

DECISION

**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-206352

DATE: October 1, 1982

MATTER OF: Enrique Garcia - Request for Advance
Decision

DIGEST:

Claim of Bolivian national for additional severance pay under personal services contract with Agency for International Development Mission to Bolivia may be settled by the contracting officer under the Contract Disputes Act of 1978, 41 U.S.C. §§ 601, et seq. (supp. III, 1979).

The controller for the United States Agency for International Development Mission to Bolivia requests an advance decision under 31 U.S.C. § 82d (1976) concerning the claim of Mr. Enrique Garcia for \$4,632.72 in severance payments under a personal services contract. We find that the Mission's contracting officer is authorized to settle this claim under the Contract Disputes Act of 1978, 41 U.S.C. §§ 601, et seq. (Supp. III, 1979).

Mr. Garcia entered into the personal services contract effective July 1, 1981, to advise and assist the Mission in the implementation of the Rural Development Planning Project which involved the improvement of certain elements of the Bolivian planning system. Mr. Garcia performed satisfactorily under the contract until the contract was terminated for the convenience of the Mission due to program changes. By formal letter dated November 12, 1981, Mr. Garcia was given 30 days termination notice as provided by the terms of paragraph 7(b) of Article VII of the contract.

Mr. Garcia contends that under Article IV of his personal services contract he is entitled to 90 days' advance notice of separation or payment of 90 days' salary in lieu of such notice. Thus, Mr. Garcia is claiming an additional 60 days' severance payment.

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Paragraph 8 of Article VII of the contract clearly indicates that Mr. Garcia's claim is subject to the Contract Disputes Act. The Act provides that all claims by a contractor against the Government relating to a contract shall be submitted to the contracting officer for a decision. 41 U.S.C. § 605(a). It provides that when a claim is submitted the contracting officer shall issue a decision on the claim stating the reasons for the decision reached. 41 U.S.C. id. The Act further provides that the contracting officer's decision shall be final and not reviewable unless appealed by the contractor. 41 U.S.C. § 605(b). As stated in 41 U.S.C. § 602(a), these provisions apply to all claims relating to any express or implied contract entered into by an agency for the procurement of property and services. Since the Act authorizes the contracting officer to issue a decision on this claim, the contracting officer clearly is authorized to settle the claim. See Federal Communications Commission B-208049, August 19, 1982, citing Paragon Energy Corp. v. United States, 645 F.2d 966 (Ct. Cl. 1981).

Our conclusion that the contracting officer has authority to settle this claim under the Contract Disputes Act does not mean that this claim is now ripe for payment. Before payment may be made, there must be a written decision by the contracting officer setting forth a clear finding of legal liability. While our examination of the record fails to show a basis for a finding of clear legal liability on the part of the Government, as pointed out above, any such decision by the contracting officer would be final.

Harold D. Cline

Comptroller General
of the United States