

exceed the simplified acquisition threshold.

[63 FR 17124, Apr. 8, 1998. Redesignated at 66 FR 49865, Oct. 1, 2001]

**243.205-72 Unpriced change orders.**

See the clause prescriptions at 217.7406 for all unpriced change orders with an estimated value exceeding \$5 million.

[75 FR 48278, Aug. 10, 2010]

**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 solely responsible for initiating reviews of the contractor's purchasing systems, but other organizations may request that the ACO initiate such reviews.

[70 FR 67922, Nov. 9, 2005]

**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. See PGI 244.304(b) for guidance on how weaknesses may arise and may be discovered.

[70 FR 67922, Nov. 9, 2005, as amended at 73 FR 4114, Jan. 24, 2008]

**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

**244.402**

the contractor's response under paragraph (a)(2) of this subsection.

(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.**

\* \* \* \* \*

(1) 252.225-7009, Restriction on Acquisition of Certain Articles Containing Specialty Metals.

[74 FR 52896, Oct. 15, 2009]

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

**PART 245—GOVERNMENT PROPERTY**

**Subpart 245.1—General**

Sec.

245.101 Definitions.

245.102 Policy.

245.105 Contractor's property management system compliance.

245.107-70 Contract clause.

**Subpart 245.3—Authorizing the Use and Rental of Government Property**

245.302 Contracts with foreign governments or international organizations.

**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.

245.607-2 Recovering precious metals.

245.607-70 Scrap warranty.

245.608 Screening of contractor inventory.

245.608-1 General.

245.608-2 Standard screening.

245.608-5 Special items screening.

245.608-7 Reimbursement of cost for transfer of contractor inventory.

245.608-70 Contractor inventory redistribution system (CIRS).

245.608-71 Screening industrial plant equipment.

245.608-72 Screening excess automatic data processing equipment (ADPE).

245.609 Donations.

245.610 Sale of surplus contractor inventory.

245.610-1 Responsibility.

245.610-3 Proceeds of sale.

245.610-4 Contractor inventory in foreign countries.

245.612 Removal and storage.

245.612-3 Special storage at the Government's expense.