

# 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](#).