



## DCMA Manual 2501-02

### Contract Modification Actions

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<b>Office of Primary Responsibility</b>	<b>Contract Maintenance Capability</b>
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<b>Incorporates:</b>	DCMA-INST 132, "Novation, Change-of-Name, and Business Combination (Restructuring) Agreements," March 20, 2014 DCMA-INST 138, "Order Issuance and Definitization," February 28, 2013 DCMA-INST 328, "Overhaul, Maintenance, Modification and Repair (OMMR)," May 22, 2013
<b>Internal Control:</b>	Process flow and key controls are located on the Resource Page
<b>Labor Codes:</b>	Located on the Resource Page
<b>Resource Page Link:</b>	<a href="https://360.dcma.mil/sites/policy/CM/SitePages/2501-02r.aspx">https://360.dcma.mil/sites/policy/CM/SitePages/2501-02r.aspx</a>
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**Purpose:** This issuance, in accordance with the authority in DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)":

- Implements policy established in DCMA-INST 2501
- Assigns responsibility and defines procedures for executing Contract Modifications

- Aligns responsibility for Order Issuance and Overhaul, Maintenance, Modification and Repair for Contract Modification Actions
- Assigns responsibility and defines procedures for Novation and Change-of-Name-Agreements

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## SECTION 1: GENERAL ISSUANCE INFORMATION

**1.1. APPLICABILITY.** This issuance applies to all DCMA organizational elements with the exception of the DCMA Procurement Center.

**1.2. POLICY.** It is DCMA policy to:

a. Identify the responsibilities for all parties who prepare and execute modifications including Administrative Contracting Officers (ACOs), Terminations Contracting Officers (TCOs), Contract Administrators (CAs), and Procurement Technicians (PTs) in accordance with Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS).

b. Ensure the Contract Management Team (CMT) functional specialists identify and notify the assigned Contracting Officer of conditions that may require contract modifications.

c. Execute Novation Agreements and Change-of-Name Agreements.

d. Execute this manual in a safe, efficient, effective, and ethical manner.

## SECTION 2: RESPONSIBILITIES

**2.1. SENIOR PROCUREMENT EXECUTIVE.** The Senior Procurement Executive is identified as the Director, Defense Contract Management Agency and is responsible for developing and monitoring a process to ensure timely and accurate reporting of contractual actions to Federal Procurement Data System (FPDS) in accordance with FAR 4.604(a). The responsibility can be further delegated as appropriate.

**2.2. CONTRACTS DIRECTORS.** The Contracts Directors will:

- a. Execute oversight of the organizations' day-to-day contract modification processes.
- b. Evaluate the organizations' compliance including manual testing of key controls and performance.
- c. Communicate with each other in order to resolve and disposition issues escalated by Supervisors or DCMA Cost and Pricing Center Team Leads related to the transferor or transferee for Change-of-Name and Novation Agreements.
- d. Approve or disapprove exceptions to issuing contract actions outside the Modification and Delivery Order (MDO).

**2.3. SUPERVISORS.** The Supervisors will:

- a. Implement oversight of the organizations' day-to-day contract modification processes.
- b. Ensure segregation of roles for procurement technicians when assigning modification actions within Internal Web Access Management.
- c. Ensure system accesses and roles to perform duties as assigned for contract modification actions are established through the Electronic System Authorization Access Request.
- d. Communicate with each other in order to resolve and disposition issues escalated by the cognizant Contracting Officer related to the transferor or transferee for Change-of-Name and Novation Agreements.

**2.4. CORPORATE ADMINISTRATIVE CONTRACTING OFFICERS (CACO).** The CACO will:

- a. Serve as responsible Contracting Officer in accordance with FAR 42.12 for Novations or Change-of-Name Agreements for a corporation.
- b. Evaluate the proposal of sale or Change-of-Name for a corporation.

c. Determine whether it is in the best interest of the Government to recognize a successor in interest to the Government contract in accordance with FAR 42.1204(a), (c), (d), and (h) for a corporation.

d. Prepare and execute Novation or Change-of-Name Agreements and mass modifications, if applicable, for a corporation within the scope of the requirements, administrative delegations, and warrant authority.

e. Distribute the agreements to related parties, which include but are not limited to the transferor, the transferee, other Contracting Officers, military departments, National Aeronautics and Space Administration (NASA), and Military Surface Deployment and Distribution Command (SDDC).

f. For DCMA Special Programs (DCMAS), email all mass modifications to the DCMAS Inbox.

