

Chapter 3

Authority to Contract



2014 Contract Attorneys Deskbook

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CHAPTER 3

AUTHORITY TO CONTRACT

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CHAPTER 3

AUTHORITY TO CONTRACT

I. INTRODUCTION

“The United States employs over 3 million civilian employees. Clearly, federal expenditures would be wholly uncontrollable if Government employees could, of their own volition, enter into contracts obligating the United States.” City of El Centro v. U.S., 922 F.2d 816 (Fed. Cir. 1990).

II. OBJECTIVES

Following this block of instruction, students should:

- A. Understand the elements of a contract and the different ways that a contract can be formed.
- B. Understand the constitutional, statutory, and regulatory bases that permit federal executive agencies to contract using appropriated funds (APFs).
- C. Understand how individuals acquire the power to contract on behalf of the government.
- D. Understand the different theories that bind the government in contract.
- E. Understand what constitutes an “unauthorized commitment” and be able to describe how, and by whom, unauthorized commitments may be ratified.

III. METHODS OF CONTRACT FORMATION

- A. FAR Definition of a Contract: A contract is a mutually binding legal relationship obligating the seller to furnish supplies and services (including construction) and the buyer to pay for them. It includes all types of commitments obligating the government to expend appropriated funds and, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under

which the contract becomes effective by written acceptance or performance; and bilateral contract modifications. Contracts do not include grants and cooperative agreements covered by 31 U.S.C.6301, *et seq.* FAR 2.101

B. Express Contract.

1. An express contract is a contract whose terms the parties have explicitly set out. BLACK'S LAW DICTIONARY (9th ed. 2009).
2. The required elements to form a government contract are:
 - a. mutual intent to contract;
 - b. offer and acceptance; and
 - c. conduct by an officer having the actual authority to bind the government in contract.

Allen Orchards v. United States, 749 F. 2d 1571, 1575 (Fed. Cir. 1984); OAQ Corp. v. United States, 17 Cl. Ct. 91 (1989).

3. Requirement for contract to be in writing. See FAR 2.101 definition of contract, supra.
 - a. Oral contracts are generally not enforceable against the government unless supported by documentary evidence. See 31 U.S.C. § 1501(a)(1) (an amount shall be recorded as an obligation of the United States Government only when supported by documentary evidence of a binding agreement between an agency and another person that is in writing, in a way and form, and for a purpose authorized by law).
 - b. The predecessor provision to 31 U.S.C. § 1501(a)(1) was construed as requiring a written contract to obtain court enforcement of an agreement. United States v. American Renaissance Lines, Inc., 494 F.2d 1059 (D.C. Cir. 1974), cert. denied, 419 U.S. 1020 (1974). (Government unable to obtain damages for an unperformed oral contract for carriage.)
 - c. The Court of Claims held that failure to reduce a contract to writing under 31 U.S.C. 1501(a)(1) should not preclude recovery. Rather, a party can prevail if it introduces additional facts from which a court can infer a meeting of the minds. Narva Harris Construction Corp. v. United States, 574 F.2d 508 (1978).

- d. The Ninth Circuit has held that FAR 2.101 does not prevent a court from finding an implied-in-fact contract. PACORD, Inc. v. United States, 139 F.3d 1320 (9th Cir. 1998).
- e. The Armed Services Board of Contract Appeals has followed the Narva Harris position. Various correspondence between parties can be sufficient "additional facts" and "totality of circumstances" to avoid the statutory prohibition in 31 U.S.C. § 1501(a)(1) against purely oral contracts. Essex Electro Engineers, Inc., ASBCA Nos. 30118, 30119, 88-1 BCA ¶ 20,440; Vec-Tor, Inc., ASBCA Nos. 25807 and 26128, 84-1 BCA ¶ 17,145.
- f. The ASBCA has found a binding oral contract existed where the Army placed an order against a GSA requirements contract. C-MOR Co., ASBCA Nos. 30479, 31789, 87-2 BCA ¶ 19,682 (however, the Army placed a written delivery order following a telephone conversation between the contract specialist and C-MOR). Cf. RMTC Sys., AGBCA No. 88-198-1, 91-2 BCA ¶ 23,873 (shipment in response to phone order by employee without contract authority did not create a contract).

