

GSA ORDER

Subject: General Services Administration Acquisition Manual; GSAR Case 2020-G509, Extending Federal Supply Schedule Orders Beyond the Contract Term

1. Purpose. This order transmits a revision to the General Services Administration Acquisition Manual (GSAM) regarding orders placed under GSA Federal Supply Schedule (FSS) contracts.
2. Background. As part of GSA's regulatory reform efforts, GSA has been performing a comprehensive review of the regulatory requirements in the GSAM. As a part of these efforts, GSA identified internal agency guidance related to GSA's Federal Supply Schedule (FSS) program that needs to be placed within the GSAM. Altogether, this revision to the GSAM¹:
 - a. Incorporates FSS clause I-FSS-163, Option to Extend the Term of the Contract (Evergreen). This clause allows the Government to require continued performance of this contract for an additional 5 year period, with the ability to exercise this option provision up to three times.
 - b. Incorporates the standard fill-in requirements found in FAS PAP 2016-04 concerning paragraph (d) of FAR clause 52.216-22, Indefinite Quantity. The use of standard fill-in information provides clarity on the period for placing orders against FSS contracts and the administration of orders issued during the basic contract ordering period that remain active beyond the expiration of the basic contract ordering period.
 - c. Revises section 517.207 to clarify the requirements contained in paragraphs (a) and (c) as well as add two new paragraphs (i.e., (e) and (f)). Paragraph (e) addresses verifying compliance with GSAR clause 552.238-77, Submission and Distribution of

¹For purposes of clarity and conformity, this internal guidance may have been revised as part of this revision to the GSAM.

Authorized Federal Supply Schedule Price Lists. Paragraph (f) addresses requirements around a contractor's subcontracting plan.

3. Effective date. March 28, 2022.
4. Explanation of changes. This amendment includes regulatory and non-regulatory revisions to the GSAM. For full text changes of this amendment see Attachment A, GSAR/GSAM Line-In/Line-Out.

The following is a summary of the regulatory revisions:

- Amends 538.270 by retitling it to read as follows: 538.270 Solicitation, evaluation, and award of Federal Supply Schedule (FSS) contracts.
- Amends 538.273 by:
 - Adding subparagraph (d)(36) to incorporate the new GSAR clause 552.238-116, Option to Extend the Term of the FSS Contract; and
 - GSAR clause 552.238-116, Option to Extend the Term of the FSS Contract, replaces FAS clause, I-FSS-163, Option to Extend the Term of the Contract (Evergreen).
 - Adding paragraph (e) to provide the prescription for the standard fill-in information for completing the blank contained in paragraph (d) of FAR clause 52.216-22, Indefinite Quantity.
 - The standard fill-in information replaces the requirements contained in FAS PAP 2016-04.
- Amends subpart 552.2 by adding GSAR clause 552.238-116, Option to Extend the Term of the FSS Contract.

The following is a summary of the non-regulatory revisions:

- Amends 517.207 by
 - Making minor changes to the introductory paragraph as well as paragraphs (a) and (c) for purposes of clarifying existing requirements.

- Adding paragraphs (e) and (f) based on existing requirements (e.g., see FAS clause, I-FSS-163, Option to Extend the Term of the Contract (Evergreen)).
 - Amends subpart 538.2 by adding a new subsection entitled, 538.270-3 Use of clause fill-in information. This new subsection provides guidance on the fill-in information required by 538.273(e), which relates to the fill-in information required for paragraph (d) of FAR clause 52.216-22, Indefinite Quantity.
5. Cancellations. FSS clause I-FSS-163, Option to Extend the Term of the Contract (Evergreen), contained within Acquisition Letter MV-20-03 is hereby cancelled.
 6. Point of contact. For clarification of content, contact GSA Acquisition Policy Division, at gsarpolicy@gsa.gov.
 7. Attachments.
Attachment A, GSAR/GSAM Line-In/Line-Out

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**GSAR Case 2020-G509: Extending Federal Supply Schedule
Orders Beyond the Contract Term**