**2.5. DIVISIONAL ADMINISTRATIVE CONTRACTING OFFICERS (DACO).** The DACO will:

a. Serve as responsible Contracting Officer in accordance with FAR 42.12 for Novations or Change-of-Name Agreements for a business segment or group of business segments.

b. Evaluate the proposal of sale or Change-of-Name for a business segment or group of business segments.

c. Determine whether it is the best interest of the Government to recognize a successor in interest to the Government contract in accordance with FAR 42.1204(a), (c), (d), and (h) for a business segment or group of business segments.

d. Prepare and execute Novation or Change-of-Name Agreement and mass modification, if applicable, as assigned, for a business segment or group of business segments within the scope of the requirements, administrative delegations, and warrant authority.

e. Distribute the agreements to related parties, which include but are not limited to the transferor, the transferee, other Contracting Officers, military departments, NASA, and SDDC.

f. For DCMAS, email all mass modifications to the DCMAS Inbox.

**2.6. ACO.** The ACO will:

a. When necessary, prepare accurate and complete unilateral or bilateral modifications as assigned, within the scope of the requirements, administrative delegations, and warrant authority in accordance with FAR 42.302.

b. Review, approve, and sign modifications within the scope of the requirements, administrative delegations, and warrant authority.

- c. Ensure assigned workload for DCMA executed modifications are filed in the official Electronic Documents Records Management System (eDRMS), have digital or hand-written signatures, and are validated and reported to FPDS within 3 business days.
- d. Serve as responsible Contracting Officer in accordance with FAR 42.1202 for Novation or Change-of-Name Agreements where a CACO or DACO does not exist.
- e. Evaluate the proposal of sale or Change-of-Name for a business entity where a CACO or DACO does not exist.
- f. Determine whether it is in the best interest of the Government to recognize a successor in interest to the Government contract in accordance with FAR 42.1204(a), (c), (d), and (h) where a CACO or DACO does not exist.
- g. Prepare and execute Novation or Change-of-Name Agreement and mass modification, if applicable, where a CACO or DACO does not exist within the scope of the requirements, administrative delegations, and warrant authority.
- h. Distribute the agreements to related parties, which include but are not limited to the transferor, the transferee, other Contracting Officers, military departments, NASA, and SDDC.
- i. For DCMAS, email all mass modifications to the DCMAS Inbox.

**2.7. TCO.** The TCO will:

- a. Secure assistance and coordinate modifications to resolve all issues associated with the termination for convenience on workload assigned.
- b. Issue the confirmation modification of a termination if notice to contractor is in letter form.
- c. Ensure assigned workload for DCMA executed modifications are filed in the official eDRMS, have digital or hand-written signatures, and are validated and reported to FPDS within 3 business days.

**2.8. CA.** The CA will:

- a. Prepare accurate and complete unilateral or bilateral modifications as assigned, within the scope of the contract and administrative delegation for transfer to the warrant authority.
- b. Provide administrative support for modification workload assigned permanently or temporarily by the assigned Contracting Officer and Supervisor.
- c. Ensure assigned workload for DCMA executed modifications are filed in the official eDRMS.

**2.9. PT.** The PT will:

- a. When assigned, prepare accurate and complete administrative modifications within the scope of the contract and administrative delegation for transfer to the warrant authority.
- b. Provide administrative support for modification workload assigned permanently or temporarily by the assigned Contracting Officer and supervisor.
- c. Ensure assigned workload for DCMA executed modifications are filed in the official eDRMS.

**2.10. CMT.** The CMT will identify the need for modifications on assigned contracts associated with the functional expertise to the assigned Contracting Officer.

