

SUBCHAPTER G—CONTRACT MANAGEMENT

PART 342—CONTRACT ADMINISTRATION

Subpart 342.3—Contract Administration Office Functions

Sec.

342.302 Contract administration functions.

Subpart 342.7—Indirect Cost Rates

342.705 Final indirect cost rates.

Subpart 342.70—Contract Monitoring

342.7000 Purpose.

342.7001 Contract monitoring responsibilities.

342.7002 Procedures to be followed when a contractor fails to perform.

342.7003 Withholding of contract payments.

342.7003-1 Solicitation provisions and contract clauses.

342.7003-2 Procedures to be followed when withholding payments.

Subpart 342.71—Administrative Actions for Cost Overruns

342.7100 Scope of subpart.

342.7101 Contract administration.

342.7101-1 General.

342.7101-2 Procedures.

342.7102 Contract modifications.

AUTHORITY: 5 U.S.C. 301; 40 U.S.C. 486(c).

SOURCE: 74 FR 62398, Nov. 27, 2009, unless otherwise noted.

Subpart 342.3—Contract Administration Office Functions

342.302 Contract administration functions.

(c)(1) In multiple-year contracts or orders, the OPDIV's Section 508 Official or designee, as well as the Contracting Officer and COTR, shall review and approve all Section 508 Annual Reports before the Contracting Officer makes final payment or any option is exercised under any applicable contract/order. In contracts/orders of 1 year or less in duration, the aforementioned officials shall review and approve the Section 508 conformance certification before final payment is made. The Contracting Officer also shall ensure that the report and all related approvals are

made a part of the official contract/order file.

(2) The Contracting Officer shall insert the clause in 352.242-70, Key Personnel, in solicitations and contracts when the Contracting Officer will designate contractor key personnel. *See FAR 35.015* for additional information regarding key personnel when contracting for R & D.

(3) The Contracting Officer shall insert the clause in 352.242-71, Tobacco-free Facilities, in solicitations, contracts, and orders when some or all of the contractor's performance (including construction services), will take place on HHS-owned or controlled properties. The clause shall not be included if performance requires only that contractor staff attend occasional meetings on HHS properties. In that case, contractor employees are considered "visitors." Further, for any proposed or existing construction contract or order, the Contracting Officer shall coordinate any exceptions to the policy, raised by an incumbent or potential contractor based on union or collective bargaining agreements, with the designated OPDIV tobacco-free policy contact point for final disposition.

(4) The Contracting Officer shall insert the clause in 352.242-72, Native American Graves Protection and Repatriation Act, in solicitations, contracts, and orders that require performance on Tribal lands or are for construction on Federal or Tribal lands.

Subpart 342.7—Indirect Cost Rates

342.705 Final indirect cost rates.

(a) The Division of Cost Allocation, PSC, shall establish indirect cost rates, research patient care rates, and, as necessary, fringe benefit, computer, and other special costing rates for use in contracts awarded to State and local governments, colleges and universities, hospitals, and other nonprofit organizations.

(b) The Division of Financial Advisory Services, NIH, shall establish indirect cost rates, fringe benefit rates,