



DEPARTMENT OF THE ARMY  
409<sup>th</sup> CONTRACTING SUPPORT BRIGADE (EUROPE)  
UNIT 23203  
APO AE 09263

CCEC-EU

MEMORANDUM FOR ALL PERSONNEL

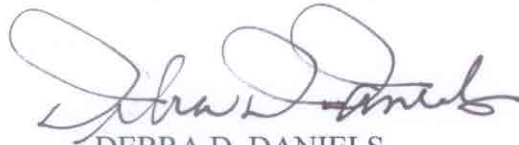
SUBJECT: Contracting Policies and Procedures (CPP) 12-001-FAR Clause 52.217-8, Extension of Services

1. Purpose. This memorandum provides the policy and guidance for the 409<sup>th</sup> Contracting Support Brigade (CSB) regarding the use of the Extension of Services Clause.
2. References.
  - a. FAR Clause 52.217-8 and Local Clause CCE 217-4000, Option to Extend Services FAR 17.208
  - b. [GAO Decision B-400616](#) (First protest submitted by MCS – denied))
  - c. [GAO Decision B-401472](#) (Second protest submitted by MCS - sustained)
  - d. [GAO Decision B-401472.2](#) (Army's request for reconsideration – denied)
  - e. Contracting Policies and Procedures (CPP) 11-003-FAR Parts 6, 8.4, 13.1, 13.5, and 16.505: Justification and Approvals for Other Than Full and Open Competition (J&A), Sole Source, Limited Source, Exceptions to Fair Opportunity, and Brand Name Competition Policy
3. Effective Date. The effective date of this CPP is 1 April 2012.
4. Rescission: All previous policies or procedures regarding the Option to Extend Services Clause are hereby rescinded. Additionally, local CCE Clause 217-4000, Option to Extend Services, is no longer authorized for use.
5. Policy. It is the policy of the 409<sup>th</sup> CSB that:
  - a. FAR Clause 52.217-8 will be included in all service contracts, whether contracted using sole source or competitive procedures.
  - b. The price for exercising 52.217-8 will be evaluated as a part of the total price of a proposal. Each solicitation will include the following paragraph in Section M or 52.212-2: "Options. The Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. To account for the option period(s) possible under Clause 52.217-8 (maximum six months), Option to Extend Services, the Government will take the price for all CLINs of the final option period, prorate it to a six-month value, and add it to the sum of all CLINs (base plus all option periods). This amount will be the total evaluated price. The Government may determine that an offer is unacceptable if the option prices are

significantly unbalanced. Evaluation of options shall not obligate the Government to exercise the options.”

- c. The existence of the 52.217-8 option, including the associated dollar value and period of performance, as appropriate, will be included in all acquisition documents (e.g., J&As, D&Fs, synopsis, solicitation evaluation language, and price negotiation memorandums).
- d. On current contracts that include the Option to Extend Services Clause (52.217-8 or CCE 217-4000) but did not include evaluation of that option prior to award, a properly approved Justification for Other Than Full and Open Competition (J&A), or similar document limiting competition, is required prior to exercising the option.
- e. Contracting Officers shall follow the attached procedures to determine the proper approach for evaluating and utilizing the 52.217-8 option.