**2.11. FUNCTIONAL INFORMATION RESOURCE MANAGEMENT (FIRM).** The FIRM Specialist will review and coordinate mass modifications with the assigned Contracting Officer for mass non-transfer and transfer contract modifications.

**2.12. ASSIGNED LEGAL COUNSEL.** The assigned legal counsel must:

- a. Review for legal sufficiency in accordance with FAR 42.1203(f) in instances of Novation and Change-of-Name actions.
- b. Provide guidance upon request of the assigned Contracting Officer about whether purchases by foreign or domestic concerns of a DoD Contractor, or a reorganization of the Contractor, may require a Novation or Change-of-Name Agreement.
- c. Provide guidance on whether a formal agreement for Novation or Change-of-Name is necessary. If it is necessary, assigned legal counsel must provide advice on the format and content of the agreement.

## SECTION 3: MODIFICATION PROCEDURE

**3.1. OVERVIEW.** This section provides guidance to ensure contract modifications prepared by DCMA are properly prepared, reviewed, executed, filed, and validated and reported to FPDS when required. The process of conducting and documenting the issuance of contract modifications is a key control activity under the Financial Improvement and Audit Readiness Service Provider Contract Pay Assessable Unit initiative.

**3.2. DETERMINE TYPE OF MODIFICATION.** Contract modifications may either be bilateral or unilateral in accordance with FAR 43.103. The kind of contract modification required is specified under FAR 42.302. Examples of modifications include: administrative changes, transportation, delivery, property, excess funds, spare parts and provision, terminations, cancellations, change orders, definitizations, and over and above actions. Modifications must be delegated in writing by the Procurement Contracting Officer (PCO) if the modification falls within FAR 42.302 (b) (c) for other requests for modifications not listed in FAR 42.302 (b), as appropriate.

**3.3. PREPARE CONTRACT MODIFICATIONS.** The MDO is DCMA's official tool for preparing modifications. The MDO user manual can be found on the resource page link. Exceptions to use of the MDO include the DCMA Procurement Center which utilizes the Standard Procurement System as a contract writing system; non-DoD contracts issued by National Institute of Health, NASA, NASA Solutions for Enterprise-Wide Procurement IV, National Science Foundation, and modification of classified and sensitive contracts not in Mechanization of Contract Administration Service (MOCAS). Assigned Contracting Officers issuing contract actions outside the MDO that do not fall within the exceptions listed above must request approval from the Contract Management Office (CMO) Contracts Director prior to issuance unless the urgency of the circumstances requires immediate action.

a. Assigned Contracting Officers will ensure all necessary documents are obtained for accomplishment of modifications including funding documents and PCO written delegation. Negotiations of provisions, over and above, change orders, unpriced orders under Basic Ordering Agreements, terminations, undefinitized contract actions, economic price adjustments, and other negotiations that result in a modification will be accomplished in accordance with DCMA Manual (DCMA-MAN) 2401-01, "Negotiation Intelligence Procedures."

b. Modifications must be numbered in accordance with DFARS 204.16, "Uniform Procurement Instrument Identifier."

c. When indicating the authority to issue a modification, use the applicable contract clause listed in the Modification Authority Guide Quick Reference Table (located on the resource page) or terms of a mutual agreement with the contractor.

d. As appropriate, obtain adequate consideration for changes in contract requirements and document the process for obtaining consideration with a Memorandum for Record (MFR). The executed modification will comment as to whether or not consideration was obtained and the terms of any consideration. Consideration may take the form of a contract price adjustment or

other means commensurate with the change in requirements; such as, expedited delivery, product quality improvements, performance improvements, warranties, and conversion to best practices. The assigned Contracting Officer will discuss the proposed changes to the contract with the PCO to determine what would be acceptable.

