

## **ITSS-5, Guidelines for Task Order Option Exercises and Task Modifications**

### **A. Exercise of Option**

1. Exercise of option periods should be initiated with an email notification from the ITSS-5 COR to the Government Task Manager (GTM) at least 5-6 weeks prior to the end of the current task period.
2. Within one week of COR notification the GTM should respond with the decision to either exercise or not exercise the option. The Contracting Officer is required to and will notify the Contractor of intent to exercise an option at least 30 days prior to the last day of the term of the current task. The preliminary notice to the Contractor does not bind the Government to exercise the option.
3. Contractor Performance Appraisal Report (CPAR). Past performance should be evaluated prior to exercising the option. The ITSS-5 COR will include a CPAR questionnaire in the email to the GTM. The questionnaire should be completed and submitted by the GTM along with the decision to exercise the option.
4. IT Acquisition Review (ITAR) approval. The GTM must initiate review of and receive board approval of the requirement through the ITAR process. The link (Government only) to initiate a request for ITAR review is below.

<https://itim.doj.gov/itar/Pages/new.aspx>

5. Task order value for the option period will be provided in the email from the ITSS-5 COR. The Government PM should provide the dollar amount to be obligated (full value or incremental funding amount) under the initial order at least three weeks prior to the option exercise date. During a Continuing Resolution (CR) funds should be identified as either non-expiring or Subject to Availability.
6. The COR through JMD/PPS prepares and forwards the Reimbursable Agreement (RA) for transfer of funds from the requiring office to JMD. The requiring office adds accounting data and approval signatures before returning to JMD.
7. The COR prepares and receives accounting data and signature approvals for the mod request FORM OBD-186. The approved 186, CPAR, and ITAR approval is sent to the Contracting Officer for preparing the executed order.

### **B. Increases to task order value for the current period of performance**

An increase in task order value for the current task period of performance may be requested for within scope changes, and submitted to the CO (via the COR) for consideration/approval. While an increase in funding may be granted for the current period the overall task order value across the base and all option periods remains unchanged from the original task award amount.

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1. Requests to add labor hours and funds over the original award amount for the current period of performance must include the following documentation:
  - a. Email or letter from the GTM with justification for the increase in labor hours. Identify relationship of scope increase to task area(s) defined in the SOW as well as impact if proposed work is not performed.
  - b. Letter from the Contractor approved by the Government PM. The letter should provide a description of the scope change and identify the affected labor category(s) additional hours, labor rate, and total cost by labor category.
  - c. The Contractor shall also submit a backup spreadsheet with a rollup of the total effort as changed. This includes all labor categories, hours, rates, and dollars, as well as any ODC dollars. This revised level-of-effort (LOE) shall be submitted in spreadsheet form. This is required so that a snapshot of the total effort, current as of the date of the modification, can be readily seen.
  
2. Requests to add ODC's over the original award amount may be made for purchases of hardware or software, or travel expenses. The following documentation must be provided for review:
  - a. Email or letter from the GTM with justification for the ODC's. Identify relationship of the new requirement to task area(s) defined in the SOW and impact if purchase does not occur.
  - b. Letter from the Contractor approved by the GTM. The letter should include a product list and pricing.
  - c. In addition, the Contractor shall be prepared to submit backup pricing to support a determination of fair and reasonable pricing. This shall include submission of quote sheets (or abstract of offers) containing price quotes from those vendors solicited by the Contractor.
  - d. As with submission of other changes specified above, the Contractor shall also submit a backup LOE spreadsheet with a rollup of the total effort as changed. This includes all labor categories, hours, rates, and dollars, as well as any ODC dollars. This shall be submitted in spreadsheet form. This is required so that a snapshot of the total effort, current as of the date of the modification, can be readily seen.

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### **C. Reallocation of Obligated funds**

Obligated funds may be realigned to support evolving requirements within the task SOW.

1. Requests to realign labor hours shall include:
  - a. Letter from Contractor approved by Government PM. The Contractor's request shall include the affected labor category(s), hours, and dollar amount to be realigned.
2. Requests to reallocate funding from labor to ODC's shall include:
  - a. Letter from Contractor approved by Government PM. The Contractor's request shall include the affected labor category(s), hours, and dollar amount to be reallocated as well as the list of hardware/software requirements.
  - b. The Contractor shall be prepared to provide backup pricing to support a determination of fair and reasonable pricing. This shall include submission of quote sheets (or abstract of offers) containing price quotes from those vendors solicited by the Contractor.
3. Requests to reallocate funding from ODC's to labor must include:
  - a. Letter from Contractor approved by Government PM. The Contractor's request shall include the affected labor category(s), hours, and dollar amount to be reallocated.
4. Whenever realignment is required, the Contractor shall submit a rollup of the total effort as changed. This includes all labor, hours, rates, and dollars, as well as the ODC dollars. This shall be submitted in LOE spreadsheet form. This is required so that a snapshot of the total effort, current as of the date of the modification, can be readily seen.

### **D. Period of Performance Extensions**

Tasks awarded under ITSS-5 will typically include a base period and one or more option periods. Each period of performance is normally 12-months in duration and is funded with a one-year appropriation. Generally speaking, these task orders provide for continuing service type efforts and are issued on a labor hour or time and materials basis.

1. Period of Performance (PoP) extensions beyond 12 months will only be considered during the LAST option period of the task order. In no case will periods of

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performance overlap (for example, an extension of the base period will not be permitted under ANY circumstances if an option period follows behind it). While an extension in the period of performance may be granted in the last option period, the determination to permit such an extension will be made on a case-by-case basis by the Contracting Officer.

2. Requests to extend the PoP in the last option year should be initiated with a letter or email from the Government PM to the ITSS-5 COR **at least four weeks prior to the end of the performance period**. The information submitted should provide rationale to justify the extension, and may include identification of program changes, the impact to deliverable(s), and a timeline with baseline and revised milestone dates.
3. The spend levels (burn rates) for the base and option periods on Labor Hour or Time and Materials task orders should be monitored closely by the PM so that if an under run is anticipated, enough time remains to issue a modification to de-obligate the excess funding for expenditure elsewhere. In no case will a base period or option period be artificially extended for purposes of “using up” expiring funds.