

# CAR PART 1316—TYPES OF CONTRACTS

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#### **Subpart 1316.1—Selecting Contract Types**

**1316.103 Negotiating contract type.**

**1316.103-70 Identifying contract type.**

The type of contract shall be stated in each contract awarded.

#### **Subpart 1316.2—Fixed-Price Contracts**

**1316.203 Fixed-price contracts with economic price adjustment.**

**1316.203-4 Contract clauses.**

Contracting officers shall use an economic price adjustment clause based on cost indexes of labor or material after obtaining approval for use of the clause from the head of the contracting office.

**1316.206 Fixed-ceiling-price contract with retroactive price redetermination.**

**1316.206-3 Limitations.**

The designee authorized to approve use of fixed-ceiling-price contracts with retroactive price redetermination is set forth in CAM 1301.70.

### **Subpart 1316.3—Cost-Reimbursement Contracts**

#### **1316.307 Contract clauses.**

(a) Insert a clause that is substantially the same as [1352.216-70](#), *Estimated and Allowable Costs*, in all cost-reimbursement contracts.

(b) Insert a clause similar to [1352.216-71](#), *Level of Effort (Cost-Plus-Fixed-Fee, Term Contract)*, in Cost-Plus-Fixed-Fee, Level of Effort contracts.

### **Subpart 1316.4—Incentive Contracts**

#### **1316.405 Cost-reimbursement incentive contracts.**

##### **1316.405-2 Cost-plus-award-fee contracts.**

Insert clause [1352.216-72](#), *Determination of Award Fee*, in all cost-plus-award-fee contracts.

#### **1316.406 Contract clauses.**

Insert a clause substantially the same as [1352.216-73](#), *Distribution of Award Fee*, in all cost-plus-award-fee solicitations and contracts, as determined by the contracting officer.

### **Subpart 1316.5—Indefinite-Delivery Contracts**

#### **1316.501-2-70 Task orders.**

Insert clause [1352.216-74](#), *Task Orders*, or a substantially similar clause in task order solicitations and contracts, making changes, as appropriate. Contracting officers are encouraged to make appropriate modifications to the time requirements and procedures to meet the Government's needs.

#### **1316.505 Ordering.**

The department's Task and Delivery Order Ombudsman is designated in CAM 1301.70.

#### **1316.506 Solicitation provisions and contract clauses.**

(a) Insert clause [1352.216-75](#), *Minimum and Maximum Contract Amounts*, in all indefinite quantity contracts, including requirements contracts, if feasible.

(b) Insert a clause similar to [1352.216-76](#), *Placement of Orders*, in indefinite-delivery solicitations and contracts.

### **Subpart 1316.6—Time-and-Materials, Labor-Hour, and Letter Contracts**

#### **1316.601 Time-and-materials contracts.**

The designee authorized to approve a time-and-materials contract prior to the execution of the base period when the base period plus any option periods exceeds three years is set forth in CAM 1301.70.

### **1316.601-70 Contract clauses.**

Insert clause [1352.216-77](#), *Ceiling Price*, in all time-and-materials contracts.

### **1316.602 Labor-hour contracts.**

#### **1316.602-70 Contract clauses.**

Insert clause [1352.216-77](#), *Ceiling Price*, in all labor-hour contracts, including, if feasible, requirements contracts.

### **1316.603 Letter contracts.**

#### **1316.603-2 Application.**

(a) With the written approval from the authorized designee in CAM 1301.70, in extreme cases, the contracting officer may authorize an additional period for contract definitization.

(b) If, after exhausting all reasonable efforts, the contracting officer and the contractor cannot negotiate a definitive contract because of failure to reach agreement as to price or fee, the contracting officer may determine a reasonable price or fee with approval from the authority designated in CAM 1301.70.

#### **1316.603-3 Limitations.**

The designee authorized to determine that a letter contract is suitable so that work can begin immediately is set forth in CAM 1301.70.