

# Subpart 42.5 - Postaward Orientation

**Parent topic:** Part 42 - Contract Administration and Audit Services

## 42.500 Scope of subpart.

This subpart prescribes policies and procedures for the postaward orientation of contractors and subcontractors through-

- (a) A conference; or
- (b) A letter or other form of written communication.

## 42.501 General.

(a) A postaward orientation aids both Government and contractor personnel to (1) achieve a clear and mutual understanding of all contract requirements, and (2) identify and resolve potential problems. However, it is not a substitute for the contractor's fully understanding the work requirements at the time *offers* are submitted, nor is it to be used to alter the final agreement arrived at in any negotiations leading to contract award.

(b) Postaward orientation is encouraged to assist (see part 19)-

- (1) Small business concerns;
- (2) *Small disadvantaged business concerns*;
- (3) Veteran-owned small business concerns;
- (4) Service-disabled veteran-owned small business concerns;
- (5) *HUBZone* small business concerns; and
- (6) *Women-owned small business concerns* (including economically disadvantaged *women-owned small business concerns* and *women-owned small business concerns* eligible under the Women-Owned Small Business Program).

(c) While cognizant Government or contractor personnel *may* request the *contracting officer* to arrange for orientation, it is up to the *contracting officer* to decide whether a postaward orientation in any form is necessary.

(d) Maximum benefits will be realized when orientation is conducted promptly after award.

## 42.502 Selecting contracts for postaward orientation.

When deciding whether postaward orientation is necessary and, if so, what form it *shall* take, the *contracting officer shall* consider, as a minimum, the-

- (a) Nature and extent of the *preaward survey* and any other prior discussions with the contractor;
- (b) Type, value, and complexity of the contract;
- (c) Complexity and *acquisition* history of the product or service;
- (d) Requirements for spare parts and related equipment;
- (e) Urgency of the delivery schedule and relationship of the product or service to critical programs;
- (f) Length of the planned production cycle;
- (g) Extent of subcontracting;
- (h) Contractor's performance history and experience with the product or service;
- (i) Contractor's status, if any, as a small business, small disadvantaged, women-owned, veteran-owned, *HUBZone*, or service-disabled veteran-owned small business concern;
- (j) Contractor's performance history with small, small disadvantaged, women-owned, veteran-owned, *HUBZone*, and service-disabled veteran-owned small business subcontracting programs;
- (k) Safety precautions required for hazardous materials or operations; and
- (l) Complex financing arrangements, such as progress payments, advance payments, or guaranteed loans.

## **42.503 Postaward conferences.**

### **42.503-1 Postaward conference arrangements.**

- (a) The *contracting officer* who decides that a conference is needed is responsible for:
  - (1) Establishing the time and place of the conference;
  - (2) Preparing the agenda, when necessary;
  - (3) Notifying appropriate Government representatives (*e.g.*, *contracting/contract administration office*) and the contractor;
  - (4) Designating or acting as the chairperson;
  - (5) Conducting a preliminary meeting of Government personnel; and
  - (6) Preparing a summary report of the conference.
- (b) When the *contracting office* initiates a conference, the arrangements *may* be made by that office or, at its request, by the *contract administration office*.

## **42.503-2 Postaward conference procedure.**

The chairperson of the conference *shall* conduct the meeting. Unless a contract change is contemplated, the chairperson *shall* emphasize that it is not the purpose of the meeting to change the contract. The *contracting officer* may make commitments or give directions within the scope of the *contracting officer's* authority and *shall* put *in writing* and sign any commitment or direction, whether or not it changes the contract. Any change to the contract that results from the postaward conference *shall* be made only by a *contract modification* referencing the applicable terms of the contract. Participants without authority to bind the Government *shall* not take action that in any way alters the contract. The chairperson *shall* include in the summary report (see [42.503-3](#)) all information and guidance provided to the contractor.

## **42.503-3 Postaward conference report.**

The chairperson *shall* prepare and sign a report of the postaward conference. The report *shall* cover all items discussed, including areas requiring resolution, controversial matters, the names of the participants assigned responsibility for further actions, and the due dates for the actions. The chairperson *shall* furnish copies of the report to the *contracting office*, the *contract administration office*, the contractor, and others who require the information.

## **42.504 Postaward letters.**

In some circumstances, a letter or other written form of communication to the contractor *may* be adequate postaward orientation (in lieu of a conference). The letter *should* identify the Government representative responsible for administering the contract and cite any unusual or significant contract requirements. The rules on changes to the contract in [42.503-2](#) also apply here.

## **42.505 Postaward subcontractor conferences.**

(a) The prime contractor is generally responsible for conducting postaward conferences with subcontractors. However, the prime contractor *may* invite Government representatives to a conference with subcontractors, or the Government *may* request that the prime contractor initiate a conference with subcontractors. The prime contractor *should* ensure that representatives from involved *contract administration offices* are invited.

(b) Government representatives-

(1) *Must* recognize the lack of privity of contract between the Government and subcontractors;

(2) *Shall* not take action that is inconsistent with or alters subcontracts; and

(3) *Shall* ensure that any changes in direction or commitment affecting the prime contract or contractor resulting from a subcontractor conference are made by written direction of the *contracting officer* to the prime contractor in the same manner as described in [42.503-2](#).