PART 2416 - TYPES OF CONTRACTS

Authority: 40 U.S.C. 121(c); 41 U.S.C. 253; 42 U.S.C. 3535(d).

Source: 49 FR 7706, Mar. 1, 1984, unless otherwise noted.

Subpart 2416.3 - Cost-Reimbursement Contracts

2416.307 Contract clauses.

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Subpart 2416.6 - Time-And-Materials, Labor-Hour, and Letter Contracts

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Parent topic: SUBCHAPTER C - CONTRACTING METHODS AND CONTRACTING TYPES

Subpart 2416.3 - Cost-Reimbursement Contracts

2416.307 Contract clauses.

(a) The contracting officer shall insert the clause at 2452.216-79, Estimated Cost (No Fee), in all cost-reimbursement (no fee) type solicitations and contracts.

(b) The contracting officer shall insert the clause at 2452.216-80, Estimated Cost and Fixed-Fee, in all cost-plus-fixed fee type solicitations and contracts.

Subpart 2416.4 - Incentive Contracts

2416.406 Contract clauses.

(e)

(1) The Contracting Officer shall insert the clause at 2452.216-70, Estimated Cost, Base Fee and

Award Fee, in all cost-plus-award-fee solicitations and contracts.

(2) The Contracting Officer shall insert the clause at 2452.216-71, Award Fee, in all fixed-price-award-fee solicitations and contracts.

(3) The Contracting Officer shall insert the clauses at 2452.216-72, Determination of Award Fee Earned, 2452.216-73, Performance Evaluation Plan, and 2452.216-74, Distribution of Award Fee, in all award-fee solicitations and contracts. The Contracting Officer may modify the clauses to meet individual situations, and any clause or specific requirement therein may be deleted when it is not applicable to a given contract. When including the clause at 2452.216-74, Distribution of Award Fee, in cost-plus-award-fee contracts, the Contracting Officer shall use the clause with its Alternate I.

(4) When including the clauses at 2452.216-70, Estimated Cost, Base Fee and Award Fee, and 2452.216-71 Award Fee, in indefinite-delivery solicitations and contracts under which all supplies or services will be obtained by issuance of task or delivery orders, the Contracting Officer shall substitute the word “order” for the word “contract.”

Subpart 2416.5 - Indefinite-Delivery Contracts

2416.505 Ordering.

(a) The contracting officer shall be the ordering official for all task orders except as provided for herein. The contracting officer may designate an ordering official when orders are to be placed on a firm fixed-price basis, the prices of the specific services or supplies to be provided under the order are set forth in the contract, and there is no negotiation of order terms. The contracting officer shall not designate ordering officials:

(1) For contracts for services where prices are not tied to delivery of a completed service;

(2) For any contracts where discounts need to be negotiated; or

(3) In any other circumstances where adjustment of contract price or any other terms and conditions is necessary.

(b)(6) The Departmental competition advocate also serves as the Departmental task and delivery order ombudsman in accordance with FAR 16.505(b)(6). In addition to the duties set forth at FAR 16.505(b)(6), the ombudsman shall recommend any corrective action regarding affording fair opportunity to contractors to compete for orders to the responsible contracting officer.

2416.506 Solicitation provisions and contract clauses.

2416.506-70 Solicitation provisions and contract clauses.

(a) *Unpriced task orders*. The Contracting Officer shall insert the clause at 2452.216-75, Unpriced Task Orders, in contracts in which task orders are individually negotiated and when there may be a need to issue unpriced task orders. The Contracting Officer shall ensure that the cost of the work authorized by any unpriced task order is not in excess of the funds available for the order. The Contracting Officer shall establish the time period for the definitization of each unpriced order and

insert the anticipated date of definitization in the clause. The HCA shall approve periods that exceed 180 days.

(b) *Minimum and maximum quantities or amounts for order.* The contracting officer shall insert a clause substantially the same as 2452.216-76, Minimum and Maximum Quantities or Amounts for Order, in all indefinite-quantity and requirements solicitations and contracts. When the clause is used for requirements solicitations and contracts, the contracting officer may either delete paragraph (a) or insert “none” for the minimum quantity or amount.

(c) *Estimated quantities - requirements contract.* The Contracting Officer shall insert the clause at 2452.216-77, Estimated Quantities - Requirements Contract, in all solicitations for requirements contracts.

(d) *Ordering procedures.* The Contracting Officer shall insert the clause at 2452.216-78, Ordering Procedures, in all indefinite-delivery solicitations and contracts. If the supplies or services to be ordered under the contract are pre-priced in the contract, the orders will be issued on a fixed-price basis, and no order terms are negotiated before issuance, the Contracting Officer shall use the clause with its Alternate I. If the contract provides for the issuance of task orders for services on a negotiated basis (see also 2416.505), the Contracting Officer shall use the clause with its Alternate II.

(e) *Level of effort and fee payment.* The Contracting Officer shall insert clause 2452.216-81, Level of Effort and Fee Payment, in all level-of-effort term contracts.

(f) *Labor categories, requirements, and estimated level of effort.* The Contracting Officer shall insert provision 2452.216-82, Labor Categories, Requirements, and Estimated Level of Effort, in all level-of-effort solicitations. Contracting Officer's Representatives will provide the labor descriptions and estimated number of hours. Contracting Officers will obtain wage rate determinations for any classifications covered by the Service Contract Act.

Subpart 2416.6 - Time-And-Materials, Labor-Hour, and Letter Contracts

2416.603 Letter contracts.

2416.603-2 Application.

(c) The HCA shall approve additional time periods for definitization of letter contracts authorized by the Contracting Officer pursuant to FAR 16.603-2(c).