

3.2.4-9 Cost Contract--No Fee (February 2003)

(a) The TSA shall not pay the Contractor a fee for performing this contract.

(b) After payment of 80 percent of the total estimated cost shown in the Schedule, the Contracting Officer may withhold further payment of allowable cost until a reserve is set aside in an amount that the Contracting Officer considers necessary to protect the Government's interest. This reserve shall not exceed one percent of the total estimated cost shown in the "Schedule" or \$100,000, whichever is less.

(End of clause)

PRESCRIPTION

Should be used in RFIs/RFPs and contracts when a cost reimbursement contract is contemplated that provides no fee and is not a cost sharing contract or a facilities contract.