

## SUBCHAPTER G—CONTRACT MANAGEMENT

### PART 842—CONTRACT ADMINISTRATION AND AUDIT SERVICES

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AUTHORITY: 40 U.S.C. 121(c) and 48 CFR 1.301-1.304.

SOURCE: 73 FR 2717, Jan. 15, 2008, unless otherwise noted.

#### 842.000 Scope of part.

This part applies to all contracts, whether awarded through sealed bidding or negotiation.

#### 842.070 Definitions.

*Contract administration* is the coordination of actions required for the performance of a contract. This includes the contracting officer's guidance and supervision necessary to assure that the contractor fulfills all contractual obligations.

#### Subpart 842.1—Contract Audit Services

##### 842.101 Contract audit responsibilities.

(a) Contracting officers may use the support services of other agencies to the extent feasible. Examples of such services include: pre-award surveys; quality assurance and technical inspection of contract items; and review of

contractors' procurement systems. Contracting officers obtaining support services from any other Government department or agency must do so on the basis of an approved negotiated interagency support agreement.

(b) An interagency support agreement is a written instrument of understanding between the parties to the agreement. The agreement should clearly state the following:

(1) The accord reached between the two parties involved, especially the obligations assumed and the rights granted each party.

(2) The resources that both the supplying and receiving parties will provide.

(3) The funding and reimbursement arrangements.

(4) Clauses permitting revisions, modifications, or cancellation of the agreement.

##### 842.102 Assignment of contract audit services.

(a) When required, contracting officers shall request the assistance of the VA Office of the Inspector General (OIG), Office of Contract Review, to provide pre- and post-award audit, review, and advisory services associated with the award or modification of:

(1) Federal Supply Schedule and other contracts awarded by the VA National Acquisition Center;

(2) Scarce medical specialist or sharing contracts awarded under the authority of 38 U.S.C. 7409 or 8153, and;

(3) Claims involving such contracts.

(b) Contracting officers may request the assistance of either the VA OIG Office of Contract Review or the Defense Contract Audit Agency (DCAA) to provide pre- and post-award audit, review, and advisory services associated with other types of contracts or claims.

##### Subpart 842.7—Indirect Cost Rates

##### 842.705 Final indirect cost rates.

(a) Except when the quick-closeout procedures described in FAR 42.708 are used, contracting officers must request audits on proposed final indirect cost rates and billing rates for use in cost