22.103-4 Approvals.

- (a) The contracting officer shall review the contractor's request for overtime. Approval of the use of overtime may be granted by an agency approving official after determining in writing that overtime is necessary to-
- (1) Meet essential delivery or performance schedules;
- (2) Make up for delays beyond the control and without the fault or negligence of the contractor; or
- (3) Eliminate foreseeable extended production bottlenecks that cannot be eliminated in any other way.
- (b) Approval by the designated official of use and total dollar amount of *overtime* is required before inclusion of an amount in paragraph (a) of the clause at <u>52.222-2</u>, Payment for *Overtime* Premiums.
- (c) *Contracting officer* approval of payment of *overtime* premiums is required for time-and-materials and labor-hour contracts (see paragraph (a)(8) of the clause at <u>52.232-7</u>, Payments Under Time-and-Materials and Labor-Hour Contracts).
- (d) No approvals are required for paying *overtime* premiums under other types of contracts.
- (e) Approvals by the agency approving official (see 22.103-4(a)) may be for an individual contract, project, program, plant, division, or company, as practical.
- (f) During contract performance, *contractor* requests for *overtime* exceeding the amount authorized by paragraph (a) of the clause at <u>52.222-2</u>, Payment for *Overtime* Premiums, *shall* be submitted as stated in paragraph (b) of the clause to the office administering the contract. That office will review the request and if it approves, send the request to the *contracting officer*. If the *contracting officer* determines that the requested *overtime should* be approved in whole or in part, the *contracting officer shall* request the approval of the agency's designated approving official and modify paragraph (a) of the clause to reflect any approval.
- (g) *Overtime* premiums at Government expense *should* not be approved when the *contractor* is already obligated, without the right to additional compensation, to meet the required delivery date.
- (h) When the use of *overtime* is authorized under a contract, the office administering the contract and the auditor *should* periodically review the use of *overtime* to ensure that it is allowable in accordance with the criteria in <u>part 31</u>. Only *overtime* premiums for work in those departments, sections, etc., of the *contractor*'s plant that have been individually evaluated and the necessity for *overtime* confirmed *shall* be considered for approval.
- (i) Approvals for using *overtime shall* ordinarily be prospective, but, if justified by *emergency* circumstances, approvals *may* be retroactive.

Parent topic: 22.103 Overtime.