

32.111 Contract clauses for non-commercial purchases.

(a) The *contracting officer shall* insert the following clauses, appropriately modified with respect to payment *due dates*, in accordance with agency regulations-

(1) The clause at 52.232-1, Payments, in *solicitations* and contracts when a fixed-price supply contract, a fixed-price service contract, or a contract for nonregulated communication services is contemplated;

(2) The clause at 52.232-2, Payment under Fixed-Price Research and Development Contracts, in *solicitations* and contracts when a fixed-price research and development contract is contemplated;

(3) The clause at 52.232-3, Payments under *Personal Services Contracts*, in *solicitations* and contracts for personal services;

(4) The clause at 52.232-4, Payments under Transportation Contracts and Transportation-Related Services Contracts, in *solicitations* and contracts for transportation or transportation-related services;

(5) The clause at 52.232-5, Payments under Fixed-Price *Construction* Contracts, in *solicitations* and contracts for *construction* when a fixed-price contract is contemplated;

(6) The clause at 52.232-6, Payments under Communication Service Contracts with Common Carriers, in *solicitations* and contracts for regulated communication services by common carriers; and

(7) The clause at 52.232-7, Payments under Time-and-Materials and Labor-Hour Contracts, in *solicitations* and contracts when a time-and-materials or labor-hour contract is contemplated. If the *contracting officer* determines that it is necessary to withhold payment to protect the Government's interests, paragraph (a)(7) of the clause permits the *contracting officer* to unilaterally issue a modification requiring the contractor to withhold 5 percent of amounts due, up to a maximum of \$50,000 under the contract. The *contracting officer shall* ensure that the modification specifies the percentage and total amount of the withhold payment. Normally, there *should* be no need to withhold payment for a contractor with a record of timely submittal of the release discharging the Government from all liabilities, obligations, and *claims*, as required by paragraph (g) of the clause.

(b) The *contracting officer shall* insert the following clauses, appropriately modified with respect to payment *due dates* in accordance with agency regulations:

(1) The clause at 52.232-8, Discounts for Prompt Payment, in *solicitations* and contracts when a fixed-price supply contract or fixed-price service contract is contemplated.

(2) A clause, substantially the same as the clause at 52.232-9, Limitation on Withholding of Payments, in *solicitations* and contracts when a supply contract, research and development contract, service contract, time-and-materials contract, or labor-hour contract is contemplated that includes two or more terms authorizing the temporary withholding of amounts otherwise payable to the contractor for *supplies* delivered or services performed.

(c) The *contracting officer shall* insert the following clauses, appropriately modified with respect to

payments *due dates* in accordance with agency regulations:

(1) The clause at 52.232-10, Payments under Fixed-Price Architect-Engineer Contracts, in fixed-price architect-engineer contracts.

(2) The clause at 52.232-11, Extras, in *solicitations* and contracts when a fixed-price supply contract, fixed-price service contract, or a transportation contract is contemplated.

Parent topic: Subpart 32.1 - Financing for Other Than a Commercial Purchase