

44.204 Contract clauses.

- (a)
- (1) The *contracting officer shall* insert the clause at [52.244-2](#), Subcontracts, in *solicitations* and contracts when contemplating-
- (i) A cost-reimbursement contract;
 - (ii) A letter contract that exceeds the *simplified acquisition threshold*;
 - (iii) A fixed-price contract that exceeds the *simplified acquisition threshold* under which unpriced contract actions (including unpriced modifications or unpriced *delivery orders*) are anticipated;
 - (iv) A time-and-materials contract that exceeds the *simplified acquisition threshold*; or
 - (v) A labor-hour contract that exceeds the *simplified acquisition threshold*.
- (2) If a cost-reimbursement contract is contemplated, for civilian agencies other than the Coast Guard and the National Aeronautics and Space Administration, the *contracting officer shall* use the clause with its *Alternate I*.
- (3) Use of this clause is not required in-
- (i) Fixed-price architect-engineer contracts; or
 - (ii) Contracts for mortuary services, refuse services, or *shipment* and storage of *personal property*, when an agency-prescribed clause on approval of subcontractors' facilities is required.
- (b) The *contracting officer may* insert the clause at [52.244-4](#), Subcontractors and Outside Associates and Consultants (*Architect-Engineer Services*), in architect-engineer contracts.
- (c) The *contracting officer shall*, when *contracting* by negotiation, insert the clause at [52.244-5](#), Competition in Subcontracting, in *solicitations* and contracts when the contract amount is expected to exceed the *simplified acquisition threshold*, unless-
- (1) A firm-fixed-price contract, awarded on the basis of adequate price competition or whose prices are set by law or regulation, is contemplated; or
 - (2) A time-and-materials, labor-hour, or architect-engineer contract is contemplated.

Parent topic: [Subpart 44.2 - Consent to Subcontracts](#)