C. Implied Contracts

1. Implied-in-Fact Contract.

- a. Where there is no written contract, contractors often attempt to recover by alleging the existence of a contract "implied-in-fact."
- b. An implied-in-fact contract is "founded upon a meeting of the minds, which, although not embodied in an express contract, is inferred, as a fact, from conduct of the parties showing, in the light of the surrounding circumstances, their tacit understanding." Baltimore & Ohio R.R. Co. v. United States, 261 U.S. 592, 597 (1923).
- c. The requirements for an implied-in-fact contract are the same as for an express contract; only the nature of the evidence differs. OAO Corp. v. United States, 17 Cl. Ct. 91 (1989) (finding implied-in-fact contract for start-up costs for AF early warning system). See, generally, Willard L. Boyd III, Implied-in-Fact Contract: Contractual Recovery against the Government without an Express Agreement, 21 Pub. Cont. L. J. 84-128 (Fall 1991).

2. Implied-in-Law Contract.

- a. An implied-in-law contract is not a true agreement to contract. It is a "fiction of law" where "a promise is imputed to perform a legal duty, as to repay money obtained by fraud or duress." Baltimore & Ohio R.R. Co. v. United States, 261 U.S. 592, 597 (1923).
- b. When a contractor seeks recovery under an implied-in-law theory, the government should file a motion to dismiss for lack of jurisdiction. Neither the Contract Disputes Act (CDA) nor the Tucker Act grants jurisdiction to courts and boards to hear cases involving implied-in-law contracts. 41 U.S.C. §§ 601-613; 28 U.S.C. §§ 1346 and 1491. See Hercules, Inc. v. United States, 516 U.S. 417 (1996); Amplitronics, Inc., ASBCA No. 44119, 94-1 BCA ¶ 26,520

IV. AUTHORITY OF AGENCIES

- A. Constitutional. As a sovereign entity, the United States has inherent authority to contract in order to discharge governmental duties. United States v. Tingey, 30 U.S. (5 Pet.) 115 (1831). This authority to contract, however, is limited. Specifically, a government contract must:
 1. Not be prohibited by law; and
 2. Be an appropriate exercise of governmental powers and duties.
- B. Statutory. Congress has enacted various statutes regulating the acquisition of goods and services by the government. These include the:
 1. Federal Property and Administrative Services Act of 1949 (FPASA), 41 U.S.C. §§ 251-260. FPASA was repealed and now has provisions contained in Revised Titles, see 40 USCA §§ 101-2, 111-13, 121-26, 301-4, 311-13, 321-23, 501-29, 541-59, 571-74, 581-93, 601-11, 701-5, 901-5, 1101-4; 41 USCA §§ 102-3, 105-16, 151-53, 3101-6, 3301, 3303-11, 3501-8, 3701-8, 3901-3, 3905, 4101, 4103, 4105, 4106, 4301-10, 4501-6, 4709. The FPASA governs the acquisition of all property and services by all executive agencies except DOD, Coast Guard, NASA, and any agency specifically exempted by 40 U.S.C. § 474 or any other law.
 2. Office of Federal Procurement Policy Act (OFPPA), 41 U.S.C. § 401 et. seq. OFPPA was repealed and now has provisions contained in a Revised Title, see 41 USCA §§ 102-5, 107-16, 131-34, 1101-2, 1121-22, 1124-27, 1130-31, 1301-4, 1311-12, 1501-6, 1701-3, 1705, 1707-12, 1901-3, 1905-8, 2101-7, 2301-2, 2305-10, 2312, 7105. This legislation

applies to all executive branch agencies, and created the Office of Federal Procurement Policy (OFPP) within the Office of Management and Budget. The Administrator of the OFPP is given responsibility to “provide overall direction of procurement policy and leadership in the development of procurement systems of the executive agencies.” 41 U.S.C. § 1121(a).

3. Competition in Contracting Act of 1984 (CICA), 10 U.S.C. § 2304; 41 U.S.C. § 403.
 - a. CICA amended the ASPA and the FPASA to make them identical. Because of subsequent legislative action, they are now different in some significant respects.
 - b. CICA mandates full and open competition for many, but not all, purchases of goods and services.
4. The Federal Acquisition Streamlining Act of 1994 (FASA), Pub. L. No. 103-355, 108 Stat. 3243. FASA amended various sections of the statutes described above.
5. Clinger-Cohen Act, Pub. L. No. 104-106, Division E, § 5101, 110 Stat. 680 (1996) (previously known as the Information Technology Management Reform Act (ITMRA)). This statute governs the acquisition of information technology by federal agencies. It repealed the Brooks Automatic Data Processing Act, 40 U.S.C. § 759.
6. Annual DOD Authorization and Appropriation Acts.

