

# Subpart 5116.1 - Selecting Contract Types

Parent topic: [Part 5116 - Types of Contracts](#)

## 5116.102-90 Policies.

Contracting officers must document the rationale for selection of the contract type, to include consideration of the associated risks, in the contract file. The supporting documentation may be located in the contract type justification, a separate determination and findings, memorandum for record, or other appropriate document.

Follow the procedures at [AFARS PGI 5116.102-90-1](#) for selecting contract type.

See [AFARS PGI 5116.102-90-2](#) for guidance on using the Virtual Pricing website.

## 5116.103 Negotiating contract type.

(c) Contracting officers should actively communicate and coordinate with their requiring activities to identify opportunities to transition away from cost-reimbursement contracts, when possible and in the best interest of the Government.

(d)(1) In addition to the items at FAR 16.103(d)(1), discuss how the profit arrangement motivates the contractor to control costs and meet performance requirements.