OFFICE OF THE UNDER SECRETARY OF DEFENSE

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ACQUISITION,
TECHNOLOGY
AND LOGISTICS

February 18, 2004

DPAP/DAR

MEMORANDUM FOR DIRECTORS, DEFENSE AGENCIES
ACTING DEPUTY ASSISTANT SECRETARY OF THE ARMY (POLICY AND PROCUREMENT), ASA(ALT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY (ACQUISITION MANAGEMENT), ASN(RDA)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE (CONTRACTING), SAF/ACQ
DEPUTY DIRECTOR FOR LOGISTICS OPERATIONS (DLA)
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTOR, ARMY CONTRACTING AGENCY

SUBJECT: Contract Period for Task and Delivery Order Contracts

I want to alert you to the pending implementation in the Defense Federal Acquisition Regulation Supplement (DFARS) of section 843 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136). Section 843 limits a task or delivery order contract awarded under 10 U.S.C. 2304a to a total period of not more than 5 years. The 5-year limit includes all options or modifications.

Based on your inputs, I believe this statute may have a significant impact on some ongoing acquisitions and those in planning stages. We currently are finalizing the DFARS language to include clarifications to minimize the impact and ensure consistent application of the law across the Department.

For your planning purposes, the limitations of section 843 will become effective for solicitations issued on or after the date the DFARS interim rule is published in the Federal Register. This implementation is consistent with publication requirements in FAR and our regulatory conventions for implementing statutory and other changes. I expect to publish the DFARS changes in early March 2004. Prior to publication of the DFARS coverage, I urge you not to issue separate written guidance as it may unnecessarily result in inconsistency within the Department.

We will continue to work legislative relief on this issue and welcome your assistance as we work through these changes. My point of contact for this matter is Ms. Teresa Brooks at teresa.brooks@osd.mil or (703) 602-0326.

Deidre A. Lee
Director, Defense Procurement
and Acquisition Policy

cc:
DSMC, Ft. Belvoir