The Biggest Federal Awards of the Quarter Are Mostly Ceilings, Not Revenue

Contracts - Federal contracts - November 8, 2026

We checked every federal award of $1 billion or more posted since August 1. More than half are indefinite-delivery contracts, where the headline figure is a maximum, not money a company has been promised.

What we found: in TraderTools's SAM.gov award data, 24 distinct contract numbers dated August 1 through November 8, 2026 carry a posted value of $1 billion or more, about $119.7 billion in total. Eleven of them (about $67.8 billion) are indefinite-delivery contracts. Three (about $32.2 billion) are definitive contracts. The other ten use older or non-standard numbering that we did not classify.

Why the contract number matters more than the headline

Every federal contract has a procurement instrument identifier (PIID). In the standard 13-character format, the ninth character says what kind of instrument it is. A C is a definitive contract for specific work. A D is an indefinite-delivery contract: the government sets up a vehicle, names a maximum, and then places orders against it over time (FAR Subpart 4.16).

For an indefinite-delivery contract the government must commit to a minimum, and the maximum is a ceiling (FAR 16.504). The dollar figure that appears in an award notice is typically that ceiling or an estimate. What the contractor actually earns is whatever orders get placed, and that can be far less.

Five examples from the last quarter

* Raytheon (RTX), AMRAAM Production Lots 41-47: $20.7 billion. Contract FA8556-26-C-B001, awarded September 25 and posted October 23 by the Air Force Life Cycle Management Center. The "C" makes this a definitive production contract, the kind that is closest to a firm order. Even so, it spans seven production lots, and the notice does not say how much has been obligated so far. SAM.gov record.

* Cardinal Health (CAH), two MSPV Gen VI contracts: $15.4 billion combined. Contracts SPE2DV27D0001 ($8.84 billion, North Primary) and SPE2DV27D0005 ($6.57 billion, West Primary), both posted October 27 by Defense Logistics Agency Troop Support. Both carry the "D": they are indefinite-delivery vehicles, so the figure is a ceiling on what federal customers may order, not Cardinal's revenue. SAM.gov record (North).

* Bausch Health (BHC), Veterans Affairs: $3.68 billion. Contract 36F79726D0198 on VA's Federal Supply Schedule, with a stated period of September 30, 2026 to September 30, 2031. Again a "D", so five years of possible orders, not a $3.68 billion check. SAM.gov record.

* GEO Group (GEO), ICE Northwest Processing Center: $1.50 billion. Contract 70CDCR27D00000002, posted October 30. A "D" for detention and transportation services in Tacoma, Washington, so the amount is the maximum for the vehicle. SAM.gov record.

* SpaceX, Commercial Crew modification: $5.92 billion. This is a Special Notice about a modification to existing NASA contract NNK14MA74C, not a new award. The record shows $5.92 billion but does not make clear whether that is the value of the change or the cumulative contract value, which is exactly the kind of ambiguity to resolve before reacting to it. SAM.gov record.

Why this matters for investors: a stock that jumps on "$15 billion award" is reacting to a number that may never be spent. The signal is in the type of contract, how many orders follow, and how the award compares with the company's normal annual revenue.

A four-step check before you trust a headline award

* Read the ninth character. C is a firm contract. D is a ceiling. If the number is in an older format, look the award up on USAspending.gov.
* Check whether it is a modification. A modification notice may restate a total contract value, not new money.
* Separate potential value from obligated value. Potential value is the ceiling and every option year. Obligated value is what the government has actually committed. USAspending reports both for most awards.
* Compare with the company's revenue. A multi-year ceiling divided over its period of performance is the number to set against annual sales.

How to trace it with TraderTools

Open an awardee page such as Raytheon Company, Cardinal Health 200, LLC or The GEO Group, Inc. to see each award with its agency, date and amount. Public-company views such as RTX and CAH connect those awards to the listed parent. Then use the contract number to find the original SAM.gov record and confirm the type.

Bottom line

The largest award numbers in federal contracting are the least informative ones. Our own data shows that more than half of the billion-dollar awards of the past quarter are ceilings on contracts that may be ordered against for years. That does not make them unimportant, since a ceiling is a sign of a customer relationship and a vehicle to win orders on. It does mean the headline is not revenue, and the contract type is the first thing to check.

Sources: TraderTools's SAM.gov award-notice database as of November 8, 2026 (each contract number counted once, awards dated August 1 to November 8, 2026, posted value of at least $1 billion); the linked SAM.gov award notices; FAR Subpart 4.16 and FAR 16.504.

This article is for informational purposes only and is not investment advice. Award counts and totals reflect TraderTools's database coverage, which may not include every federal procurement. Posted values are taken from award notices and can differ from obligated spending.

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