

# PHASE II: CONTRACT ADMINISTRATION

## Activity 33: Contract Modification and Adjustment

### Modifications & Equitable Adjustments

Determine whether there is a need for a government- or contractor-proposed modification.

If yes,

Determine whether to use a unilateral or bilateral modification.

If no,

Take no further action.

If the administrative change is forward priced,

Issue a change order using Standard Form 30 unless otherwise provided.

If the proposed change is not forward priced,

Determine authority for equitable adjustment.

Prepare a prenegotiation position.

Negotiate with the contractor.

Prepare supplemental agreement.

If no agreement can be reached on the equitable adjustment,

Modify the contract using a unilateral contract modification.

If agreement is reached on the equitable adjustment,

Modify the contract using a bilateral contract modification.

Document the contract file.

### Extraordinary Contract Adjustments

Identify officials with authority to grant extraordinary relief.

Determine whether the requested relief is within the authority to enter into extraordinary contract actions.

If yes,

Ensure that the contractor's request for contract adjustment includes all required information.

Investigate the request.

Determine whether to request the agency head (or designee) to grant relief.

Prepare a Memorandum of Decision approving or denying the contractor's request.

Prepare, execute, and issue the new contract, the amendment without consideration, or contract modification

Document the file.

If no,

Prepare a Memorandum of Decision denying the contractor's request.