e. When a contract modification or delivery order adds new line items, the assigned Contracting Officer or assigned individual preparing the modification or delivery order, must assign new contract line item numbers (CLIN), subline item numbers, or exhibit line item numbers in accordance with the procedures at DFARS 204.7103, "Contract Line Items;" DFARS 204.7104, "Contract Subline Items;" and DFARS Procedures, Guidance, and Information (PGI) 204.7105, "Contract Exhibits and Attachments." If the modification relates to existing contract line items, subline items, or exhibit line items, the modification should refer to the existing item numbers. DFARS 204.7106, "Contract Modifications," provides additional guidance for issuing modifications to existing contract line items or exhibit line items. Unless an exception applies, modifications that change funding should include CLIN level detail sufficient to enable Defense Finance and Accounting Service (DFAS) to understand the funding change at the CLIN and Accounting Classification Reference Number level. Contract modifications must be distributed in accordance with the procedures set forth in DFARS PGI 204.201, "Contract Distribution."

f. Processing Modifications. Modifications can be processed in three ways: modification of a single contract, mass modification (ARZ) of a group of contracts using the MDO, or through manual modification of one or a group of contracts where an exception applies. Contract modifications must be distributed in accordance with the procedures set forth in DFARS PGI 204.201.

(1) Modifications must be issued using the MDO and validated and reported to FPDS when processing a single contract modification or processing a mass modification unless an exception applies. Exceptions must be processed manually using a secure procedure for classified and sensitive modifications and applicable forms (e.g., Standard Form 30, "Amendment of Solicitation/Modification of Contract"). Manual processing of unclassified contract actions must receive prior approval from the Contracts Director unless the urgency of the circumstances requires immediate action.

(2) ARZ modifications must be issued in MDO in the mass modification module. When mass modifications are issued to contracts in MOCAS, the MOCAS database must be systemically updated to reflect transfers between Commercial and Government Entity (CAGE) codes, CMOs, pay offices, and Contractor address changes.

(a) An ARZ transfer modification is defined as a modification which does one of the following:

1. Transfers all or some contracts for a CAGE code(s) to another CAGE code (e.g., Novations).

2. Transfers all contracts for a CAGE code to the same CAGE code in a different CMO (e.g., the Contractor physically moves and retains the original CAGE code).

3. Transfers some or all contracts for a specific CMO into one or more other CMOs (e.g., due to downsizing, creation of CMOs, or elimination of CMOs).

(b) The transfer process involves a balancing of contract and invoice counts, contract dollars involved, as well as verifying that all database records have been properly updated to reflect changes. Transfers are only run at the end of the month immediately following the regular MOCAS monthly cycle (transfers are not performed at fiscal year and calendar year end; e.g., end of September and end of December). The verification and balancing is performed by cognizant FIRM team, DFAS systems office personnel, and Defense Information Service Agency (DISA).

(c) Non-transfer modifications are ARZ modifications which do not require contract transfer. ARZ modifications are typically a name change or physical address change not involving an update to CAGE, admin Department of Defense Activity Address Code, or pay office. Modifications post to impacted contracts, and certain MOCAS data is updated systemically when the Contractor updates the System for Award Management (SAM). Other required system updates, such as remittance address data, are coordinated with DISA outside of the monthly transfer process.

(d) A mass modification or blanket no-cost change order is issued to modify a large number of contracts involving multiple companies. The approach is used in cases where it is more efficient or practical than having individual assigned Contracting Officers across the Agency issue substantially identical modifications. This approach is employed when delegation of contracting authority is received by DCMA Headquarters from the affected Defense Departments or Agencies, the modification does not change the contract value, the modification is unilateral, or when use of a mass modification has been approved by the DCMA Director or Senior Procurement Executive.

(e) Assigned Contracting Officers need to provide a copy of the modification to the FIRM group representative prior to it being released. Once the FIRM representative has reviewed and approved the mass modification, the FIRM will provide a date of when the modification can be released.

