

reimbursement, fixed-price incentive, and fixed-price redeterminable contracts as prescribed in FAR Subpart 42.7.

(b) When the quick closeout procedures are used, the contracting officers must perform a review and validation of the contractor's data for accuracy and reasonableness of the proposed rates for negotiating the settlement of indirect costs for a specific contract.

### **Subpart 842.8—Disallowance of Costs**

#### **842.801 Notice of intent to disallow costs.**

#### **842.801-70 Audit assistance prior to disallowing costs.**

If a contracting officer determines that costs should be disallowed during the performance of a cost reimbursement, fixed-price incentive, or fixed-price redetermination contract exceeding the thresholds specified in FAR 15.403-4, the contracting officer must request audit assistance. The VA OIG shall conduct audits of contracts for health care resources and contracting officers shall request such audits directly from that office. For all other types of contracts, the contracting officer must obtain an audit control number from Acquisition Resources Service and send a formal request to conduct the audit directly to the nearest Defense Contract Audit Agency (DCAA) office, referencing the audit control number and the project number (if any).

#### **842.803 Disallowing costs after incurrence.**

Contracting officers may approve or disapprove contractors' vouchers for payment and process them to the servicing fiscal office. Such approval or disapproval must be within the limitations of the contracting officer's warrant and the contract for which the voucher is submitted must be within the contracting officer's delegation of contracting authority.

### **Subpart 842.12—Novation and Change-of-Name Agreements**

#### **842.1203 Processing agreements.**

Before execution of novation and change-of-name agreements, contracting officers must submit all supporting agreements and documentation to the OGC for review as to legal sufficiency.

## **PART 844—SUBCONTRACTING POLICIES AND PROCEDURES [RESERVED]**

## **PART 846—QUALITY ASSURANCE**

### **Subpart 846.3—Contract Clauses**

Sec.

846.302 Fixed-price supply contracts.

846.302-70 Guarantee clause.

846.302-71 Inspection.

846.302-72 Frozen processed foods.

846.302-73 Noncompliance with packaging, packing and/or marking requirements.

846.312 Construction contracts.

### **Subpart 846.4—Government Contract Quality Assurance**

846.408 Single-agency assignments of Government contract quality assurance.

846.408-70 Inspection of subsistence.

846.408-71 Waiver of USDA inspection and specifications.

846.470 Use of commercial organizations for inspections and grading services.

846.471 Determination authority.

846.472 Inspection of repairs for properties under the Loan Guaranty and Direct Loan Programs.

846.472-1 Repairs of \$1,000 or less.

846.472-2 Repairs in excess of \$1,000.

### **Subpart 846.7—Warranties**

846.710 Contract clauses.

846.710-70 Special warranties.

846.710-71 Warranty for construction—guarantee period services.

AUTHORITY: 38 U.S.C. 501; 40 U.S.C. 121(c); and 48 CFR 1.301-1.304.

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