

3.10.2-3 Subcontracts - Time-and-Materials and Labor-Hour Contracts (February 2003)

(a) Subcontract, as used in this clause, includes but is not limited to purchase orders, and changes and modifications to purchase orders. The Contractor shall obtain the Contracting Officer's written consent before placing any subcontract for furnishing any of the work called for in this contract, except for purchase of raw material or commercial stock items.

(b) No subcontract placed under this contract shall provide for payment on a cost-plus-a-percentage-of-cost basis.

(c) The Government reserves the right to review the Contractor's purchasing system.

(d) Unless the consent or approval specifically provides otherwise, neither consent by the Contracting Officer to any subcontract nor approval of the Contractor's purchasing system shall constitute a determination:

(1) of the acceptability of any subcontract terms or conditions,

(2) of the acceptability of any subcontract price or of any amount paid under any subcontract, or

(3) to relieve the Contractor of any responsibility for performing this contract.

(End of clause)

PRESCRIPTION

Should be used in RFI/RFPs and contracts when a time-and-materials or labor-hour contracts is contemplated.