(f) The mass modification process may require additional actions by assigned Contracting Officers (e.g., distribution of modifications to Contractors and PCOs, negotiation of supplemental agreements if suppliers reject “no-cost” change orders and request equitable adjustments). The transferring CMOs are responsible for inputting each ARZ modification record from the backlog into MOCAS inventory via the No Action Modification process if for any reason MOCAS fails to process it automatically. The FIRM is responsible for ensuring accurate contract transfer per modification details. However, the FIRM will not input modification records into MOCAS inventory or clear records off of the backlog, as that is solely a CMO responsibility.

g. Assigned Contracting Officers are responsible for manually updating MOCAS, uploading the modification into Electronic Document Access (EDA), and manually validating and reporting

to FPDS, if required, for contract actions issued outside the MDO that do not fall within the exceptions (with the approval of CMO Contracts Director).

h. Classified contracts and modifications must not be uploaded into EDA, input into MOCAS, or reported to FPDS.

i. Assigned Contracting Officers are authorized to prepare modifications in MDO for Defense Logistics Agency (DLA) Other Disbursement Office contracts. DLA retains post-award cognizance for contract modification actions for National Stock Number changes, CLIN changes, and Quantity increases on Customer Direct contracts.

**3.4. TRACK CONTRACT MODIFICATIONS.** The contract modification must be recorded as established in DCMA-MAN 2501-01, “Contract Receipt and Review.”

**3.5. FPDS REPORT REQUIREMENTS.** FPDS is a Government-wide system that collects Government contracts information to provide insight to the public and Government on how tax dollars are being spent. Information can be found on the resource page regarding FPDS. FAR 4.6 established the Contract Action Report (CAR) for reporting contract actions to FPDS which are unclassified. The Senior Procurement Executive must submit to the General Services Administration (GSA), in accordance with FPDS guidance, within 120 calendar days after the end of each fiscal year, an annual certification of whether, and to what degree, agency CAR data for the preceding fiscal year is complete and accurate in accordance with FAR 4.604(c). By December 15th of each year, the Senior Procurement Executive is required to report its contract actions and submit to the Director, Defense Procurement and Acquisition Policy, its annual certification and data validation results for the preceding fiscal year in accordance with the DoD Data Improvement Plan requirements DFARS 204.604(3). Assigned Contracting Officers must report all delivery/task orders and modifications that change previously reported FPDS data (e.g., Contractor name, address, CAGE, final delivery date, Government Furnished Property, place of performance, obligation amount, or contract value) regardless of dollar value. Modification of grants and cooperative agreements are not reportable to FPDS as they are captured in the Defense Assistance Awards Data System. Mass modifications for an Indefinite Delivery Indefinite Quantity order are only required to report on the basic contract. Before releasing a modification, the assigned Contracting Officer should verify if the contract was reported to FPDS.

a. In accordance with DFARS PGI 204.606(3)(xiii)(H), Assigned Contracting Officers must enter a short description of what is being procured by the action in the description requirement field in FPDS. This field must be updated in every CAR. This should be entered in “plain English” with no acronyms or military jargon so that the public can easily understand what the DoD is acquiring. When reporting modifications, do not use this field to explain what type of procurement process is accomplished (e.g., exercise option year, incremental funding) but continue to enter a description of the item or service to be purchased. If the description is already completed, verify the description for accuracy.

b. The assigned Contracting Officer must review and validate the accuracy of the CAR prior to releasing the contract action in MDO and take immediate action to resolve the CAR validation

error(s). The FPDS data is data that was reported previously by the PCO's base CAR at contract award. During the FPDS data validation process, DCMA's modification CARs are often rejected because of errors detected with base CAR data. As a result, the PCO may need to correct the base CAR data before the assigned Contracting Officers modification CAR can pass validation. The assigned Contracting Officer must choose the Reason for Modification Value that best describes the modification in FPDS. For example, modifications issued during closeout of the contract to deobligate remaining funds should be identified as "Close Out" on the CAR unless another value (e.g., address change) is more applicable. "Funding Only Action" and "Other Administration Action" should be used only when another value does not apply. If the CAR fails validation as a result of data that originated from a source other than the assigned Contracting Officers modification or delivery order, the modification or delivery order may be released if the assigned Contracting Officer determines that a timely resolution of the data error(s) is unlikely and would negatively impact the procurement process.

