PART 5316 - Types of Contracts

Table of Contents

5316.102 Policies
5316.103 Negotiating Contract Type
5316.104 Factors in Selecting Contract Types

SUBPART 5316.203 — FIXED-PRICE CONTRACTS WITH ECONOMIC PRICE ADJUSTMENT
5316.203-4 Contract Clauses

SUBPART 5316.206 — FIXED-CEILING-PRICE CONTRACTS WITH RETROACTIVE PRICE REDETERMINATION
5316.206-3 Limitations

SUBPART 5316.3 — COST-REIMBURSEMENT CONTRACTS
5316.301-3 Limitations

SUBPART 5316.4 — INCENTIVE CONTRACTS
5316.401 General
5316.404 Fixed-Price Contracts with Award Fees
5316.405-2 Cost-Plus-Award-Fee Contracts

SUBPART 5316.5 — INDEFINITE-DELIVERY CONTRACTS
5316.503 Requirements Contracts
5316.504 Indefinite-Quantity Contracts
5316.505 Ordering
5316.505-90 Decentralized Ordering

SUBPART 5316.6 — TIME-AND-MATERIALS, LABOR-HOUR, AND LETTER CONTRACTS

5316.601(d) Limitations
5316.603-2 Application
5316.603-3 Limitations

[2019 Edition]

INTERIM CHANGE: See CPM 19-C-11 and CPM 19-C-12

See AF PGI 5316.101.

5316.102 Policies

See MP5301.601(a)(i) for approval of cost-reimbursement contracts required pursuant to DFARS Class Deviation 2019-O0001 — Use of Fixed-Price Contracts.
INTERIM CHANGE: See CPM 19-C-12.

5316.103 Negotiating Contract Type

(d) See the tailorable Determination and Findings template.

5316.104 Factors in Selecting Contract Types

See AF PGI 5316.104.

SUBPART 5316.203 — FIXED-PRICE CONTRACTS WITH ECONOMIC PRICE ADJUSTMENT

5316.203-4 Contract Clauses

See AF PGI 5316.203-4.

SUBPART 5316.206 — FIXED-CEILING-PRICE CONTRACTS WITH RETROACTIVE PRICE
REDETERMINATION

5316.206-3 Limitations

(d) Submit requests through the SCO to SAF/AQC for HCA approval (See MP5301.601(a)(i)).

SUBPART 5316.3 — COST-REIMBURSEMENT CONTRACTS

5316.301-3 Limitations

(2) INTERIM CHANGE: See CPM 19-C-12.

SUBPART 5316.4 — INCENTIVE CONTRACTS

5316.401 General

(d) See MP5301.601(a)(i) for approving incentive and award fee contract D&Fs. Forward a copy of the D&F to SAF/AQC when the conditions at DFARS PGI 216.401(e)(iv) apply.

INTERIM CHANGE: See CPM 19-C-12.

(e)(3)(i) See MP5301.601(a)(i).

See AF PGI 5316.401-90.

See SMC PGI 5316.401-90.

5316.404 Fixed-Price Contracts with Award Fees

See 5316.401(e)(3)(i) above.

5316.405-2 Cost-Plus-Award-Fee Contracts

(1) Award-fee pool. Submit requests through the SCO to SAF/AQC for HCA approval (see MP5301.601(a)(i)).

See SMC PGI 5316.405-2-90.

SUBPART 5316.5 — INDEFINITE-DELIVERY CONTRACTS

5316.503 Requirements Contracts

(b)(2) Determinations for requirements contracts in an amount estimated to exceed $112M (including all options) must be approved in accordance with 5316.504(c)(1)(ii)(D).

5316.504 Indefinite-Quantity Contracts

(a) Description.
Upon execution of the contract, an obligation shall be recorded based upon the issuance of a delivery or task order for the cost/price of the minimum quantity specified. The Government’s actual obligation must be recorded at the time of contract award. (See DoD 7000.14-R, Volume 3, Chapter 8, paragraph 080604)

(c)(1)(ii)(D) Limitation on single award contracts.

(c)(2)(i)(A) INTERIM CHANGE: See CPM 19-C-11.

(c)(2)(i)(B) INTERIM CHANGE: See CPM 19-C-11.

(c)(2)(ii) INTERIM CHANGE: See CPM 19-C-11.

(1) The SCO has the authority to make the written determination required by FAR 16.504(c)(1)(ii)(D)(1). When a J&A is required, a separate written determination is not required if the J&A addresses one of the circumstances at FAR 16.504(c)(1)(ii)(D)(1)(i)-(iv). Provide a copy of the written determination to SAF/AQCP.

5316.505 Ordering

(b) Orders under multiple award contracts.

(1) Fair opportunity.

   (ii) The contracting officer must use streamlined ordering procedures. SCOs must justify the use of FAR Subpart 15.3 Source Selection Procedures for any contract or task/delivery order, regardless of dollar value made in accordance with FAR 16.505. The SCO must submit justifications to SAF/AQC before proceeding with the source selection and/or Clearance session.

   (2) Exceptions to the fair opportunity process. See 5306.304(a) for the approving officials for a proposed task or delivery order using the fair opportunity exceptions at FAR 16.505(b)(2). See the tailorable Justification for an Exception to Fair Opportunity template. For exceptions to fair opportunity that are intended for purposes of awarding a Bridge Action see 5306.303-90.

See AF PGI 5316.505.

See SMC PGI 5316.505.

(8) Task-order and delivery-order ombudsman. See 5301.91.

5316.505-90 Decentralized Ordering

For contracts that authorize decentralized ordering (i.e., ordering by a contracting office at any other location), the contracting officer with overall responsibility for the contract must:

(a) Ensure that adequate control procedures are in place before any orders are authorized; and

(b) Exercise oversight of decentralized ordering throughout the period of performance under
the contract to ensure that the procedures are followed.

See SMC PGI 5316.505-90.

See AF PGI 5316.506.

**SUBPART 5316.6 — TIME-AND-MATERIALS, LABOR-HOUR, AND LETTER CONTRACTS**

5316.601(d) Limitations

(i)(A)(2) Submit the D&F required pursuant to DFARS 216.601(d)(i)(A)(2) through the SCO to SAF/AQC for approval. See MP5301.601(a)(i).

(3) See MP5301.601(a)(i).

5316.603-2 Application

(c)(3) See MP5301.601(a)(i).

5316.603-3 Limitations

See MP5301.601(a)(i).