawing approval.

Use this subsection instead of FAR 44.305-2(c) and 44.305-3(b).

(a) At the completion of the in-plant portion of the review, the ACO shall hold an exit conference with the contractor. At the conference, the ACO should—

(1) Present the review team's recommendations, signed by the ACO;

(2) Request the contractor submit its plan for correcting deficiencies or making improvements within 15 days; and

(3) Not comment on the pending or planned decision to grant or withhold approval of the contractor's purchasing system.

(b) The PSA should submit the complete report to the ACO, or any department or agency established review board, within ten days after receipt of the contractor's response under paragraph (a)(2) of this subsection.

244.402

(c) The ACO should completely review the report and consider the contractor's response before making a decision on granting, withholding, or withdrawing purchasing system approval. The ACO shall notify the contractor of the decision within ten days after receipt of the report with a copy of the decision to the PSA and the contracting office, when requested.

(d) When a contractor advises that it has corrected deficiencies that led the ACO to withhold or withdraw the purchasing system approval, the ACO—

(1) Shall request the PSA to verify that the contractor has—

(i) Corrected the deficiencies; and

(ii) Implemented any other ACO recommendations.

(2) Should ask for a review of purchasing policies and procedures issued since the last review.

Subpart 244.4—Subcontracts for Commercial Items and Commercial Components

244.402 Policy requirements.

(a) Contractors shall determine whether a particular subcontract item meets the definition of a commercial item. This requirement does not affect the contracting officer's responsibilities or determinations made under FAR 15.403-1(c)(3). Contractors are expected to exercise reasonable business judgment in making such determinations, consistent with the guidelines for conducting market research in FAR part 10.

[67 FR 38023, May 31, 2002]

244.403 Contract clause.

Use the clause at 252.244-7000, Subcontracts for Commercial Items and Commercial Components (DoD contracts), in solicitations and contracts for supplies or services other than commercial items, that contain any of the following clauses: 252.225-7014 Preference for Domestic Specialty Metals, Alternate I, 252.247-7023 Transportation of Supplies by Sea, and 252.247-7024 Notification of Transportation of Supplies by Sea.

[65 FR 14401, Mar. 16, 2000]

48 CFR Ch. 2 (10-1-02 Edition)

PART 245—GOVERNMENT PROPERTY

Subpart 245.1—General

Sec.

245.104 Review and correction of contractor's property control systems.

Subpart 245.3—Providing Government Property to Contractors

245.301 Definitions.

245.302 Providing facilities.

245.302-1 Policy.

245.302-2 Facilities contracts.

245.302-7 Optional property-related clauses for facilities contracts.

245.303 Providing material.

245.303-2 Procedures.

245.307 Providing special test equipment.

245.307-2 Acquiring special test equipment.

245.310 Providing agency-peculiar property.

245.310-70 Contract clause.

Subpart 245.4—Use and Rental of Government Property

245.401 Policy.

245.403 Rental—Use and charges clause.

245.405 Contracts with foreign governments or international organizations.

245.407 Non-Government use of plant equipment.

Subpart 245.5—Management of Government Property in the Possession of Contractors

245.505 Records and reports of Government property.

245.505-3 Records of material.

245.505-5 Records of plant equipment.

245.505-6 Special reports of plant equipment.

245.505-14 Reports of Government property.

Subpart 245.6—Reporting, Redistribution, and Disposal of Contractor Inventory

245.601 Definitions.

245.603 Disposal methods.

245.603-70 Contractor performance of plant clearance duties.

245.603-71 Disposal of contractor inventory for NATO cooperative projects.

245.604 Restrictions on purchase or retention of contractor inventory.

245.606 Inventory schedules.

245.606-3 Acceptance.

245.606-5 Instructions for preparing and submitting schedules of contractor inventory.

245.606-70 Instructions for completing DD Form 1342, DoD Property Record.

245.607 Scrap.

245.607-1 General.