

## SUBCHAPTER G—CONTRACT MANAGEMENT

### PART 742—CONTRACT ADMINISTRATION

AUTHORITY: Sec. 621, Pub. L. 87-195, 75 Stat. 445, (22 U.S.C. 2381) as amended; E.O. 12163, Sept. 29, 1979, 44 FR 56673; 3 CFR, 1979 Comp., p. 435.

#### Subpart 742.7—Indirect Cost Rates

##### 742.770 Negotiated indirect cost rate agreement.

Except for educational institutions having a cognizant agency (as defined in OMB Circular A-88, 44 FR 70094, 12/5/79) other than USAID, USAID may establish negotiated overhead rates in a Negotiated Indirect Cost Rate Agreement, executed by both parties. The Negotiated Indirect Cost Rate Agreement is automatically incorporated in each contract between the parties and shall specify: (a) The final rate(s), (b) the base(s) to which the rate(s) apply, (c) the period(s) for which the rate(s) apply, (d) the items treated as direct costs, and (e) the contract(s) to which the rate(s) apply. The Negotiated Indirect Cost Rate Agreement shall not change any monetary ceiling, obligation, or specific cost allowance or disallowance provided for in each contract between the parties.

[49 FR 13256, Apr. 3, 1984; 53 FR 50631, Dec. 16, 1988]

### PART 745—GOVERNMENT PROPERTY

AUTHORITY: Sec. 621, Pub. L. 87-195, 75 Stat. 445, (22 U.S.C. 2381) as amended; E.O. 12163, Sept. 29, 1979, 44 FR 56673; 3 CFR 1979 Comp., p. 435.

#### Subpart 745.1—General

##### 745.106 Contract clauses.

(a) The contracting officer shall insert the clause at 752.245-71 in all contracts under which the contractor will acquire property for use overseas and the contract funds were obligated under a Strategic Objective agreement (or similar agreement) with the cooperating country.

(b) The contracting officer shall insert the applicable clause as required in (48 CFR) FAR 45.106 in all contracts under which the contractor will acquire property with funds not already obligated under a Strategic Objective agreement (or similar agreement) with the cooperating country.

[64 FR 5008, Feb. 2, 1999]

### PART 747—TRANSPORTATION

AUTHORITY: Sec. 621, Pub. L. 98-195, 75 Stat. 445 (22 U.S.C. 2381), as amended; E.O. 12163, Sept. 29, 1979, 44 FR 56673; 3 CFR 1979 Comp., p. 435.

#### Subpart 747.5—Ocean Transportation by U.S.-Flag Vessels

##### 747.507 Contract clauses.

Contracting officers shall insert the clause at 752.247-70 in solicitations and contracts solely for ocean transportation services, and in solicitations and contracts for goods and ocean transportation services when the ocean transportation will be fixed at the time the contract is awarded. Contracting Officers shall use (48 CFR) FAR 52.247-64 as prescribed in (48 CFR) FAR 27.507(a) in other situations.

[64 FR 5008, Feb. 2, 1999]

### PART 749—TERMINATION OF CONTRACTS

#### Subpart 749.1—General Principles

Sec.

749.100 Scope of subpart.

749.111 Review of proposed settlements.

749.111-70 Termination settlement review boards.

749.111-71 Required review and approval.

AUTHORITY: Sec. 621, Pub. L. 87-195, 75 Stat. 445, (22 U.S.C. 2381) as amended; E.O. 12163, Sept. 29, 1979, 44 FR 56673; 3 CFR, 1979 Comp., p. 435.

SOURCE: 49 FR 13256, Apr. 3, 1984, unless otherwise noted.

**Subpart 749.1—General Principles****749.100 Scope of subpart.**

The Foreign Aid and Related Agencies Appropriation Act, 1963, and subsequent appropriation Acts, have imposed the following requirement:

None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used for making payments on any contract for procurement to which the United States is a party entered into after the date of enactment of this Act which does not contain a provision authorizing the termination of such contract for the convenience of the United States.

See, for example, section 110 of the Foreign Assistance and Related Agencies Appropriation Act, 1965.

**749.111 Review of proposed settlements.****749.111-70 Termination settlement review boards.**

(a) The USAID Settlement Review Board shall be composed of the following members or their delegates (except as provided under 749.111-71(b)):

- (1) M/OP Director;
- (2) Controller;
- (3) General Counsel.

(b) The M/OP Director or his/her delegate shall be designated as chairman of the board. Delegate members of the board shall have broad business and contracting experience and shall be senior USAID officials. Each member or his/her delegate must be in attendance in order to conduct business, and the board shall act by majority vote. No individual shall serve as a member of a board for the review of a proposed settlement if he/she has theretofore reviewed, approved or disapproved or recommended approval, disapproval or other action with respect to any substantive element of such settlement proposal.

