

# Section 5: Contract Claims

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## Contract Claims

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### Objectives

1. Identify a Contract Claim As Defined by Statute.
2. Identify When a Claim Has Been Properly Filed.

## Contract Claims

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### A. Claim by Contractor:

Written Demand Related to a Contract Submitted to Contracting Officer for a Decision

### B. Claim by Government:

Written Demand Related to a Contract Subject of a Contracting Officer's Final Decision

- Example: Termination for Default



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### What Are Not Claims:

1. Subcontractor Claims Not Sponsored by Prime Contractor
2. Claims by Third Party Beneficiaries
3. Claims by Contractor Against Government Agency Other Than Agency From Which Contracting Officer Is From:  
Examples:     IRS  
                  Department of Labor  
                  Small Business Administration
4. Personal Injury Claims

## Contract Claims

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### Claims Over \$100,000 Must Be Certified

#### Certifying Language:

1. Claim is in good faith.
2. Supporting Data are accurate and complete to the best of contractor's knowledge and belief.
3. Amount requested accurately reflects the contract adjustment for which the contractor believe the government is liable.
4. Certifier is duly authorized to certify claim on behalf of the contractor.



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#### Contracting Officer's Decision:

1. Up to \$100,000, C.O. must issue written decision within 60 days.
2. Over \$100,000, C.O. must either issue decision or provide notification of when decision will be issued.

### Contract Claims

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#### Appeal of C.O. Decision

1. To Armed Services Board of Contract appeals within 90 days of receipt of C.O. Decision.
2. Appeals to US Court of Federal Claims must be brought within one year of receipt of C.O. Decision.



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### Trial

1. At ASBCA - Administrative Proceeding with less formality than a court.
2. Court of Federal Claims: Formal Proceeding with Formal Rules and Requirements.
3. Documentation is Key to Success in both Proceedings.

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### False Claims and Contract Fraud

1. False Claim: Any Demand for Money.
2. Fraud: A paid False Claim.

**Word to the Wise: Be Wary of false claims in submissions of Contractor.**



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### Alternative Dispute Resolution (ADR)

Typical Procedures Include:

1. Negotiation and Settlement Conferences
2. Mini-Trial
3. Non-binding Arbitration
4. Mediation
5. Partnering
6. Facilitation