C. Regulatory

1. Federal Acquisition Regulation (FAR), codified at 48 C.F.R. Chapter 1.
 - a. The FAR is the principal regulation governing federal executive agencies in the use of appropriated funds to acquire supplies and services.
 - b. The DOD, NASA, and the General Services Administration (GSA) issue the FAR jointly.
 - c. These agencies publish proposed, interim, and final changes to the FAR in the Federal Register. They issue changes to the FAR in Federal Acquisition Circulars (FACs).

2. Agency regulations. The FAR system consists of the FAR and the agency regulations that implement or supplement it. The following regulations supplement the FAR. (The FAR and its supplements are available at <http://farsite.hill.af.mil>).
 - a. Defense Federal Acquisition Regulation Supplement (DFARS), codified at 48 C.F.R. chapter 2. The Defense Acquisition Regulation (DAR) Council publishes DFARS changes/proposed changes in the Federal Register, and issues them as Defense Acquisition Circulars (DACs).
 - b. Army Federal Acquisition Regulation Supplement (AFARS).
 - c. Air Force Federal Acquisition Regulation Supplement (AFFARS).
 - d. Navy Marine Corps Acquisition Regulation Supplement (NMCARS).
 - e. The AFARS, AFFARS, and NMCARS are not codified in the C.F.R. The military departments do not publish changes to these regulations in the Federal Register but, instead, issue them pursuant to departmental procedures.
3. Major command and local command regulations.

V. AUTHORITY OF PERSONNEL

A. Contracting Authority

1. Agency Head
 - a. The FAR vests contracting authority in the head of the agency. FAR 1.601(a). Within DOD, the heads of the agencies are the Secretaries of Defense, the Army, the Navy, and the Air Force. DFARS 202.101.
 - b. In turn, the head of the agency may establish subordinate contracting activities and delegate broad contracting authority to the heads of the subordinate activities. FAR 1.601(a).
2. Heads of Contracting Activities (HCAs)
 - a. HCAs have overall responsibility for managing all contracting actions within their activities.

- b. There are over 60 DOD contracting activities, plus others who possess contracting authority delegated by the heads of the various defense agencies. Examples of DOD contracting activities include U.S. Army Intelligence and Security Command, Naval Air Systems Command, and Air Force Materiel Command. DFARS 202.101.
- c. HCAs are contracting officers by virtue of their position. See FAR 1.601; FAR 2.101.
- d. HCAs may delegate some of their contracting authority to deputies.
 - (1) In the Army, HCAs appoint a Principal Assistant Responsible for Contracting (PARC) as the senior staff official of the contracting function within the contracting activity. The PARC has direct access to the HCA and should be one organizational level above the contracting office(s) within the HCA's command. AFARS 5101.601(4).
 - (2) The Air Force and the Navy also permit delegation of contracting authority to certain deputies. AFFARS 5301.601; NMCARS 5201.603-1.

3. Contracting officers

- a. Agency heads or their designees select and appoint contracting officers. Appointments are made in writing using the SF 1402, Certificate of Appointment. Delegation of micro-purchase authority shall be in writing, but need not be on a SF 1402. FAR 1.603-3.
- b. Contracting officers may bind the government only to the extent of the authority delegated to them on the SF 1402. Information on a contracting officer's authority shall be readily available to the public and agency personnel. FAR 1.602-1(a).

4. Contracting Officer Representatives (COR).

- a. Contracting officers may authorize selected individuals to perform specific technical or administrative functions relating to the contract. A COR may also be referred to as a Contracting Officer's Technical Officer (COTR) or Quality Assurance Representative (QAR).

- b. Typical COR designations do not authorize CORs to take any action, such as modification of the contract that obligates the payment of money. See AFARS 5153.9001, Sample COR designation.