(c) The chairman shall appoint a non-voting recorder who shall be responsible for receiving cases, scheduling and recording the proceedings at meetings, maintaining a log of all cases re-

ceived by him/her for the board, and other duties as assigned by the board.

[49 FR 13256, Apr. 3, 1984, as amended at 64 FR 42040, Aug. 3, 1999]

**749.111-71 Required review and approval.**

(a) *When required.* The USAID Settlement Review Board shall receive and approve all USAID/W and Mission proposed settlements or determinations if:

(1) The amount of settlement, by agreement or determination, involves \$100,000 or more;

(2) The settlement or determination is limited to adjustment of the fee of a cost-reimbursement contract or subcontract and: (i) In the case of complete termination, the fee, as adjusted, with respect to the terminated portion of the contract or subcontract is \$100,000 or more; or (ii) in the case of a partial termination, the fee, as adjusted, with respect to the terminated portion of the contract or subcontract is \$100,000 or more;

(3) The head of the contracting activity concerned determines that a review of a specific case or class of cases is desirable; or

(4) The contracting officer, in his/her discretion, desires review by the board.

(b) *Level of review.* Proposed settlements in excess of \$5 million shall be reviewed and approved by a board consisting of the M/OP Director, the General Counsel, and the Controller, without power of redelegation.

(c) *Submission of information.* The contracting officer shall submit to the board a statement of the proposed settlement agreement or determination, supported by such detailed information as is required for an adequate review. This information should normally include copies of: (1) The contractor's or subcontractor's settlement proposal, (2) the audit report, (3) the property disposal report and any required approvals in connection therewith, and (4) the contracting officer's memorandum explaining the settlement. The board may, in its discretion, require

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750.7101

the submission of additional information.

[49 FR 13256, Apr. 3, 1984, as amended at 57 FR 5236, Feb. 13, 1992; 59 FR 33446, June 29, 1994; 64 FR 42040, Aug. 3, 1999]

### PART 750—EXTRAORDINARY CONTRACTUAL ACTIONS

Sec.

750.000 Scope of part.

#### Subpart 750.70 [Reserved]

#### Subpart 750.71—Extraordinary Contractual Actions To Protect Foreign Policy Interests of the United States

- 750.7100 Scope of subpart.
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AUTHORITY: Sec. 621, Pub. L. 87-195, 75 Stat. 445, (22 U.S.C. 2381) as amended; E.O. 12163, Sept. 29, 1979, 44 FR 56673; 3 CFR, 1979 Comp., p. 435.

SOURCE: 49 FR 13257, Apr. 3, 1984, unless otherwise noted.

#### 750.000 Scope of part.

USAID is not among the agencies named in the Act or authorized by the President to take actions under it; however, see Subpart 750.71—Extraordinary Contractual Actions to Protect Foreign Policy Interests of the United States.

#### Subpart 750.70 [Reserved]

#### Subpart 750.71—Extraordinary Contractual Actions To Protect Foreign Policy Interests of the United States

##### 750.7100 Scope of subpart.

This subpart sets forth the standards and the procedures for disposition of requests for extraordinary contractual actions under Executive Order 11223.

##### 750.7101 Authority.

Under section 633 of the Foreign Assistance Act of 1961, 75 Stat. 454 (22 U.S.C. 2933), as amended; Executive Order 11223, dated May 12, 1965 (30 FR 6635), as amended; and Executive Order 12163, dated September 29, 1979 (44 FR 56673), as amended, the Administrator of the U.S. Agency for International Development has been granted authority to provide extraordinary contractual relief. The Authority is set forth in sections 3 and 4 of Executive Order 11223, as follows:

*Section 3.* With respect to cost-type contracts heretofore or hereafter made with non-profit institutions under which no fee is charged or paid, amendments or modifications of such contracts may be made with or without consideration and may be utilized to accomplish the same things as any original contract could have accomplished, irrespective of the time or circumstances of the making, or of the form of the contract amended or modified, or of the amending or modifying contract and irrespective of rights which may have accrued under the contract or the amendments or modifications thereof.

*Section 4.* With respect to contracts heretofore or hereafter made, other than those described in section 3 of this order, amendments and modifications of such contracts may be made with or without consideration and may be utilized to accomplish the same things as any original contract could have accomplished, irrespective of the time or circumstances of the making, or of the form of the contract amended or modified, or of the amending or modifying contract, and irrespective of rights which may have accrued under the contract or the amendments or modifications thereof, if the Secretary of State or the Director of the United States International Development Cooperation Agency (with respect to functions vested in or delegated to Director) determines in each case that such action is necessary to protect