



Homeland
Security

MEMORANDUM FOR: Heads of Contracting Activity
FROM: PAUL R COURTNEY
Paul Courtney COURTNEY
Senior Procurement Executive/Chief Procurement Officer

SUBJECT: Federal Acquisition Regulation Class Deviation (Number 24-05) -
52.217-7, Option for Increased Quantity – Separately Priced Line
Item

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R COURTNEY
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Purpose. This Federal Acquisition Regulation (FAR) class deviation provides contracting officers with a clause and corresponding policy to be used in lieu of FAR Clause 52.217-7, Options for Increased Quantity – Separately Priced Line Item and the policies at FAR 17.205(a) and 17.208(e) when a Contracting Officer determines inclusion of an optional separately priced contract line item(s) for supplies or services is appropriate.

Effective Date. Immediate.

Background. FAR subpart 17.2 prescribes policy and procedures on the use of option provisions and contract clauses. FAR 17.202 permits the use of options when it is in the Government's interest and describes circumstances when use of options is not in the Government's interest. FAR 17.208 prescribes the provisions and clauses Contracting Officers use when including options in solicitations and contracts. However, FAR 17.208 lacks a FAR Clause for use when Contracting Officers identify a potential need for additional quantities of services during a contract's performance period. An example of such a need is when a program office has a bona fide need for a definite quantity of services but identifies circumstances where an increase in the demand for those services may reasonably occur. While FAR 17.204(f) permits the use of options for increased quantities of services, the FAR lacks any corresponding clause for doing so. For example, FAR 17.208(e), includes FAR clause 52.217-7 allowing for options for increased quantities; however, the prescription for this clause states its for use in other than service contracts. This FAR class deviation is issued to provide Contracting Officers with a clause and corresponding policy to be used in lieu of FAR clause 52.217-7 when procuring additional quantities of supplies or services during a contract's performance period.

Deviation. This FAR class deviation provides in attachment 1 a deviation clause to FAR clause 52.217-7 Options for Increased Quantity – Separately Priced Line Item, and corresponding policy for including in solicitations and contracts.

Expiration. This class deviation will remain in effect until superseded or otherwise rescinded.

Attachment

Attachment 1 – FAR Deviation Text

Baseline is FAC 2024-06, published in the Federal Register on July 30, 2024.

Deviations are shown by [**bracketed bold additions**] and strikeouts. FAR text unchanged shown as asterisks * * * or * * * * *.

PART 17 - SPECIAL CONTRACTING METHODS

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Subpart 17.2 - Options.

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17.205 Documentation.

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(a) The contracting officer shall justify in writing the quantities or the term under option, the notification period for exercising the option and any limitation on price under 17.203(g); and shall include the justification document in the contract file. [When including FAR Clause 52.217-7 Option for Increased Quantity – Separately Priced Line Item (Deviation) in a contract or order for services, contracting officers shall include in the justification a statement that the option is for the purchase of the same services as a corresponding line item.]

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17.208 Solicitation provisions and contract clauses.

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(e) Insert a clause substantially the same as the clause at 52.217-7, Option for Increased Quantity-Separately Priced Line Item, **[(Deviation)]** in solicitations and contracts, ~~other than those for services,~~ when the inclusion of an option is appropriate (see 17.200 and 17.202), and the option quantity is identified as a separately priced line item having the same nomenclature **[or service description]** as a corresponding line item. [When this clause is included in solicitations and contracts for services, use of this clause is to purchase additional services within the contract's scope and shall not be used to extend the term of a contract or order (see FAR clause 52.217-9).]

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PART 52 – SOLICITATION PROVISIONS AND CONTRACT CLAUSES

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Subpart 52.2-Text of Provisions and Clauses

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52.217-7 Option for Increased Quantity-Separately Priced Line Item. **[(DEVIATION 24-05)]**

As prescribed in 17.208(e), insert a clause substantially the same as the following:

Option for Increased Quantity-Separately Priced Line Item **[(JULY 2024) (DEVIATION 2024-05)]** ~~(Mar 1989)~~

The Government may require the delivery of the numbered line item, identified in the Schedule as an option item, in the quantity and at the price stated in the Schedule. The Contracting Officer may exercise the option by written notice to the Contractor within _____ [*insert in the clause the period of time in which the Contracting Officer has to exercise the option*]. **[For services, this shall be no less than 10 calendar days before services commence]. [For supplies, delivery]** ~~Delivery~~ of added items shall continue at the same rate that like items are called for under the contract, unless the parties otherwise agree. **[Performance of added services shall comply with the requirements identified in the Schedule.]**

(End of clause)