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## **3.9 Resolution of Protests and Contract Disputes**

### **3.9.1 Applicability**

Protest and contract disputes guidance and principles outlined herein apply to all FAA Screening Information Requests (SIRs), contract awards, and contracts.

### **3.9.2 Policy**

The FAA is committed to the early and expeditious resolution of controversy using mediation, fact-finding and other techniques collectively known as "alternative dispute resolution". The FAA has pledged to utilize ADR techniques to the maximum extent practicable when such voluntary techniques will produce a fair and expeditious disposition of a controversy.

Protests concerning FAA SIRs or awards of contracts, and contract disputes arising under or related to FAA contracts, shall be resolved at the agency level through the FAA Dispute Resolution System. Judicial review, where available, will be in accordance with 49 U.S.C. 46110 and shall apply only to final agency decisions. The decision of the FAA shall be considered a final agency decision only after an offeror or contractor has exhausted its administrative remedies for a protest or a contract dispute under the FAA Dispute Resolution System

### **3.9.3 Reserved**

### **3.9.4 FAA Dispute Resolution System**

The FAA Office of Dispute Resolution for Acquisition (ODRA) is established as an organization that is independent of agency organizations responsible for procurement actions. Pursuant to a delegation of authority by the Administrator, the Director of the ODRA manages the FAA dispute resolution process, promotes ADR, conducts dispute resolution proceedings and recommends action to the Administrator on matters concerning protests or contract disputes. The ODRA is authorized, among other things, to

- ☐ Adjudicate protests and contract disputes on behalf of the FAA Administrator;
- ☐ Promulgate rules of procedure;
- ☐ Issue orders and decisions;
- ☐ Exercise broad discretion to resolve protests and contract disputes;
- ☐ Use ADR to settle protests and contract disputes; and
- ☐ Provide fair and impartial "Findings and Recommendations", supported by the case record and law.
- ☐ Recommend changes to the FAA acquisition system based on matters brought before the office.

The Director of the ODRA may redelegate to Special Masters and Dispute Resolution Officers (DROs) such delegated authority as is necessary for efficient resolution of an assigned protest or contract dispute, including the imposition of sanctions or other disciplinary actions.

The applicable ODRA rules of procedure are set forth in 14 CFR Parts 14 and 17, Procedures for Protests and Contract Disputes; Amendment of Equal Access to Justice Act Regulations, effective June 28, 1999. These ODRA Rules are incorporated by reference into this section. Further information and guidance concerning the ODRA dispute resolution process for contract disputes and protests can be found on the [ODRA Website](#).

### **3.9.5 Initial Dispute Resolution at the Contracting Officer Level**

Offerors and contractors initially should seek resolution of any concerns or controversies at the Contracting Officer level. Contracting Officers should make reasonable efforts to promptly and completely resolve such concerns or controversies, where possible, and will coordinate their dispute resolution efforts with the FAA Procurement Legal Division or their regional or center Assistant Chief Counsel's office.

### **3.9.6 Dispute Resolution at the ODRA**

ADR is the primary means of dispute resolution that is employed by the ODRA. Upon request, the Office of Dispute Resolution for Acquisition will make available FAA DROs or appropriately qualified persons from outside the FAA to serve as neutrals in ADR proceedings involving protests and contract disputes. The parties may also employ a neutral of their own choosing. With the agreement of the interested parties, the ODRA may provide ADR services in advance of the filing of a contract dispute or bid protest with the ODRA.

The parties may use any ADR technique proposed by the parties that is deemed by the DRO or neutral to be fair, reasonable, and in the best interest of the parties, including, but not limited to, informal communication, mediation, fact-finding, and binding or nonbinding arbitration. Binding arbitration may be employed only if the protester or contractor and the FAA agree to use this method to resolve the merits of the protest or contract dispute. If binding arbitration is agreed to, the decision of the DRO or neutral arbiter will become a final agency decision, unless the FAA Administrator indicates non-concurrence with the decision, in writing, within seven business days after the date that the decision is issued. If the FAA Administrator non-concurs with the decision and issues a contrary determination, then that determination becomes the final agency decision concerning the merits of the protest or contract dispute. If the parties have not agreed to binding arbitration and are unable otherwise to reach an agreement on the merits of the protest or contract dispute through ADR, then the ODRA will employ its Default Adjudicative Process to resolve the protest or contract dispute.

### **3.9.7 Obligation to Continue Performance**

The FAA requires continued performance with respect to contract disputes arising under or related to a contract, in accordance with the provisions of the contract, pending resolution of the contract dispute.

### **3.9.8 Matters Not Subject to Protest**

The following matters may not be protested before the Office of Dispute Resolution for Acquisition:

- (a) FAA purchases from or through, state, local, and tribal governments and public authorities;
- (b) FAA purchases from or through other federal agencies;
- (c) Grants;
- (d) Cooperative agreements;
- (e) Other transactions that do not fall into the category of procurement contracts subject to the AMS.

### **3.9.9 Confidentiality of the ADR Process**

Settlement discussions and documentation provided to facilitate settlement of the issues will be protected and confidential, to the extent provided by law, ADR agreements and ODRA Protective Orders.