

## CHANGES – NOT WHAT YOU AGREED TO IN YOUR PROPOSAL???

By Mary Love

FAR 52.243-1 states:

“the Contracting Officer may at any time, by written order, ...make changes within the general scope of this contract in any one or more of the following:

- (1) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the Government in accordance with the drawings, designs, or specifications.
- (2) Method of shipment or packing.
- (3) Place of delivery.”

This clause is normally included in solicitations for fixed price contracts (including purchase orders) and it means that the government can require the stated changes unilaterally, whether you like it or not. As the contractor, you will be in breach of contract if you don't comply with the designated changes.

These changes do require a modification to the contract and if compliance with the changes causes an increase in your cost of completing the contract you must submit a written claim for these additional costs within 30 days of the modification. You may be asked in advance about costs associated with the proposed changes. The additional costs will often be incorporated in the initial modification so that you can be compensated for them.

This changes clause is unilateral in nature because it addresses only the specific description, packaging and shipment directions, and place of delivery for what is already on that contract.

Please note that this clause does not identify nor unilaterally authorize changes to quantities, request for additional items, nor changes to the delivery schedule in terms of time. Obviously a large increase or decrease in quantity, or an expedited or delayed delivery could have a decided impact on cost which may need to be negotiated. These and other potential changes would mandate a bi-lateral modification and would not be subject to this clause. Both you and the government would need to negotiate/agree to such changes in writing.

## **52.243-1 Changes—Fixed-Price.**

As prescribed in [43.205](#)(a)(1), insert the following clause. The 30-day period may be varied according to agency procedures.

### **Changes—Fixed Price (Aug 1987)**

(a) The Contracting Officer may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in any one or more of the following:

(1) Drawings, designs, or specifications when the supplies to be furnished are to be specially manufactured for the Government in accordance with the drawings, designs, or specifications.

(2) Method of shipment or packing.

(3) Place of delivery.

(b) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, the Contracting Officer shall make an equitable adjustment in the contract price, the delivery schedule, or both, and shall modify the contract.

(c) The Contractor must assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order. However, if the Contracting Officer decides that the facts justify it, the Contracting Officer may receive and act upon a proposal submitted before final payment of the contract.

(d) If the Contractor's proposal includes the cost of property made obsolete or excess by the change, the Contracting Officer shall have the right to prescribe the manner of the disposition of the property.

(e) Failure to agree to any adjustment shall be a dispute under the Disputes clause. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

(End of clause)

If you have any questions about the FAR clauses listed in this article, or your contract, contact a Program Associate at the Arkansas Procurement Assistance Center at (501) 671-2003. Our Program Associates help Arkansas businesses learn about government contracting at no charge.

