

# Part 543 - Contract Modifications

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**Parent topic:** General Services Administration Acquisition Manual

## **Subpart 543.1 - General**

### **543.102 Policy.**

(a) In accordance with the Federal Information and Technology Acquisition Reform Act (FITARA) (Pub L. No. 113-291), the contracting officer must ensure any modification that makes substantial changes to the scope of a contract or order for GSA information technology that is inconsistent with the approved acquisition plan receives approval from the GSA Chief Information Officer (CIO). See section 511.170 for any necessary GSA IT Standards Profile approvals. For interagency acquisitions, the requesting agency is responsible for CIO coordination and approval for any modifications that make substantial changes to the scope of a contract or order.

### **543.170 Changes in designated subcontractors, inspection and/or production points.**

(a) Before executing a contract modification authorizing changes in either a designated subcontractor or inspection or production point, the contracting officer must consider the impact of the change on the contractor's ability to satisfy contract requirements. Employ the same standards that were used to determine that the contractor was responsible (see FAR 9.1 and GSAM 509.1).

(b) The modification must identify the nature of the change and the effective date. In establishing an effective date, consider the time necessary for affected offices to take required actions.

### **543.171 Changes in commercial supplier agreements.**

(a) Commercial supplier agreements must be modified if the updated terms are material as defined in 552.212-4(w)(1)(iv) or 552.232-78(a)(6).

(b) When authorizing a contract modification to update commercial supplier agreement terms, the contracting officer must consider the impact to the Government's rights and negotiate the terms if necessary.

(c) The contracting officer is responsible for maintaining a current copy of the commercial supplier agreement in the contract file.

## **Subpart 543.2 - Change Orders**

### **543.202 Authority to issue change orders.**

This section applies to construction contracts.

(a) *COR authority.* The contracting officer may authorize a warranted COR to issue change orders. Authorization must be in writing, on a contract-by-contract basis, and must identify any limitations. For example, identify dollar limitations or specify that authority is only valid in emergency situations.

(b) *Additional restrictions.* The Contracting Officer should provide the following instruction to the COR as part of the written authorization:

(1) For any single change order, the COR may perform some or all of these actions:

- (i) Determining the need for a change.
- (ii) Preparing the Government's cost estimate.
- (iii) Conducting negotiations.
- (iv) Issuing the change order.
- (v) Inspecting the work.

(2) For an unpriced change order, if the COR personally performs all the actions in paragraph (1) of this section, the change order must be reviewed by a designated official before issuance or definitization.

(c) *Review change orders.* For unpriced change orders when the COR personally performs all actions, the contracting officer must either personally review each change order or designate a capable official to perform the review. Consider designating the COR's immediate supervisor or a higher-level official within the organization. Avoid designating more than one official to review change orders issued under an individual contract.

(d) *Coordination of change orders.* Issue change orders only after coordination, as appropriate, with quality control, finance, audit or other technical personnel.

### **543.205 Contract clause.**

Insert the clause at [552.243-71](#), Equitable Adjustments, in solicitations and contracts that include

any of the following FAR clauses: 52.243-4, 52.243-5, or 52.236-2.