months shall be approved by the cognizant HCA prior to issuing the solicitation. In no event, however, shall the total of the base and option periods exceed sixty (60) months in duration.

3517.207 Exercise of options.

(h) The contracting officer, if the contract so provides, may, subject to the conditions in FAR 17.204(d) and FAR 32.703–2, exercise an option contingent upon the availability of funds. Under no circumstances shall any action be taken which could be construed as creating a legal liability on the part of the Commission until a formal notice of availability of funds in the form of a contract modification has been issued by the contracting officer.

Subpart 3517.5—Interagency Acquisitions Under the Economy Act

3517.500 Scope of subpart.

This subpart prescribes policies and procedures applicable to the use of Interservice Support Agreements and Memorandums of Understanding.

3517.501 Definitions.

Interservice Support Agreement (ISA) means an agreement entered into between the Panama Canal Commission and any other department or agency of the United States for the use of facilities, furnishing of supplies or services, or performance of functions. ISA's may be based upon Memorandums of Understanding.

Memorandum of Understanding (MOU) means the basic document which outlines host-tenant relationships. MOU's serve as the standard for relationships between host units and supporting or supported activities.

3517.502 General.

The General Services Director is the Commission official authorized to enter into ISA's. The Director, by written appointment, may delegate this authority to one or more contracting officers in the General Services Bureau. The determination and findings required by FAR 17.503 shall be made by the General Services Director or the appointee(s), as applicable.

3517.504 Ordering procedures.

(a) The procedures in FAR 17.504 shall apply to Commission ISA's.

(b) When the other agency to an ISA is a DOD activity, the DOD forms and format normally shall be followed.