

# PART 5316 - Types of Contracts

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[2019 Edition]

INTERIM CHANGES: See [CPM 19-C-11](#), [CPM 19-C-12](#), [CPM 20-C-09](#), [CPM 20-C-10](#), and [CPM 20-C-19](#)

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.

(2) 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*.

**INTERIM CHANGE:** See [CPM 20-C-19](#).

(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**

**INTERIM CHANGES:** See [CPM 20-C-09](#) and [CPM 20-C-10](#).

(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\(a\)\(i\)](#).