PHASE II: CONTRACT ADMINISTRATION

Activity 36: Commercial/Simplified Acquisition Remedies

1. Obtain evidence of any reported contractor failure to perform or other breach of contract.
2. Determine if the contractor failed to comply with contract requirements.
   - Yes: Select one or more formal remedies.
   - No: Do not invoke remedies.

Select one or more formal remedies.

3. Implement the termination.
4. Provide written notice to the contractor and document a finding of facts.
5. Execute a bilateral modification.
6. Issue the cure notice.
7. Determine whether to issue a cure notice.
   - Yes: Issue the cure notice.
   - No: Obtain the contractor's response, and determine the validity of any supporting data offered by the contractor.

Determine whether to issue a cure notice.

8. Determine the next step.

Determine if the contractor failed to comply with contract requirements.

9. If yes, reject Nonconforming Supplies or Services:
   - Issue a Cure Notice
   - Enforce Implied Warranties
   - Enforce Warranty Clause

Determine whether to reject Nonconforming Supplies or Services.

10. If no, Do not invoke remedies.

If the decision is to take no further action, provide written notice to the contractor and document a finding of facts.

11. If the decision is to modify the contract, execute a bilateral modification.
12. If the decision is to terminate the contract for convenience or cause, provide written notice to the contractor and document a finding of facts.

Endeavor to obtain consideration.

13. Review the contractor's response.
14. Determine whether to accept the contractor's offer to cure the nonconformance.

Determine whether to accept the contractor's offer to cure the nonconformance.

15. If rejecting the nonconforming supplies or services, notify the contractor of the Government's rejection of nonconforming supplies or services.
16. If rejecting a minor nonconformance, provide written notice to the contractor that the Government intends to exercise its rights under the warranty clause.
17. If accepting a minor nonconformance, monitor contractor compliance with instructions for corrective action.

Endeavor to obtain consideration.

18. Notify the contractor of the Government's rejection of nonconforming supplies or services.
19. Monitor contractor compliance with instructions for corrective action.

Verify that the deliverable is covered by an implied warranty.

20. If rejecting the nonconforming supplies or services, verify that the warranty clause applies.
21. If accepting the nonconforming supplies or services, formally instruct the contractor on the required corrective action.

Verify that the warranty clause applies.

22. If rejecting the contractor's offer to cure the nonconformance, consider the contractor's recommendation for corrective action (if any).
23. If accepting the contractor's offer to cure the nonconformance, notify the contractor of the breach of the implied warranty.

Consider the contractor's recommendation for corrective action (if any).

24. If the contractor fails to complete the required corrective action, take unilateral action against the contractor.
25. If the contractor fails to provide acceptable relief within a reasonable time, take appropriate action.

Formally instruct the contractor on the required corrective action.

26. Monitor contractor compliance with agreements (if any) to make the Government whole.
27. If the contractor fails to provide acceptable relief, negotiate acceptable relief.

Take no further action to remedy the nonconformance.

28. If rejecting a minor nonconformance, determine whether to accept a minor nonconformance.
29. If accepting a minor nonconformance, determine whether the contractor has breached the warranty of fitness for a particular purpose.

If applicable, determine whether the warranty of merchantability has been breached.

30. If applicable, determine whether the warranty of merchantability has been breached.
31. If applicable, determine whether the contractor has breached the warranty of fitness for a particular purpose.

If the evidence is sufficient,
- If the evidence is not sufficient,

If the evidence is sufficient,
- If the evidence is not sufficient,

If rejecting the nonconforming supplies or services,
- If accepting the nonconforming supplies or services,

If the contractor refuses to cure the nonconformance or offer acceptable additional consideration, determine whether to initiate termination for cause.

If the contractor offers additional consideration, determine whether to accept the nonconforming supplies or services given a contractor offer of consideration.

If rejecting the nonconforming supplies or services, take no further action to remedy the nonconformance.

If accepting the nonconforming supplies or services, take no further action to remedy the nonconformance.

If rejecting the nonconformity or offer acceptable additional consideration, determine whether to initiate termination for cause.

If accepting the nonconforming supplies or services, take no further action to remedy the nonconformance.

If the decision is to take no further action, if the decision is to modify the contract, if the decision is to terminate the contract for convenience or cause, take no further action to remedy the nonconformance.

If the decision is to modify the contract, if the decision is to terminate the contract for convenience or cause, determine whether to accept nonconforming supplies or services.

If the decision is to terminate the contract for convenience or cause, document the contract file.

If the decision is to modify the contract, if the decision is to terminate the contract for convenience or cause, provide written notice to the contractor and document a finding of facts.

If the decision is to modify the contract, if the decision is to terminate the contract for convenience or cause, execute a bilateral modification.

If the decision is to terminate the contract for convenience or cause, implement the termination.

If the decision is to terminate the contract for convenience or cause, document the contract file.

If the decision is to terminate the contract for convenience or cause, provide written notice to the contractor and document a finding of facts.

If the decision is to terminate the contract for convenience or cause, execute a bilateral modification.

If the decision is to terminate the contract for convenience or cause, obtain evidence of any reported contractor failure to perform or other breach of contract.

If the decision is to terminate the contract for convenience or cause, determine if the contractor failed to comply with contract requirements.

If the decision is to terminate the contract for convenience or cause, select one or more formal remedies.

If the decision is to terminate the contract for convenience or cause, implement the termination.

If the decision is to terminate the contract for convenience or cause, provide written notice to the contractor and document a finding of facts.

If the decision is to terminate the contract for convenience or cause, execute a bilateral modification.

If the decision is to terminate the contract for convenience or cause, obtain evidence of any reported contractor failure to perform or other breach of contract.

If the decision is to terminate the contract for convenience or cause, determine if the contractor failed to comply with contract requirements.

If the decision is to terminate the contract for convenience or cause, select one or more formal remedies.

If the decision is to terminate the contract for convenience or cause, implement the termination.

If the decision is to terminate the contract for convenience or cause, provide written notice to the contractor and document a finding of facts.

If the decision is to terminate the contract for convenience or cause, execute a bilateral modification.

If the decision is to terminate the contract for convenience or cause, obtain evidence of any reported contractor failure to perform or other breach of contract.

If the decision is to terminate the contract for convenience or cause, determine if the contractor failed to comply with contract requirements.

If the decision is to terminate the contract for convenience or cause, select one or more formal remedies.