B. Actual Authority

1. The government is bound only by government agents acting within the actual scope of their authority to contract. Federal Crop Ins. Corp. v. Merrill, 332 U.S. 380 (1947) (government agent lacked authority to bind government to wheat insurance contract not authorized under Wheat Crop Insurance Regulations); Hawkins & Powers Aviation, Inc. v. United States, 46 Fed. Cl. 238 (2000) (assistant director of Forest Service lacked authority to modify aircraft contract); Schism v. United States, 316 F.3d 1259 (Fed. Cir. 2002) (military recruiters lacked the authority to bind the government to promises of free lifetime medical care).
2. Actual authority can usually be determined by viewing a contracting officer's warrant or a COR's letter of appointment. See Farr Bros., Inc., ASBCA No. 42658, 92-2 BCA ¶ 24,991 (COR's authority to order suspension of work not specifically prohibited by appointment letter).
3. The acts of government agents which exceed their contracting authority do not bind the government. See HTC Indus., Inc., ASBCA No. 40562, 93-1 BCA ¶ 25,560 (contractor denied recovery although contracting officer's technical representative encouraged continued performance despite cost overrun on the cost plus fixed-fee contract); Johnson Management Group CFC v. Martinez, 308 F.3d. 1245 (Fed. Cir. 2002) (contracting officer was without authority to waive a government lien on equipment purchased with government funds).

C. Apparent Authority

1. Definition. Authority that a third party reasonably believes an agent has, based on the third party's dealings with the principal, even though the principal did not confer or intend to confer with the authority. BLACK'S LAW DICTIONARY (9th ed. 2009).
2. The government is not bound by actions of one who has apparent authority to act for the government. Federal Crop Ins. Corp. v. Merrill, 332 U.S. 380 (1947); Sam Gray Enterprises, Inc. v. United States, 43 Fed. Cl. 596 (1999) (embassy chargé d'affaires lacked authority to bind government); Mark L. McAfee v. United States, 46 Fed. Cl. 428 (2000) (Assistant U.S. Attorney lacked authority to forgive plaintiff's farm loan in exchange for

cooperation in foreclosure action); Austin v. United States, 51 Fed.Cl. 718 (2002) (employees of the US Marshall Service possessed no authority to bind the government to pay informant in witness protection program a stipend or damages resulting from the informants move.

3. In contrast, contractors are bound by apparent authority. American Anchor & Chain Corp. v. United States, 331 F.2d 860 (Ct. Cl. 1964) (government justified in assuming that contractor's plant manager acted with authority).

VI. THEORIES THAT BIND THE GOVERNMENT

The following are often used in combination to support a contractor's claim of a binding contract action.

A. Implied authority

1. Use of this theory requires that the government employee have some actual authority.
2. Courts and boards may find implied authority to contract if the questionable acts, orders, or commitments of a government employee are an integral or inherent part of that person's assigned duties. See H. Landau & Co. v. United States, 886 F.2d 322, 324 (Fed. Cir. 1989); Confidential Informant v. United States, 46 Fed. Cl. 1 (2000) (even though FBI agents lacked actual authority to contract for rewards, government may be liable under theory of "implied actual authority"); Sigma Constr. Co., ASBCA No. 37040, 91-2 BCA ¶ 23,926 (contract administrator at work site had implied authority to issue change orders issued under exigent circumstance [drying cement]); Switlik Parachute Co., ASBCA No. 17920, 74-2 BCA ¶ 10,970 (quality assurance representative had implied authority to order 100% testing of inflatable rafts).
3. Contracting authority is integral to an employee's duties when:
 - a. The employee cannot perform his assigned tasks without such authority, and
 - b. The relevant agency's regulations do not grant the authority to other agency employees. SGS-92-X003 v. United States, 74 Fed. Cl. 637 (2006).

4. However, contract changes cannot be an “integral part” of an employee’s duties if the contract explicitly reserves or prohibits that authority. Winter v. Cath-dr/Balti Joint Venture, 497 F.3d 1339 (Fed. Cir. 2007) (despite his assigned responsibilities and the Navy’s indications that he had authority to make contract changes, Program Manager did not have express or implied authority where the contract’s clauses explicitly granted to the contracting officer the exclusive authority to modify the contract). Aero-Abre, Inc., v. United States, 39 Fed. Cl. 654 (1997) (No implied actual authority where a regulation, contract, or letter expressly prohibits an employee from possessing actual authority).

