

DIAR PART 1417—SPECIAL CONTRACTING METHODS

[PART 1417—SPECIAL CONTRACTING METHODS](#)

[Subpart 1417.2—Options](#)

[1417.203 Solicitations.](#)

[1417.206 Evaluation.](#)

[Subpart 1417.4—Leader Company Contracting](#)

[1417.402 Limitations.](#)

[Subpart 1417.6—Management and Operating Contracts](#)

[1417.602 Policy.](#)

[1417.605 Award, renewal and extension.](#)

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Section Contents

[Subpart 1417.2—Options](#)

[1417.203 Solicitations.](#)

[1417.206 Evaluation.](#)

[Subpart 1417.4—Leader Company Contracting](#)

[1417.402 Limitations.](#)

[Subpart 1417.6—Management and Operating Contracts](#)

[1417.602 Policy.](#)

[1417.605 Award, renewal and extension.](#)

Authority: Sec. 205(c), 63 Stat. 390, 40 U.S.C. 486(c); and 5 U.S.C. 301.

Source: 75 FR 19829, Apr. 15, 2010, unless otherwise noted.

Subpart 1417.2—Options

1417.203 Solicitations.

Option quantities in excess of the 50 percent limit may, in unusual circumstances, be approved by the CCO.

1417.206 Evaluation.

The determination in FAR [17.206\(b\)](#) shall be approved by the CCO prior to soliciting offers.

Subpart 1417.4—Leader Company Contracting

1417.402 Limitations.

Use of leader company contracting for a product, subject to the limitations in FAR [17.402](#), shall require advance discussion with the Director, PAM, prior to approval by the HCA. This authority may not be redelegated. Documentation shall include the circumstances requiring such action.

Subpart 1417.6—Management and Operating Contracts

1417.602 Policy.

(a) The AS/PMB is authorized to approve the CO's determination to enter into, extend or renew any management and operating contract.

(b) The CO shall prepared requests for authorization to enter into, extend or renew any management and operating contract shall be prepared by the CO and submitted by the HCA through the Director, PAM for approval by the AS/PMB. The request shall be submitted prior to solicitation for the requirement and shall:

(1) Reference the statutory authority for the requirement;

(2) Discuss the relationship between the requirement and the limitations in FAR [17.603](#);

(3) Include a copy of the proposed contract schedule and evaluation factors for; and

(4) If a noncompetitive procurement is proposed, include a copy of the Justification for Other than Full and Open Competition.

(c) The HCA shall be responsible for conducting the reviews required by FAR [17.602\(c\)](#) and taking required actions within the time limit prescribed.

(d) The CO shall request authorization under paragraph (a) of this section for solicitation of offers for cost comparison purposes under OMB Circular A-76 (see FAR [7.3](#)) for:

(1) Operation, maintenance, or support of a Government-owned or controlled special production or testing facility; or

(2) Any other commercial or industrial service activity which, if performed by a contractor, would result in a management and operating contract as defined under FAR Subpart [17.6](#).

1417.605 Award, renewal and extension.

The CO shall review each management and operating contract prior to any extension or exercise of a renewal option. Any extension or renewal of a management and operating contract shall first be authorized as required in [1417.602](#).