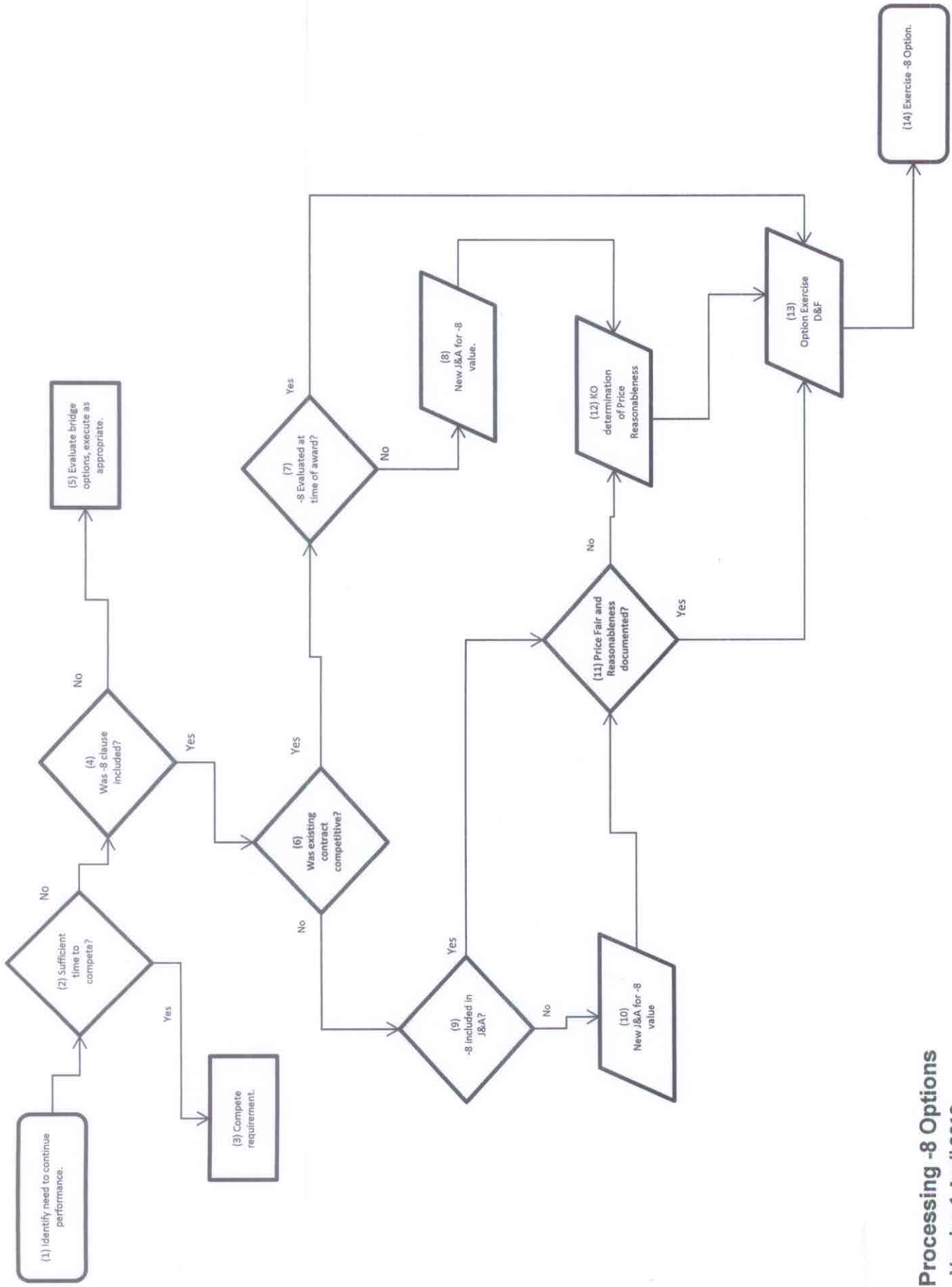
6. If you have any questions regarding this CPP, contact Stephanie Bengner in the PARC Policy and Compliance Team at DSN 484-6312 or at e-mail [usarmy.kaiserslautern.409-contr-spt-bde.list.hq-cmd-par@mail.mil](mailto:usarmy.kaiserslautern.409-contr-spt-bde.list.hq-cmd-par@mail.mil)



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Attachments

- 1. Processing -8 Options
- 2. Explanation of -8 Flowchart Diagram



## Explanation of -8 Flow Chart Diagram

\*\*Please note that the numbering used in the flow chart is intended for reference to the detailed steps described in this document and does not necessarily indicate the sequence of events.\*\*

NOTE 1: When 'contract' is used in this document, it implies any one of the multitude of mechanisms used to purchase supplies or services.

NOTE 2: Review the Contracting Policies and Procedures (CPP) 11-003 for any references to Justifications.

1. (BEGIN) Identification of a need to continue performance of an effort where a contract is expiring.
2. (DECISION) The contracting office determines whether there is sufficient time to compete a follow-on effort.
3. If there is sufficient time to complete a competitive follow-on effort, the contracting office shall begin coordinating the necessary documents and establish milestones with the requiring activity to prepare the requirement for competition. Action for evaluating the possibility to use the -8 option is complete. (END)
4. (DECISION) If there is not sufficient time to competitively solicit the requirement, the contracting office determines whether the -8 clause was included in the contract.
5. If the -8 clause was not included in the contract, the contracting office, in coordination with the requiring activity, must evaluate other options to continue the effort through a bridge contract or other means. Action for evaluating the possibility to use the -8 option is complete. (END)
6. (DECISION) If the -8 clause was included in the contract, the contracting office determines whether the original effort was competitively sourced.
7. (DECISION) If the original effort was competitively sourced, the contracting office determines whether the -8 cost/price was evaluated at the time of award.
8. (DOCUMENT) If the -8 cost/price was not evaluated at the time of award, the contracting office must follow the Justification policy for development and staffing of a Justification for the -8 value.
9. (DECISION) If the existing effort was not competitively sourced, the contracting office must determine whether the -8 cost/price was included in the original J&A.
10. (DOCUMENT) If the original J&A did not include the -8 cost, the contracting office must follow the Justification policy for development and staffing of a new Justification for the -8 value.
11. (DECISION) If the -8 cost was included in the original J&A **OR** if a new J&A has been developed, was the price fair and reasonableness determination documented in the original acquisition?
12. (DOCUMENT) If the price fair and reasonableness was not documented, the contracting office documents it.

13. (DOCUMENT) If the price fair and reasonable was documented **OR** the contracting office completes a fair and reasonableness determination for a new J&A, the contracting office must complete the D&F for exercising the option.
14. Once all required actions and documents have been approved, the contracting office may proceed with exercising the -8 option for the identified effort (END).