

under subsection (b) of this section is a claim by the Government for the purposes of the Contract Disputes Act of 1978 [41 U.S.C. 601 et seq.].

(d) “Contracting officer” defined

As used in this section, the term “contracting officer” has the meaning given that term for the purposes of the Contract Disputes Act of 1978 [41 U.S.C. 601 et seq.].

(Mar. 8, 1946, ch. 80, §6, as added Pub. L. 99-634, §2(a), Nov. 7, 1986, 100 Stat. 3524.)

REFERENCES IN TEXT

The Contract Disputes Act of 1978, referred to in secs. (c) and (d), is Pub. L. 95-563, Nov. 1, 1978, 92 Stat. 2383, as amended, which is classified principally to chapter 9 (§601 et seq.) of this title. For complete classification of this Act to the Code see Short Title note set out under section 601 of this title and Tables.

EFFECTIVE DATE

Section effective with respect to conduct described in section 53 of this title which occurs on or after Nov. 7, 1986, see section 3(a) of Pub. L. 99-634, set out as an Effective Date of 1986 Amendment note under section 51 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 51, 52 of this title.

§ 57. Contractor responsibilities

(a) Procedural requirements for prevention and detection of violations

Each contracting agency shall include in each prime contract awarded by such agency a requirement that the prime contractor shall have in place and follow reasonable procedures designed to prevent and detect violations of section 53 of this title in its own operations and direct business relationships.

(b) Cooperation in investigations requirement

Each contracting agency shall include in each prime contract awarded by such agency a requirement that the prime contractor shall cooperate fully with any Federal Government agency investigating a violation of section 53 of this title.

(c) Reporting requirement; supplying information as favorable evidence of responsibility

(1)(A) Whenever a prime contractor or subcontractor has reasonable grounds to believe that a violation of section 53 of this title may have occurred, the prime contractor or subcontractor shall promptly report the possible violation in writing.

(B) A contractor shall make the reports required by subparagraph (A) to the inspector general of the contracting agency, the head of the contracting agency if the agency does not have an inspector general, or the Department of Justice.

(2) In the case of an administrative or contractual action to suspend or debar any person who is eligible to enter into contracts with the Federal Government, evidence that such person has supplied information to the United States pursuant to paragraph (1) shall be favorable evidence of such person's responsibility for the purposes of Federal procurement laws and regulations.

(d) Partial inapplicability to small contracts

Subsections (a) and (b) of this section do not apply to a prime contract that is not greater than \$100,000 or to a prime contract for the acquisition of commercial items (as defined in section 403(12) of this title).

(e) Cooperation in investigations regardless of contract amount

Notwithstanding subsection (d) of this section, a prime contractor shall cooperate fully with any Federal Government agency investigating a violation of section 53 of this title.

(Mar. 8, 1946, ch. 80, §7, as added Pub. L. 99-634, §2(a), Nov. 7, 1986, 100 Stat. 3525; amended Pub. L. 103-355, title IV, §4104(a), title VIII, §8301(c)(1), Oct. 13, 1994, 108 Stat. 3341, 3397; Pub. L. 104-106, div. D, title XLIII, §4321(g), Feb. 10, 1996, 110 Stat. 675.)

AMENDMENTS

1996—Subsec. (d). Pub. L. 104-106 made technical amendment to reference in original act which appears in text as reference to section 403(12) of this title and struck out second period at end.

1994—Subsec. (d). Pub. L. 103-355, §8301(c)(1), inserted before period at end “or to a prime contract for the acquisition of commercial items (as defined in section 403(12) of this title).”

Pub. L. 103-355, §4104(a), added subsec. (d).

Subsec. (e). Pub. L. 103-355, §4104(a), added subsec. (e).

EFFECTIVE DATE OF 1996 AMENDMENT

For effective date and applicability of amendment by Pub. L. 104-106, see section 4401 of Pub. L. 104-106, set out as a note under section 251 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

For effective date and applicability of amendment by Pub. L. 103-355, see section 10001 of Pub. L. 103-355, set out as a note under section 251 of this title.

EFFECTIVE DATE

Subsecs. (a) and (b) effective with respect to contract solicitations issued by an agency, department, or other establishment of the Federal Government on or after the date which is 90 days after Nov. 7, 1986, and subsec. (c) effective with respect to conduct described in section 53 of this title which occurs on or after Nov. 7, 1986, see section 3 of Pub. L. 99-634, set out as an Effective Date of 1986 Amendment note under section 51 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 51, 52 of this title.

§ 58. Inspection authority

For the purpose of ascertaining whether there has been a violation of section 53 of this title with respect to any prime contract, the General Accounting Office and the inspector general of the contracting agency, or a representative of such contracting agency designated by the head of such agency if the agency does not have an inspector general, shall have access to and may inspect the facilities and audit the books and records, including any electronic data or records, of any prime contractor or subcontractor under a prime contract awarded by such agency. This section does not apply with respect to a prime contract for the acquisition of commercial items (as defined in section 403(12) of this title).

