

6 FAH-2 H-550

CONTRACT DISPUTES AND APPEALS

(TL:CORH-2; 11-19-2003)
(Office of Origin: A/OPE)

6 FAH-2 H-551 DISPUTES

(TL:CORH-2; 11-19-2003)

a. No matter how carefully a contract is negotiated and written, because of the complexities of the U.S. Government contracting process, disputes may arise. The Disputes clause included in all U.S. Government contracts is designed to prevent disagreements between the U.S. Government and the contractor from disrupting performance under the contract (see FAR Part 33 and DOSAR Part 633).

b. The contracting officer has decision-making powers for resolving many contractual matters. If agreement can be reached between the two parties (U.S. Government and contractor) with regard to equitable adjustments pursuant to contract clauses, additional reimbursement for extra work performed, or refunds required under the Inspection or other contract clause, a bilateral agreement may be negotiated.

c. If agreement cannot be reached by the parties, these issues and other disagreements are resolved under the procedures set forth in the Disputes clause. The Disputes clause provides that:

(1) The contract is subject to the Contract Disputes Act of 1978 (Public Law 95-563; 41 U.S.C. 601-613);

(2) The contracting officer's decision is final unless the contractor appeals or files a suit as provided in the Act;

(3) The authority of the contracting officer under the Act does not extend to claims or disputes which by statute or regulation other agencies are expressly authorized to decide;

(4) A claim by the contractor shall be made in writing and submitted to the contracting officer for a written decision;

(5) For contractor claims of \$100,000 or less, the contracting officer must render a decision within 60 days; for claims in excess of \$100,000, the contracting officer must decide the claim within 60 days or notify the contractor of the date when the decision will be made;

(6) A claim by the U.S. Government against the contractor shall be subject to a written decision by the contracting officer;

(7) Interest on the amount found due on contractor claims is paid by the U.S. Government from the date the claim is received by the contracting officer until the date of payment; and

(8) Except as the parties may otherwise agree, pending final resolution of a claim by the contractor arising under the contract, the contractor must proceed diligently with the performance of the contract in compliance with the contracting officer's decision.

d. Because of their technical knowledge and their close involvement with a contract, CORs are usually involved in the settlement of disputes. Their input often forms the basis of the U.S. Government's position during the entire disputes process. The COR's technical insight and expertise is critical to fairness and accuracy when the contracting officer is attempting to determine the merits of the claim.

6 FAH-2 H-552 APPEALS

(TL:CORH-2; 11-19-2003)

a. The contractor may appeal the contracting officer's final decision to the General Services Administration Board of Contract Appeals within ninety (90) days of receipt of the decision, or, within twelve (12) months of receipt of the decision, to the U.S. Claims Court. If he or she fails to do this, the decision concerning a question of fact becomes final.

b. The COR must provide any support, assistance, and documentation required for resolution of a dispute to the contracting officer upon request.

6 FAH-2 H-553 THROUGH H-559 UNASSIGNED