

# 519.705-7 Compliance with the subcontracting plan.

(a) *Good faith effort notifications* . Contracting officers shall provide the GSA SBTA a copy of any written notice to a contractor that the contractor did not make a good faith effort to comply with the subcontracting plan. Contracting officers shall engage the Office of the General Counsel before issuing a final decision to assess liquidated damages.

*Final decision.* The contracting officer shall provide the GSA SBTA a copy of the contracting officer's final decision assessing liquidated damages. In addition to the requirements at FAR 19.705-7, the final decision letter shall include:

- (1) A description of the contractor's failure.
- (2) Reference to the appropriate contract terms.
- (3) A statement of the factual areas of agreement and disagreement.
- (4) A statement of the contracting officer's decision with supporting rationale.
- (5) A demand for liquidated damages.
- (6) An explanation of the contractor's appeal rights under the Disputes clause.

(b) *Funds withheld from payments.* If funds to collect liquidated damages are withheld from payments due, the funds may be returned to the applicable GSA account along with other funds that were obligated but not expended. If a commercial plan is involved, or if all payments have been made under a contract with an individual contract plan, instruct the contractor to submit a check to GSA. The GSA Office of Finance will transfer the funds to the Treasury Department for deposit in the general receipts account.

**Parent topic:** [519.705 Responsibilities of the contracting officer under the subcontracting assistance program.](#)