PART 317—SPECIAL CONTRACTING METHODS

Authority: 5 U.S.C. 301; 40 U.S.C. 121(c)(2).

Source: 80 FR 72151, Nov. 18, 2015, unless otherwise noted.

Subpart 317.1—Multi-Year Contracting

317.104 General.

317.105 Policy.

317.105-1 Uses.

317.107 Options.

317.108 Congressional notification.

Subpart 317.2—Options

317.204 Contracts.

Parent topic: SUBCHAPTER C—CONTRACTING METHODS AND CONTRACT TYPES

Subpart 317.1—Multi-Year Contracting

317.104 General.

(b) The Senior Procurement Executive (SPE) is the agency approving official for determinations under Federal Acquisition Regulation (FAR) 17.104(b).

317.105 Policy.

317.105-1 Uses.

(a) Each head of the contracting activity (HCA) determination to use multi-year contracting, as defined in FAR 17.103, is limited to individual acquisitions where the full estimated cancellation ceiling does not exceed 20 percent of the total contract value over the multi-year term or $12.5 million, whichever is less. Cancellation ceiling provisions shall conform to the requirements of FAR 17.106-1(c). The determination is not delegable and shall address the issues in FAR 17.105-1(a).

(b)

(1) SPE approval is required for any—

(i) Individual determination to use multi-year contracting with a cancellation ceiling in excess of the limits in 317.105-1(a); or

(ii) Class determination (see FAR subpart 1.7).

(2) A determination involving a cancellation ceiling in excess of the limits in 317.105-1(a) shall present a well-documented justification for the estimated cancellation ceiling. When the estimated cancellation ceiling exceeds $12.5 million, the determination shall accompany a draft congressional notification letter pursuant to FAR 17.108 and 317.108.

317.107 Options.

When included as part of a multi-year contract, use of options shall not extend the performance of the original requirement beyond 5 years. Options may serve as a means to acquire related services (severable or non-severable) and, upon their exercise, shall receive funding from the then-current fiscal year's appropriation.

317.108 Congressional notification.

(a) The SPE shall give the approval of the written notification required by FAR 17.108(a). Upon approval of the determination required by 317.105-1(b)(1), the HCA will finalize and sign the congressional notification letter and provide it to the appropriate House and Senate committees.

Subpart 317.2—Options

317.204 Contracts.

(e)

(1) *Information technology contracts.* Notwithstanding FAR 17.204(e), the 5-year limitations apply also to information technology contracts unless a longer period is authorized by statute.

(2) *Requests to exceed 5-year limitation.* A request to exceed the 5-year limitation specified in FAR 17.204(e) must follow guidance in FAR 1.7.

(3) *Approval authority.* All requests to exceed the 5-year limitations specified in FAR 17.204(e) must be supported with a Determination and Finding and approved by:

(i) The HCA; and

(ii) The HHS SPE.