



DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
(RESEARCH, DEVELOPMENT AND ACQUISITION)  
1000 NAVY PENTAGON  
WASHINGTON, DC 20350-1000

26 FEB 2013

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Use of Federal Acquisition Regulation (FAR) Clause 52.217-8, Option to Extend Services

This policy memorandum is to remind contracting officers of the appropriate use of FAR Clause 52.217-8, Option to Extend Services, particularly with respect to bridge contracts.

Federal Acquisition Regulation (FAR) Clause 52.217-8 enables the Government to exercise an option, or series of options, to extend the performance of services for up to six months at rates specified in the contract. However, in Major Contracting Services, Inc., B-401472, 2009 CPD ¶ 170, reconsideration denied, B-401472.2, 2009 CPD ¶ 250, the Government Accountability Office (GAO) sustained a protest involving the extension of the performance period under FAR Clause 52.217-8 because the FAR Clause 52.217-8 option was not adequately supported by the Justification for Other than Full and Open Competition and the option had not been evaluated as part of the initial competition.

Therefore, when using FAR Clause 52.217-8, activities are reminded to include in the pricing evaluation criteria, in the original competition, all option prices, including any periods anticipated to be covered by FAR Clause 52.217-8. The option is then exercisable at the amount specified in the contract. When evaluating as part of the initial competition, activities shall also consider the total time limitation on base and option periods in accordance with FAR 17.204 and NMCARS 5217.204.

Contracts that have been awarded where pricing was not evaluated for exercising the option to extend services under FAR Clause 52.217-8 during the initial competition shall follow bridge contract procedures pursuant to NMCARS 5206.3 for Other than Full and Open Competition.

My point of contact for this is Denise Randolph. She can be reached on (703) 614-9767 or via [Denise.Randolph@navy.mil](mailto:Denise.Randolph@navy.mil).

  
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