

## 17.602 Policy.

(a) Heads of agencies, with requisite statutory authority, *may determine in writing* to authorize *contracting officers* to enter into or renew any *management and operating contract* in accordance with the agency's statutory authority, or [41 U.S.C. chapter 33](#), and the agency's regulations governing such contracts. This authority *shall* not be delegated. Every contract so authorized *shall* show its authorization upon its face.

(b) Agencies *may* authorize *management and operating contracts* only in a manner consistent with the guidance of this subpart and only if they are consistent with the situations described in [17.604](#).

(c) Within 2 years of the effective date of this regulation, agencies *shall* review their current contractual arrangements in the light of the guidance of this subpart, in order to-

(1) Identify, modify as necessary, and authorize *management and operating contracts*; and

(2) Modify as necessary or terminate contracts not so identified and authorized, except that any contract with less than 4 years remaining as of the effective date of this regulation need not be terminated, nor need it be identified, modified, or authorized unless it is renewed or its terms are substantially renegotiated.

**Parent topic:** [Subpart 17.6 - Management and Operating Contracts](#)