

BACK TO BASICS

The Government's Contracting Officer

The role of the contracting officer is unique to government contracts and an essential aspect of working with the Government because the contracting officer is the sole person with authority to award, modify, administer or terminate a contract.

The issue of contract authority arises most frequently during the performance of a contract when a government employee who is not a contracting officer directs a company to perform work that is not within the scope of the contract. While refusing to perform work for a customer may feel extremely uncomfortable, companies are at risk until a Contracting Officer approves the work and incorporates the change into the contract. Companies who perform work without a formal contract modification are at risk for nonpayment. In this situation, you have two options:

1. The textbook answer is to refuse to perform the work until the contract is modified. The negative is that the customer may be unhappy with the delayed start in implementing the change. The positive is you will be guaranteed of payment before you start the work.
2. The riskier approach is to start work without contractual coverage and accept the potential risk of non-payment. The negatives with this approach are (i) you may not get paid because the work was not authorized, (ii) the contracting officer will be irritated because he/she was not involved, and (iii) the process to ratify the unauthorized work is time consuming and burdensome.

To avoid this situation entirely, I recommend companies be proactive in performing the contracts.

First, always build and maintain a relationship with all the key customer people, especially the Contracting Officer, from the beginning.

Second, be polite but firm about your rights and obligations. In a non-confrontational way, bring the Contracting Officer into the discussion early to help guide the process.

Third, know your contract terms to understand your rights and when you must involve the Contracting Officer.

Finally, *document, document, document.*