c. The FPDS CAR must be completed in MDO/FPDS within 3 business days after release of the contract action in accordance with FAR 4.604(b)(2) and (3).

d. The term "contract action" referred to herein does not include grants, cooperative agreements, other transactions, real property leases, federal stock requisitions, training authorizations, or other non-FAR based transactions. Furthermore, the term "contract action" does not include classified contracts, agreements, and orders. A complete list of actions that are not required to be reported is stated in FAR 4.606(c) and DFARS PGI 204.606(2).

e. If the assigned Contracting Officer or PCO determines that one of the conditions stated in FAR 4.605(b) applies as an alternative or justification for concealing the identity of the vendor, use the Generic Data Universal Numbering System (DUNS) number and corresponding CAGE code in the CAR submitted to the FPDS. The PCO and the assigned Contracting Officer must establish internal review procedures that ensure the DUNS and corresponding CAGE code are used correctly.

**3.6. DCMA AUTOMATION REQUIREMENTS.** CMOs must ensure modifications and delivery orders are processed in the following automated tools, if the security classification of the contract allows:

a. MDO is used to issue contract actions for contracts residing in MOCAS. The assigned Contracting Officer must use the MDO to prepare all contract actions in order to comply with the requirements of FAR 4.6 unless an exception applies. The assigned Contracting Officer will utilize MDO's FPDS CAR generation button to create FPDS CARs for each reportable contract action.

b. The MDO is designed to create modification CARs that meet FAR 4.6 requirements. This is accomplished by using data extracted from the modification, Shared Data Warehouse, programmed inputs, and FPDS.

c. DCMA MOCAS users must ensure that modifications and orders issued by MDO are tracked in accordance with DCMA-MAN 2501-01." Modifications must never be issued to

make system corrections in MOCAS. In the event that a modification fails to post to EDA, the EDA User Guide provides guidance on upload capabilities.

**3.7. GENERIC DUNS AND CORRESPONDING CAGE CODES.** A Generic DUNS number and corresponding CAGE code represent a category of vendors not specific to any individual or entity. Using the DUNS and corresponding CAGE codes hides the true identity of the vendor and makes it impossible to correctly process electronic invoices, receiving reports, and payments. Therefore, Generic DUNS numbers and CAGE codes must not be used as Contractor identification on contract awards or modifications unless a condition stated in FAR subpart 4.605(b) applies as an alternative or justification for concealing the identity of the vendor.

**3.8. TRANSFER OF GOVERNMENT CONTRACT PROPERTY BETWEEN CONTRACTS.** Upon the Contractor's written request, and provided the requirements of FAR 45.102, as addressed in DFARS PGI 245.103-70 are met, the assigned Contracting Officer can, in coordination with the PCO, execute a contract modification, transferring contractual accountability. Both gaining and losing contracts must be modified as required by FAR 45.106. DoD Instruction 4161.02, "Accountability and Management of Government Contract Property," also provides guidance for acquisition professionals concerning the Government property roles and responsibilities. The losing and gaining contracts must have the basic FAR 52.245-1, "Government Property."

a. The assigned Contracting Officer must ensure the gaining contract modification adds the following FAR/DFARS clauses (if not already present in the contract), as required by DFARS PGI 245.103-71, "Transferring Government Property Accountability":

- (1) FAR 52.245-9, "Use and Charges"
- (2) DFARS 252.211-7007, "Reporting of Government-Furnished Property"
- (3) DFARS 252.245-7001, "Tagging, Labeling, and Marking of Government-Furnished Property"
- (4) DFARS 252.245-7002, "Reporting Loss of Government Property"
- (5) DFARS 252.245-7003, "Contractor Property Management System Administration"
- (6) DFARS 252.245-7004, "Reporting, Reutilization, and Disposal"
- (7) DFARS 252.245-7000, "Government-Furnished Mapping, Charting, and Geodesy Property" only when mapping, charting, and geodesy property is to be furnished.

b. The following language will be used in the interest of standardization (contract numbers are examples):

(1) The losing contract will state: “The purpose of this modification is to transfer accountability of the contract property items listed on the attachment from contract FA877104DXXX3 to contract F0960398DXX83.”

