PART 3031—CONTRACT COST PRINCIPLES AND PROCEDURES

Authority: 5 U.S.C. 301-302, 41 U.S.C. 1303, 41 U.S.C. 1707, 41 U.S.C. 1702, and 48 CFR subpart 1.3.

Source: 68 FR 67871, Dec. 4, 2003, unless otherwise noted.

Subpart 3031.2—Contracts with Commercial Organizations

3031.205 Selected costs.

3031.205-32 Precontract costs.

Parent topic: SUBCHAPTER E—GENERAL CONTRACTING REQUIREMENTS

Subpart 3031.2—Contracts with Commercial Organizations

3031.205 Selected costs.

3031.205-32 Precontract costs.

(a) The decision to incur precontract costs is that of the contractor. DHS employees may not authorize, demand, or require a contractor to incur precontract costs. The contracting officer must advise the prospective contractor that any costs incurred before contract award are incurred at the contractor's sole risk and that if negotiations fail to result in a binding contract, payment of these costs will not be made by the Government. See (HSAR) 48 CFR 3031.205-32(b) regarding exception due to reconciliation of costs.

(b) When the contracting officer determines that incurring precontract costs was necessary to meet the proposed contract delivery schedule of a cost-reimbursement contract, the clause at (HSAR) 48 CFR 3052.231-70, Precontract Costs, may be inserted in the resultant contract.