(Mar. 8, 1946, ch. 80, §8, as added Pub. L. 99-634, §2(a), Nov. 7, 1986, 100 Stat. 3525; amended Pub. L. 103-355, title VIII, §8301(c)(2), Oct. 13, 1994, 108 Stat. 3397.)

AMENDMENTS

1994—Pub. L. 103-355 inserted at end “This section does not apply with respect to a prime contract for the acquisition of commercial items (as defined in section 403(12) of this title).”

EFFECTIVE DATE OF 1994 AMENDMENT

For effective date and applicability of amendment by Pub. L. 103-355, see section 10001 of Pub. L. 103-355, set out as a note under section 251 of this title.

EFFECTIVE DATE

Section effective with respect to conduct described in section 53 of this title which occurs on or after Nov. 7, 1986, see section 3(a) of Pub. L. 99-634, set out as an Effective Date of 1986 Amendment note under section 51 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 51, 52 of this title.

CHAPTER 2—TERMINATION OF WAR CONTRACTS

Sec.	Text	Sec.	Text
101.	Declaration of policy.		
102.	Surveillance by Congress.		
103.	Definitions.		
104.	Administration of chapter.		
	(a) Repealed.		
	(b) Rules and regulations.		
	(c) Compliance.		
	(d) Personnel; supplies, facilities, and services.		
	(e) Publication in Federal Register.		
105.	Contract Settlement Advisory Board; composition; duties.		
106.	Basis for settlement of termination claims.		
	(a) Priority to private contractors.		
	(b) Establishment of methods and standards.		
	(c) Conclusiveness of settlement.		
	(d) Allowable costs.		
	(e) Settlement by agreement.		
	(f) Interest.		
	(g) Amendment of contracts.		
107.	Settlement of subcontractors' claims.		
	(a) Conclusiveness of settlement.		
	(b) Supervision of payments to war contractors.		
	(c) Group settlements.		
	(d) Direct settlement by contracting agency.		
	(e) Amount of settlement.		
	(f) Equitable payments.		
108.	Interim financing.		
	(a) Prime contractors.		
	(b) Method of financing; amounts payable.		
	(c) Evidence to support financing.		
	(d) Penalty for overstatement of claims.		
	(e) Advance payments as part of termination settlement.		
	(f) Liquidation of loans, etc., prior to final settlement.		
	(g) Settlement of claims; validation of prior financing.		
109.	Advance or partial payments to subcontractors; excessive payments, interest, liability of war contractor.		
110.	Guarantee of loans, advances, etc.		
	(a) By contract.		
	(b) By assignment.		
	(c) Federal Reserve bank as fiscal agent.		
	(d) Application of other laws.		
111.	Termination of contracts.		
	(a) Advance notice; prime contracts.		
	(b) Cessation of work without termination.		
	(c) Authority of Administrator of General Services; classes of contracts.		
112.	Removal and storage of materials.		
	(a) Termination inventory.		
	(b) Statement on material of inventory.		
	(c) Removal and storage by Government agency.		
	(d) Removal and storage by war contractor.		
	(e) Acquisition by Government agency of inventory material; liability.		
	(f) Postponement or delay of termination settlement.		
	(g) Government-owned machinery.		
	(h) Limitation on Government acquisition of inventories.		
	(i) Removal and storage by war contractor at own risk.		
113.	Appeals.		
	(a) Failure to settle claims by agreement; preparation of findings; notice to war contractor.		
	(b) Rights of war contractor.		
	(c) Procedure.		
	(d) Omitted.		
	(e) Arbitration.		
	(f) Conclusiveness of decisions.		
114.	Court of Federal Claims.		
	(a) Appointment of auditors.		
	(b) Procedure.		
	(c) Jurisdiction.		
115.	Personal financial liability of contracting officers.		
116.	Repealed.		
117.	Defective, informal, and quasi contracts.		
	(a) Lack of formalized contract.		
	(b) Technical defects or omissions.		
	(c) Failure to settle.		
	(d) Formalization of obligations; termination date for filing claims.		
118.	Administration.		
	(a) Records and forms.		
	(b) Repealed.		
	(c) Advance notice on cut-backs.		
	(d) Investigations.		
	(e) Certification of fraudulent settlements to Department of Justice.		
119.	Fraudulent claims, vouchers, statements, etc.; jurisdiction.		
120.	Powers and duties of contracting agencies.		
	(a) Limitation.		
	(b) Evidence required; conclusiveness of determinations.		
	(c) Appropriations.		
	(d) Validation of prior settlements.		
	(e) Impairment of contract.		
	(f) Aid to war contractors.		
121.	Administrator of General Services; additional duties.		
122.	Use of appropriated funds.		
123.	Delegation of authority by Administrator of General Services.		
	(a) Officers and agencies of General Services Administration and other governmental agencies.		
	(b) Authority delegated to other governmental agencies.		
	(c) Joint exercise of delegated authority.		
	(d) Application to other laws.		
124.	Effective date; applicability to lend lease contracts.		
125.	Exemption of certain contracts outside continental United States or in Alaska.		