

Part 5316 - Types of Contracts

DAFFARS PART 5316 Knowledge Center

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Subpart 5316.1 - SELECTING CONTRACT TYPES

5316.103 Negotiating Contract Type

(d) See the tailorable Determination and Findings template.

Subpart 5316.206 – FIXED-CEILING-PRICE CONTRACTS WITH RETROACTIVE PRICE REDETERMINATION

5316.206-3 Limitations

(d) See [MP5301.601\(a\)\(i\)](#).

Subpart 5316.4 – INCENTIVE CONTRACTS

5316.401 General

(d)(i) See [MP5301.601\(a\)\(i\)](#).

(d)(ii) See [MP5301.601\(a\)\(i\)](#).

(e)(3)(i) See [MP5301.601\(a\)\(i\)](#).

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*. See [MP5301.601\(a\)\(i\)](#).

Subpart 5316.5 – INDEFINITE-DELIVERY CONTRACTS

5316.503 Requirements Contracts

(b)(2) Determinations for requirements contracts that exceed the amount specified in [FAR 16.503\(b\)\(2\)](#) and [FAR 16.504\(c\)\(1\)\(ii\)\(D\)\(1\)](#) must be approved in accordance with 5316.504(c)(1)(ii)(D) below.

5316.504 Indefinite-Quantity Contracts

(a) Description.

(2) Upon execution of the contract, an obligation shall be recorded based upon the issuance of a task-order or delivery-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.*

(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 the [cognizant HCA Workflow](#).

(c)(2)(i)(A) The CO has the authority to determine that multiple awards are not practicable unless the PEO or HCA designates another official and is a part of the acquisition planning.

(c)(2)(i)(B) The CO has the authority to determine that multiple awards are not practicable unless the PEO or HCA designates another official.

(c)(2)(ii) The CO has the authority to determine that multiple awards are not practicable unless the PEO or HCA designates another official.

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 15.3](#) Source Selection Procedures for any contract or task-order or delivery-order, regardless of dollar value made in accordance with [FAR 16.505](#). The SCO must submit justifications to the [cognizant HCA Workflow](#) before proceeding with the source selection and/or Clearance session.

(2) *Exceptions to the fair opportunity process.* See [DAFFARS 5306.304\(a\)](#) for the approving officials for a proposed task-order 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 [DAFFARS 5306.303-1-90](#).

(8) *Task-order and delivery-order ombudsman.* See [DAFFARS 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.

Subpart 5316.6 – TIME-AND-MATERIALS, LABOR-HOUR, AND LETTER CONTRACTS

5316.601 (d) Limitations

Approval of determination and findings for time-and-materials or labor-hour contracts (as indicated in TABLE 1 below).

(i)(A)(1) *Base period plus any option periods is three years or less.*

(i) For the Department of the Air Force, the threshold at is \$10 million in lieu of \$1 million.

(ii) For the Department of the Air Force, the threshold at DFARS 216.601(d)(i)(A)(1)(ii) is \$10 million in lieu of \$1 million.

(i)(A)(2) *Base period plus any option periods exceeds three years.* The SCO is authorized to approve individual determinations. In addition to the D&F requirements outlined in, the contracting officer shall address the plan to maintain appropriate government surveillance of contractor performance, including cost controls, and ensure that the contract clearly defines the supplies or services being acquired. The cognizant HCA retains the authority to approve class determinations regardless of the contract length and regardless of dollar value. See MP5301.601(a)(i).

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

D&F Approvals

Not delegable - See DAFFARS 5316.601(d)(i)(A)

D&F Type	Contract Length	Contract Value	Approval Authority
Individual	3 years or less	≤ \$10M	One level above the CO
Individual	3 years or less	> \$10M	SCO
Individual	Exceeds 3 years	Any contract value	SCO
Class	Any contract length	Any contract value	HCA

TABLE 1 Approval of the D&F - Not further delegable.

5316.603-2 Application

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

5316.603-3 Limitations

See [MP5301.601\(a\)\(i\)](#).