**ATTACHMENT A –
GSAR/M Line-In/Line-Out Text**

GSAM Baseline: Change 151 effective 03/11/2022

- Additions to baseline made by deviation are indicated by [bold text in brackets]
- Deletions to baseline made by deviation are indicated by ~~strikethroughs~~
- Five asterisks (* * * * *) indicate that there are no revisions between the preceding and following parts, subparts, or sections
- Three asterisks (* * *) indicate that there are no revisions between the material shown within a section or subsection
- Regulatory GSAR language is indicated by shaded text
- Non-regulatory GSAM language is indicated by unshaded text

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PART 517—SPECIAL CONTRACTING METHODS

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Subpart 517.2—Options

517.207 Exercise of options.

~~In addition to the requirements of FAR 17.207, the contracting officer must also:~~

~~—(a) Document the contract file with the rationale for an extended contractual relationship if the contractor's performance rating under the contract is less than satisfactory.~~

[In addition to the requirements of FAR 17.207, the contracting officer shall:

(a) Document the contract file with the rationale for exercising the contract option to extend the period of performance if the contractor's performance under the contract is less than satisfactory.]

* * *

~~(c) The consideration of other factors as prescribed by FAR 17.207(c)(3) should also include consideration of~~**[If applicable, consider]** any tiered solutions

(see subpart ~~Subpart 507.71—Category Management~~) or mandated solutions that were otherwise not available at the time of award.

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[(e) For FSS contracts, verify the contractor is currently in compliance with GSAR clause 552.238-77, Submission and Distribution of Authorized Federal Supply Schedule Price Lists.

(f) If applicable, verify that the contractor's subcontracting plan goals have been reviewed and approved (inclusive of any amendments) and review the contractor's performance and compliance under the subcontracting plan (see FAR 19.705-6 and 19.706, and 519.706).]

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PART 538—FEDERAL SUPPLY SCHEDULE CONTRACTING

Subpart 538.2—ESTABLISHING AND ADMINISTERING FEDERAL SUPPLY SCHEDULES

538.270 ~~Evaluation of Federal Supply Schedule (FSS) offers~~[Solicitation, evaluation, and award of Federal Supply Schedule (FSS) contracts].****

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[538.270-3 Use of clause fill-in information.

(a) *General.* The fill-in information required by GSAR 538.273(e) outlines the timeframe that orders must be completed and provides for—

(1) The exercise of task and delivery order options after the FSS contract ordering period, if those options were evaluated as part of the initial award and the order is completed within the timeframe outlined in 538.273(e);

(2) The FSS contract to remain an active contract until the final order is closed out; and

(3) The FSS contract to govern the terms and conditions with respect to active task and delivery orders (e.g., price adjustments) to the same extent as if the orders were completed during the FSS contract ordering period.

(b) Continuity of services. The fill-in information prescribed in 538.273(e) does not preclude use of FAR clause 52.217-8 by ordering activities. However, the clause may only be used if the extension does not extend the cumulative term of the task order beyond the timeframe outlined in 538.273(e).]

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538.273 FSS solicitation provisions and contract clauses.

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(d) As prescribed in this paragraph, insert the following clauses as an addendum to Clause 52.212-4, Contract Terms and Conditions-Commercial Items:

* * *

[(36) 552.238-116, Option to Extend the Term of the FSS Contract. Use in FSS solicitations and contracts when appropriate.

(e) Insert the following fill-in information within the blank of paragraph (d) of FAR clause 52.216-22, Indefinite Quantity: “the completion of customer order, including options, 60 months following the expiration of the FSS contract ordering period”.]

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PART 552—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

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Subpart 552.2—TEXT OF PROVISIONS AND CLAUSES

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[552.238-116, Option to Extend the Term of the FSS Contract

As prescribed in 538.273(d)(36), insert the following clause:

552.238-116 OPTION TO EXTEND THE TERM OF THE FSS CONTRACT

(MAR 2022)

(a) The Government may require continued performance of this contract for an additional 5 year period. This option may be exercised up to three times.

(b) The Contracting Officer may exercise the option by providing written notice to the Contractor 30 days before the contract expires.

(End of clause)]

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