

rate of 50 percent for flexibly-priced contracts and subcontracts, the contractor shall exclude \$200,000 from the indirect cost pool (\$100,000/50% = \$200,000).

30.607 Subcontract administration.

When a negotiated CAS price adjustment or a determination of noncompliance is required at the subcontract level, the CFAO for the subcontractor shall furnish a copy of the negotiation memorandum or the determination to the CFAO for the contractor of the next higher-tier subcontractor. The CFAO of the contractor or the next higher-tier subcontractor shall not change the determination of the CFAO for the lower-tier subcontractor. If the subcontractor refuses to submit a GDM or DCI proposal, remedies are made at the prime contractor level.

PART 31—CONTRACT COST PRINCIPLES AND PROCEDURES

Sec.

- 31.000 Scope of part.
- 31.001 Definitions.
- 31.002 Availability of accounting guide.

Subpart 31.1—Applicability

- 31.100 Scope of subpart.
- 31.101 Objectives.
- 31.102 Fixed-price contracts.
- 31.103 Contracts with commercial organizations.
- 31.104 Contracts with educational institutions.
- 31.105 Construction and architect-engineer contracts.
- 31.106 Facilities contracts.
 - 31.106-1 Applicable cost principles.
 - 31.106-2 Exceptions to general rules on allowability and allocability.
 - 31.106-3 Contractor's commercial items.
- 31.107 Contracts with State, local, and federally recognized Indian tribal governments.
- 31.108 Contracts with nonprofit organizations.
- 31.109 Advance agreements.
- 31.110 Indirect cost rate certification and penalties on unallowable costs.

Subpart 31.2—Contracts With Commercial Organizations

- 31.201 General.
 - 31.201-1 Composition of total cost.
 - 31.201-2 Determining allowability.
 - 31.201-3 Determining reasonableness.

- 31.201-4 Determining allocability.
- 31.201-5 Credits.
- 31.201-6 Accounting for unallowable costs.
- 31.201-7 Construction and architect-engineer contracts.
- 31.202 Direct costs.
- 31.203 Indirect costs.
- 31.204 Application of principles and procedures.
- 31.205 Selected costs.
 - 31.205-1 Public relations and advertising costs.
 - 31.205-2 [Reserved]
 - 31.205-3 Bad debts.
 - 31.205-4 Bonding costs.
 - 31.205-5 [Reserved]
 - 31.205-6 Compensation for personal services.
 - 31.205-7 Contingencies.
 - 31.205-8 Contributions or donations.
 - 31.205-9 [Reserved]
 - 31.205-10 Cost of money.
 - 31.205-11 Depreciation.
 - 31.205-12 Economic planning costs.
 - 31.205-13 Employee morale, health, welfare, food service, and dormitory costs and credits.
 - 31.205-14 Entertainment costs.
 - 31.205-15 Fines, penalties, and mischarging costs.
 - 31.205-16 Gains and losses on disposition or impairment of depreciable property or other capital assets.
 - 31.205-17 Idle facilities and idle capacity costs.
 - 31.205-18 Independent research and development and bid and proposal costs.
 - 31.205-19 Insurance and indemnification.
 - 31.205-20 Interest and other financial costs.
 - 31.205-21 Labor relations costs.
 - 31.205-22 Lobbying and political activity costs.
 - 31.205-23 Losses on other contracts.
 - 31.205-24 Maintenance and repair costs.
 - 31.205-25 Manufacturing and production engineering costs.
 - 31.205-26 Material costs.
 - 31.205-27 Organization costs.
 - 31.205-28 Other business expenses.
 - 31.205-29 Plant protection costs.
 - 31.205-30 Patent costs.
 - 31.205-31 Plant reconversion costs.
 - 31.205-32 Precontract costs.
 - 31.205-33 Professional and consultant service costs.
 - 31.205-34 Recruitment costs.
 - 31.205-35 Relocation costs.
 - 31.205-36 Rental costs.
 - 31.205-37 Royalties and other costs for use of patents.
 - 31.205-38 Selling costs.
 - 31.205-39 Service and warranty costs.
 - 31.205-40 Special tooling and special test equipment costs.
 - 31.205-41 Taxes.
 - 31.205-42 Termination costs.
 - 31.205-43 Trade, business, technical, and professional activity costs.