

## Contract Modifications



### Guiding Principle

Contracting Officers must ensure that contract modifications are properly executed and are formally binding on the Government and the contractor.

### References

FAR Part 43, Contract Modifications

FAR Part 13.307, Forms-Simplified Acquisition Procedures

### Overview

The purpose of this Chapter is to provide a consistent approach across the Department for processing and executing modifications to ensure that contract changes are formally binding on both the Government and the contractor.

### Definition

A contract modification is a written alteration to the terms and conditions of a contract issued by the Contracting Officer acting within the limits of their authority. These alterations include, but are not limited to, changes to the statements of work, specification, delivery point, rate of delivery, contract period, price, quantity, or any other terms and conditions of an existing contract. A contract modification can be accomplished by either (a) bilateral actions such as a supplemental agreement, or (b) unilateral actions such as changes made pursuant to the Changes Clause, administrative changes, notices of termination, and notices to exercise a contract option.

## Guidance

- 1) A contract modification must be issued to make any changes to the terms and conditions of the contract. Examples of changes include payment of earned fee to the contractor, or updating the contract through an Appendix revision. Additional examples are provided in the attached authority selection guidance chart. Contracting Officers are advised to seek assistance from their appropriate supervisor/legal support/policy office should specific contract activities become unclear as to whether they would affect changes to terms and conditions to their contracts. Only DOE Contracting Officers are authorized to issue modifications to DOE contracts.
- 2) Contracting Officers shall use a Standard Form (SF) 30 within the contract writing system to issue all modifications. This guidance applies to all FAR references including where the use of an SF30 is an available option.
- 3) On rare occasions when Contracting Officers must justifiably direct changes to contracts through oral or electronic messages, a formal written modification using an SF30 shall be effected and issued within 2 business days to confirm the change (see FAR 43.201(c)). (Also see FAR 43.104 which provides the process for timely notification of contract changes by contractors.)
- 4) Contracting Officers shall not manage contracts outside of the formal electronic system (STRIPES) unless the contracts are in closeout status.
- 5) For bilateral modifications, Contracting Officers shall ensure that the SF30 is signed by a person authorized to bind the contractor.

**CONTRACT MODIFICATION AUTHORITY GUIDANCE CHART (SF 30, BLOCK 13)**

<p><b>CHANGES CLAUSE (FAR 43.2)</b></p>	<p><b>ADMINISTRATIVE CHANGES (FAR 43.103(b))</b></p>	<p><b>SUPPLEMENTAL AGREEMENT (FAR 43.103(a))</b></p>	<p><b>OTHER</b></p>
<p><u>Citation of Authority:</u> Use the appropriate changes clause in the contract.</p> <p>Generally, Government contracts contain a changes clause that permits the CO to make unilateral changes in designated areas, within the scope of the contract.</p> <p><u>Examples</u> for FFP changes:</p> <ul style="list-style-type: none"> <li>a) Drawing, designs or specifications</li> <li>b) Method of shipment or packing</li> <li>c) Place of delivery</li> <li>d) Method or manner of work performance</li> <li>e) GFPs or facilities</li> </ul>	<p><u>Citation of Authority:</u> None required.</p> <p>An administrative change is a written unilateral contract change that does not affect the substantive right of the parties.</p> <p><u>Examples</u>, but not limited to:</p> <ul style="list-style-type: none"> <li>a) Change paying office</li> <li>b) Change individual COR</li> <li>c) Change appropriations data</li> <li>d) Correct typographical errors</li> </ul>	<p><u>Citation of Authority:</u> Any contract clause, term, or condition which requires written agreement between the Government and the contractor.</p> <p><u>Examples</u>, but not limited to:</p> <ul style="list-style-type: none"> <li>a) Change delivery, price, quantity, etc.</li> <li>b) Definitization of unilateral Change Order to reflect the agreement reached in the negotiation.</li> <li>c) Definitization of other unilateral actions (Stop work, Government Delay of work, etc.)</li> <li>d) Definitization of Unpriced Actions.</li> <li>e) Economic Price Adjustment clauses.</li> <li>f) In preference to a Change Order when a supplemental agreement is considered feasible.</li> <li>g) Use “mutual agreement of the parties” when no other authority is applicable.</li> </ul>	<p><u>Citation of Authority:</u> Appropriate contract clause, term or condition, or FAR and DEAR references, which permits the CO to take action with or without contractor’s concurrence.</p> <p><u>Examples</u>, but not limited to:</p> <ul style="list-style-type: none"> <li>a) Termination</li> <li>b) Disputes</li> <li>c) Public Law 85-804</li> <li>d) Option</li> <li>e) Government Property</li> </ul>