# PART 5316 - Types of Contracts

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INTERIM CHANGES: See [CPM 19-C-11](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/19-C-11.pdf), [CPM 19-C-12](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/19-C-12.pdf), [CPM 20-C-09](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/20-C-09.pdf), [CPM 20-C-10](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/20-C-10.pdf), and [CPM 20-C-19](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/20-C-19.pdf)

See [AF PGI 5316.101](pgi_5316.docx#af_101).

### 5316.102 Policies

See [MP5301.601(a)(i)](mp_5301.601(a)(i).docx) for approval of cost-reimbursement contracts required pursuant to [DFARS Class Deviation 2019-O0001 — Use of Fixed-Price Contracts](https://www.acq.osd.mil/dpap/policy/policyvault/USA002632-18-DPC.pdf).  
INTERIM CHANGE: See [CPM 19-C-12.](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/19-C-12.pdf)

### 5316.103 Negotiating Contract Type

(d) See the tailorable [Determination and Findings](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/templates/type_of_contract.pdf) template.

### 5316.104 Factors in Selecting Contract Types

See [AF PGI 5316.104](pgi_5316.docx).

## SUBPART 5316.203 — FIXED-PRICE CONTRACTS WITH ECONOMIC PRICE ADJUSTMENT

### 5316.203-4 Contract Clauses

See [AF PGI 5316.203-4](pgi_5316.docx).

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

### 5316.206-3 Limitations

(d) Submit requests through the SCO to [SAF/AQC](mailto:SAF.AQ.SAF-AQC.Workflow@us.af.mil) for HCA approval (See [MP5301.601(a)(i)](MP5301.601(a)(i).docx#p53162063d)).

## SUBPART 5316.3 — COST-REIMBURSEMENT CONTRACTS

### 5316.301-3 Limitations

(2) INTERIM CHANGE: See [CPM 19-C-12](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/19-C-12.pdf).

## SUBPART 5316.4 — INCENTIVE CONTRACTS

### 5316.401 General

(d) See [MP5301.601(a)(i)](mp_5301.601(a)(i).docx#p5316401d) for approving incentive and award fee contract D&Fs. Forward a copy of the D&F to [SAF/AQC](mailto:SAF.AQ.SAF-AQC.Workflow@us.af.mil) when the conditions at DFARS PGI 216.401(e)(iv) apply.

INTERIM CHANGE: See [CPM 19-C-12.](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/19-C-12.pdf)

(e)(3)(i) See [MP5301.601(a)(i)](mp_5301.601(a)(i).docx#p5316401e3i).

See [AF PGI 5316.401-90](pgi_5316.docx).

See [SMC PGI 5316.401-90](pgi_5316.docx).

### 5316.404 Fixed-Price Contracts with Award Fees

See [5316.401(e)(3)(i)](5316.docx#p5316401e3i) above.

### 5316.405-2 Cost-Plus-Award-Fee Contracts

(1) *Award-fee pool.* Submit requests through the SCO to [SAF/AQC](mailto:SAF.AQ.SAF-AQC.Workflow@us.af.mil) for HCA approval (see [MP5301.601(a)(i)](mp_5301.601(a)(i).docx#p531640521)).

See [SMC PGI 5316.405-2-90](pgi_5316.docx).

## 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)](#p5316504c1iiD).

### 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](http://comptroller.defense.gov/Portals/45/documents/fmr/current/03/03_08.pdf), Volume 3, Chapter 8, paragraph 080604)

(c)(1)(ii)(D) *Limitation on single award contracts*.   
INTERIM CHANGE: See [CPM 20-C-19](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/20-C-19.pdf).

(c)(2)(i)(A) INTERIM CHANGE: See [CPM 19-C-11.](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/19-C-11.pdf)

(c)(2)(i)(B) INTERIM CHANGE: See [CPM 19-C-11.](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/19-C-11.pdf)

(c)(2)(ii) INTERIM CHANGE: See [CPM 19-C-11.](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/19-C-11.pdf)

*(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](mailto:SAF.AQ.SAF-AQCP.Workflow@us.af.mil).

### 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](mailto:SAF.AQ.SAF-AQC.Workflow@us.af.mil) before proceeding with the source selection and/or Clearance session.

(2) *Exceptions to the fair opportunity process*. See [5306.304(a)](5306.docx#p5306304) 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](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/templates/fair_opportunity_exception_justification.pdf) 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](pgi_5316.docx).

See [SMC PGI 5316.505](pgi_5316.docx).

(8) *Task-order and delivery-order ombudsman*. See [5301.91](5301.docx#s530191).

### 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](pgi_5316.docx).

See [AF PGI 5316.506](pgi_5316.docx).

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

### 5316.601(d) Limitations

INTERIM CHANGES: See [CPM 20-C-09](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/20-C-09.pdf) and [CPM 20-C-10](https://cs2.eis.af.mil/sites/10059/afcc/knowledge_center/Documents/Contracting_Memos/Policy/20-C-10.pdf).

(i)(A)*(2)* Submit the D&F required pursuant to DFARS 216.601(d)(i)(A)*(2)* through the SCO to [SAF/AQC](mailto:SAF.AQ.SAF-AQC.Workflow@us.af.mil) for approval. See [MP5301.601(a)(i)](mp_5301.601(a)(i).docx#p5316601d1A2).

*(3)* See [MP5301.601(a)(i)](mp_5301.601(a)(i).docx#p53166032c3).

### 5316.603-2 Application

(c)(3) See [MP5301.601(a)(i)](mp_5301.601(a)(i).docx#p53166032c3).

### 5316.603-3 Limitations

See [MP5301.601(a)(i)](mp_5301.601(a)(i).docx#p53166033).