B. Ratification.

1. Formal or Express. FAR 1.602-3 provides the contracting officer with authority to ratify certain unauthorized commitments. See section VII, *infra*. Henke v. United States, 43 Fed. Cl. 15 (1999); Khairallah v. United States, 43 Fed. Cl. 57 (1999) (no ratification of unauthorized commitments by DEA agents).
2. Implied. A court or board may find ratification by implication where a contracting officer has actual or constructive knowledge of the unauthorized commitment and adopts the act as his own. The contracting officer’s failure to process a claim under the procedures of FAR 1.602-3 does not preclude ratification by implication. Reliable Disposal Co., ASBCA No. 40100, 91-2 BCA ¶ 23,895 (KO ratified unauthorized commitment by requesting payment of the contractor’s invoice); Tripod, Inc., ASBCA No. 25104, 89-1 BCA ¶ 21,305 (KO’s knowledge of contractor’s complaints and review of inspection reports evidenced implicit ratification); Digicon Corp. v. United States, 56 Fed. Cl. 425 (2003) (COFC found “institutional ratification” where Air Force issued task orders and accepted products and services from appellant over a sixteen month period).

C. Imputed Knowledge.

1. This theory is sometimes used when the contractor fails to meet the contractual obligation to give written notice to the contracting officer of, for example, a differing site condition. Williams v. United States, 127 F. Supp. 617 (Ct. Cl. 1955) (contracting officer deemed to have knowledge of road paving agreement on Air Force base).
2. When the relationship between two persons creates a presumption that one would have informed the contracting officer of certain events, the boards may impute the knowledge of the person making the unauthorized

commitment to the contracting officer. Sociometrics, Inc., ASBCA No. 51620, 00-1 BCA ¶ 30,620 (“While the [contract] option was not formally exercised, the parties conducted themselves as if it was.”); Leiden Corp., ASBCA No. 26136, 83-2 BCA ¶ 16,612 (“It would be inane indeed to suppose that [the government inspector] was at the site for no purpose.”)

D. Equitable Estoppel

1. A contractor’s reasonable, detrimental reliance on statements, actions, or inactions by a government employee may estop the government from denying liability for the actions of that employee. Lockheed Shipbldg. & Constr. Co., ASBCA No. 18460, 75-1 BCA ¶ 11,246 (government estopped by Dep. Secretary of Defense’s consent to settlement agreement).
2. To prove estoppel in a government contract case, the party must establish:
 - a. Knowledge of the facts by the party to be estopped;
 - b. Intent, by the estopped party, that his conduct shall be acted upon, or actions such that the party asserting estoppel has a right to believe it is so intended;
 - c. Ignorance of the true facts by the party asserting estoppel; and
 - d. Detrimental reliance. Emeco Industries, Inc. v. United States, 485 F.2d 652, at 657 (Ct. Cl. 1973).
3. If asserted against the government, appellant must demonstrate government affirmative misconduct as a prerequisite for invoking equitable estoppel. Zacharin v. United States, (213 F.3d 1366) (Fed. Cir. 2001); Rumsfeld v. United Technologies Corp., 315 F. 3d 1361 (Fed. Cir. 2003); Appeal of F Splashnote Systems, Inc., 12-1 BCA ¶ 34899, Nov. 29, 2011; and Appeal of F Unitech Services Group, Inc., 16 ASBCA No. 56482, May 22, 2012.
4. However, See Mabus v. General Dynamics C4 Systems, Inc., 633 F.3d 1356 (Fed. Cir. Feb. 4, 2011), which, citing A.C. Aukerman Co. v. R.L. Chaides Construction Co., 960 F.2d 1020 (Fed. Cir. 1992), replaced the four-part estoppel test with a three-part test requiring proof of:
 - a. Misleading conduct, which may include not only statements and actions but silence and inaction, leading another to reasonably infer that rights will not be asserted against it;
 - b. Reliance upon this conduct; and

- c. Due to this reliance, material prejudice if the delayed assertion of such rights is permitted.

