

**Department of Commerce**

**1349.402-3**

**Subpart 1346.7—Warranties**

**1346.704 Authority for use of warranties.**

Contracting officers are authorized to approve the use of warranties.

**1346.705 Limitations.**

Warranties in cost reimbursement contracts are authorized.

**1346.710 Contract clauses.**

The warranty clauses and alternates under FAR Subpart 46.710 may be used in solicitations and contracts.

**PART 1348—VALUE ENGINEERING**

**Subpart 1348.1—Policies and Procedures**

Sec.

1348.102 Policies.

**Subpart 1348.2—Contract Clauses**

1348.201 Clauses for supply or service contracts.

AUTHORITY: 41 U.S.C. 414; 48 CFR 1.301-1.304.

SOURCE: 75 FR 10570, Mar. 8, 2010, unless otherwise noted.

**Subpart 1348.1—Policies and Procedures**

**1348.102 Policies.**

(a) Contracting activities shall send contractor-submitted Value Engineering Change Proposals (VECPs) to the appropriate technical personnel for review.

(b) Technical personnel shall conduct a comprehensive review of VECPs for technical feasibility, usefulness, and adequacy of the contractor's estimate of cost savings; make a written report; and recommend acceptance or rejection to the contracting officer.

(c) The designee authorized to grant exemptions from value engineering provisions in appropriate supply, service, architect-engineer and construction contracts is set forth in CAM 1301.70.

**Subpart 1348.2—Contract Clauses**

**1348.201 Clauses for supply or service contracts.**

The designee authorized to grant exemptions from the requirements of FAR Part 48 for a contract or class of contracts is set forth in CAM 1301.70.

**PART 1349—TERMINATION OF CONTRACTS**

**Subpart 1349.1—General Principles**

Sec.

1349.106 Fraud or other criminal conduct.

**Subpart 1349.4—Termination for Default**

1349.402 Termination of fixed-price contracts for default.

1349.402-3 Procedure for default.

AUTHORITY: 41 U.S.C. 414; 48 CFR 1.301-1.304.

SOURCE: 75 FR 10570, Mar. 8, 2010, unless otherwise noted.

**Subpart 1349.1—General Principles**

**1349.106 Fraud or other criminal conduct.**

If the terminating contracting officer (TCO) suspects fraud or other criminal conduct related to the settlement of a terminated contract, the TCO shall immediately discontinue negotiations and prepare a written report concerning the matter. The report shall be submitted to the Bureau Procurement Official, the Office of Inspector General, and the DOC suspension and debarment official. An informational copy shall be provided to Procurement Counsel.

**Subpart 1349.4—Termination for Default**

**1349.402 Termination of fixed-price contracts for default.**

**1349.402-3 Procedure for default**

No action relating to a default termination, including issuance of a show cause letter, cure notice, or notice of default, shall be taken unless notice has been provided to Procurement

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Counsel and the Procurement Executive, and the action has been reviewed for legal sufficiency.

**PART 1350—EXTRAORDINARY  
CONTRACTUAL ACTIONS**

**Subpart 1350.1—Extraordinary Contractual  
Actions**

Sec.

1350.102 Delegation of and limitation on exercise of authority.

1350.102-1 Delegation of authority.

AUTHORITY: 41 U.S.C. 414; 48 CFR 1.301-1.304.

SOURCE: 75 FR 10570, Mar. 8, 2010, unless otherwise noted.

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**Subpart 1350.1—Extraordinary  
Contractual Actions**

**1350.102 Delegation of and limitation  
on exercise of authority.**

**1350.102-1 Delegation of authority.**

(a) The designee authorized to approve requests to obligate the government in excess of \$55,000 under the extraordinary emergency authority set forth in CAM 1301.70. Such authority may not be delegated below the secretarial level for requests to obligate the Government in excess of \$55,000.

(b) The designee authorized to approve any amendment without consideration that increases the contract price or unit price is set forth in CAM 1301.70.

(c) The designee authorized to indemnify against unusually hazardous or nuclear risks, including extension of such indemnification to subcontracts, is set forth in CAM 1301.70.