

Subpart 42.2 - Contract Administration Services

Parent topic: [Part 42 - Contract Administration and Audit Services](#)

42.201 Contract administration responsibilities.

(a) For each contract assigned for administration, the *contract administration office* (CAO) (see [2.101](#)) shall-

(1) Perform the functions listed in [42.302\(a\)](#) to the extent that they apply to the contract, except for the functions specifically withheld;

(2) Perform the functions listed in [42.302\(b\)](#) only when and to the extent specifically authorized by the *contracting officer*; and

(3) Request supporting contract administration under [42.202\(e\)](#) and (f) when it is required.

(b) The Defense Contract Management Agency and other agencies *offer* a wide variety of contract administration and support services.

42.202 Assignment of contract administration.

(a) *Delegating functions.* As provided in agency procedures, *contracting officers may* delegate contract administration or specialized support services, either through interagency agreements or by direct request to the cognizant CAO listed in the Federal Directory of Contract Administration Services *Components*. The delegation *should* include-

(1) The name and address of the CAO designated to perform the administration (this information also *shall* be entered in the contract);

(2) Any special instructions, including any functions withheld or any specific authorization to perform functions listed in [42.302\(b\)](#);

(3) A copy of the contract to be administered; and

(4) Copies of all *contracting* agency regulations or directives that are-

(i) Incorporated into the contract by reference; or

(ii) Otherwise necessary to administer the contract, unless copies have been provided previously.

(b) *Special instructions.* As necessary, the *contracting officer* also *shall* advise the contractor (and other activities as appropriate) of any functions withheld from or additional functions delegated to the CAO.

(c) *Delegating additional functions.* For individual contracts or groups of contracts, the *contracting office may* delegate to the CAO functions not listed in [42.302](#), provided that-

- (1) Prior coordination with the CAO ensures the availability of required resources;
 - (2) In the case of authority to issue orders under provisioning procedures in existing contracts and under basic ordering agreements for items and services identified in the schedule, the *head of the contracting activity* or designee approves the delegation; and
 - (3) The delegation does not require the CAO to undertake new or follow-on *acquisitions*.
- (d) *Rescinding functions*. The *contracting officer* at the *requesting agency* may rescind or recall a delegation to administer a contract or perform a contract administration function, except for functions pertaining to cost accounting standards and negotiation of forward *pricing* rates and *indirect cost rates* (also see [42.003](#)). The *requesting agency* must coordinate with the ACO to establish a reasonable transition period prior to rescinding or recalling the delegation.
- (e) Secondary delegations of contract administration.
- (1) A CAO that has been delegated administration of a contract under paragraph (a) or (c) of this section, or a *contracting office* retaining contract administration, *may* request supporting contract administration from the CAO cognizant of the contractor location where performance of specific contract administration functions is required. The request *shall*-
 - (i) Be *in writing*;
 - (ii) Clearly state the specific functions to be performed; and
 - (iii) Be accompanied by a copy of pertinent contractual and other necessary documents.
 - (2) The prime contractor is responsible for managing its subcontracts. The CAO's review of subcontracts is normally limited to evaluating the prime contractor's management of the subcontracts (see [part 44](#)). Therefore, supporting contract administration *shall* not be used for subcontracts unless-
 - (i) The Government otherwise would incur undue cost;
 - (ii) Successful completion of the prime contract is threatened; or
 - (iii) It is authorized under paragraph (f) of this section or elsewhere in this regulation.
- (f) *Special surveillance*. For *major system acquisitions* (see [part 34](#)), the *contracting officer* may designate certain high risk or critical subsystems or *components* for special surveillance in addition to requesting supporting contract administration. This surveillance *shall* be conducted in a manner consistent with the policy of requesting that the cognizant CAO perform contract administration functions at a contractor's facility (see [42.002](#)).
- (g) *Refusing delegation of contract administration*. An agency *may* decline a request for contract administration services on a case-by-case basis if resources of the agency are inadequate to accomplish the tasks. Declinations *shall* be *in writing*.

42.203 Contract administration services directory.

The Defense Contract Management Agency (DCMA) maintains the Federal Directory of Contract Administration Services *Components*. The directory lists the names and telephone numbers of those DCMA and other agency offices that *offer* contract administration services within designated geographic areas and at specified contractor plants. *Federal agencies may* access it on the Internet at <https://piee.eb.mil/pcm/xhtml/unauth/index.xhtml>. For additional information contact-

Defense Contract Management Agency 3901 A Avenue Building 10500 Ft. Lee, VA 23801-1809.