VII. UNAUTHORIZED COMMITMENTS

- A. Definition. An unauthorized commitment is an agreement that is nonbinding solely because the government representative who made it lacked the authority to enter into that agreement. FAR 1.602-3.
- B. Ratification.
 - 1. Ratification is the act of approving an unauthorized commitment, by an official who has the authority to do so, for the purpose of paying for supplies or services provided to the government as a result of an unauthorized commitment. FAR 1.602-3(c).
 - 2. The government may ratify unauthorized commitments if:
 - a. The government has received and accepted supplies or services, or the government has obtained or will obtain a benefit from the contractor's performance of an unauthorized commitment.
 - b. At the time the unauthorized commitment occurred, the ratifying official could have entered into, or could have granted authority to another to enter into, a contractual commitment which the official still has authority to exercise.
 - c. The resulting contract otherwise would have been proper if made by an appropriate contracting officer.
 - d. The price is fair and reasonable.
 - e. The contracting officer recommends payment and legal counsel concurs, unless agency procedures expressly do not require such concurrence.
 - f. Funds are available and were available when the unauthorized commitment occurred.
 - g. Ratification is within limitations prescribed by the agency.
 - 3. Army HCAs may delegate the authority to approve ratification actions, without the authority to redelegate, to the following individuals.

- a. PARC (for amounts of \$100,000 or less) (AFARS 5101.602-3(b)(3)(A)); and
 - b. Chiefs of Contracting Offices (for amounts of \$10,000 or less) (AFARS 5101.602-3(b)(3)(B)).
4. The Air Force and the Navy also permit ratification of unauthorized commitments, but their limitations are different than those of the Army. See AFFARS 5301.602-3; NMCARS 5201.602-3.
- C. Alternatives to Ratification. If the agency refuses to ratify an unauthorized commitment, a binding contract does not arise. A contractor can pursue one of the following options:
1. Requests for extraordinary contractual relief.
 - a. Contractors may request extraordinary contractual relief in the interest of national defense. FAR Part 50.
 - b. FAR 50.103-2(c) authorizes, under certain circumstances, informal commitments to be formalized for payment where, for example, the contractor, in good faith reliance on a government employee's apparent authority, furnishes supplies or services to the agency. Radio Corporation of America, ACAB No. 1224, 4 ECR ¶ 28 (1982) (contractor granted \$648,747 in relief for providing, under an informal commitment with the Army, maintenance, repair, and support services for electronic weapon system test stations).
 - c. Operational urgency may be grounds for formalization of informal commitments under P.L. 85-804. Vec-Tor, Inc., ASBCA Nos. 25807, 26128, 85-1 BCA ¶ 17,755.
 2. Doubtful Claims
 - a. Prior to 1995-1996, the Comptroller General had authority under 31 U.S.C. § 3702 to authorize reimbursement on a quantum meruit or quantum valebant basis to a firm that performed work for the government without a valid written contract.
 - b. Under quantum meruit, the government pays the reasonable value of services it actually received on an implied, quasi-contractual basis. Maintenance Svc. & Sales Corp., 70 Comp. Gen. 664 (1991).

- c. The GAO used the following criteria to determine justification for payment:
 - (1) The goods or services for which the payment is sought would have been a permissible procurement had proper procedures been followed;
 - (2) The government received and accepted a benefit;
 - (3) The firm acted in good faith; and
 - (4) The amount to be paid did not exceed the reasonable value of the benefit received. Maintenance Svc. & Sales Corp., 70 Comp. Gen. 664 (1991).
 - d. Congress transferred the claims settlement functions of the GAO to the Office of Management and Budget, which further delegated the authority. See The Legislative Branch Appropriations Act, 1996, Pub. L. 104-53, 109 Stat. 514, 535 (1995); 31 U.S.C. 3702.
 - e. The Claims Division at the Defense Office of Hearings and Appeals (DOHA) settles claims under 31 U.S.C. 3702 for the Department of Defense. DOHA decisions can be found at www.defenselink.mil/dodgc/doha.
3. Contract Disputes Act (CDA) claims. If the contractor believes it can meet its burden in proving an implied-in-fact contract, it can appeal a contracting officer's final decision to the United States Court of Federal Claims or the cognizant board of contract appeals. 41 U.S.C. §§ 601-613; FAR Subpart 33.2.

VIII. CONCLUSION

Contract authority is a foundational element of the government acquisitions process. Contract Attorney's should be prepared to educate and train members of their organization on the importance of ensuring that all commitments on behalf of the government originate from an individual who has appropriate authority and comply with all regulatory requirements.