(2) The gaining contract will state: “The purpose of this modification is to accept transfer accountability of the contract property items listed on the attachment from contract FA877104DXXX3 to contract F0960398DXX83.”

c. All Government-Furnished Property (GFP) transfer modifications must include an attachment listing the property prepared in the DoD standard GFP format required by DFARS PGI 245.103-72, “Government-furnished property attachments to solicitations and awards.” Training can be found on the resource page for GFP Module attachment requirements in Wide Area Work Flow.

## **SECTION 4: NOVATION AND CHANGE-OF-NAME AGREEMENTS**

**4.1. OVERVIEW.** Consistent with the Government's interest, DCMA will:

a. Recognize a successor in interest to Government contracts when Contractor assets are transferred. The recognition process is conducted through execution of a legal document "Novation Agreement" by the Contractor (transferor), successor in interest (transferee), and the Government. Through the use of the "Novation Agreement," the transferor, among other things, guarantees performance of the contract, the transferee assumes all obligations under the contract, and the Government recognizes the transfer of the contract and related assets.

b. Recognize a change in a Contractor's name. If only a change of the Contractor's name is involved and the Government's and Contractor's rights and obligations remain unaffected, the parties must execute an agreement to reflect the name change.

c. Execute Novation Agreements and Change-of-Name Agreements. The agreements are legal documents requiring the related parties to use suggested format and content. The format may be adapted to fit specific cases by the assigned Contracting Officer in consultation with assigned legal counsel.

d. Distribute the agreements and associated documents to the required offices, such as contracting administration office, contracting office, military departments, etc.

e. Comply with records management and retention requirements.

f. Document, in the contract file, the principal elements of the negotiated agreement and the justification for the assigned Contracting Officers acceptance/non-acceptance of the Contractor's proposal.

### **4.2. PROPOSAL OF SALE, BUSINESS COMBINATION, OR CHANGE-OF-NAME.**

FAR 42.1204(a) states that Section 6305(a) of Title 41, United States Code (U.S.C.) (formerly Section 15 of Title 41, U.S.C.) prohibits transfer of Government contracts from the Contractor to a third party. However, the Government may, when it is in the best interest, recognize a third party as the successor in interest to a Government Contractor when the third party's interest in the contract arises out of the transfer of:

a. All the Contractor's assets.

b. The entire portion of the assets involved in performing the contract. (See FAR 14.404-2(l) for the effect of Novation Agreements after bid opening but before award.) Examples of such transactions include, but are not limited to: Sale of assets with a provision for assuming liabilities; transfer of assets incident to a merger; corporate consolidation; and incorporation of a proprietorship or partnership, or formation of a partnership.

**4.3. CONTRACTORS RESPONSIBILITY.** In accordance with FAR 42.1203(a), if a Contractor wishes the Government to recognize a successor in interest to contracts or a name

change, the Contractor must submit a written request to the responsible Contracting Officer, which includes the CACO, DACO, and ACO. If the Contractor received the contract under FAR 8.7 under the Javits-Wagner-O'Day Act, the Contractor must use the procedures at FAR 8.716 instead.

**4.4. DOCUMENTS.** The documentation needed for a Novation, in addition to the proposed Novation Agreement, is described in FAR 42.1204(e) and FAR 42.1204(f). The documentation needed for a Change-of-Name is described in FAR 42.1205(a).

**4.5. DETERMINATION OF RESPONSIBLE CONTRACTING OFFICER.** In accordance with FAR 42.1202, the Contracting Officer responsible for processing and executing Novation and Change-of-Name Agreements must be determined.

a. If any of the affected contracts held by the transferor have been assigned to an ACO, the responsible Contracting Officer must be one of the following:

(1) The cognizant ACO.

(2) DACO (and not the ACO), if a DACO is assigned to a Contractor business unit which holds the affected contracts.

(3) The CACO responsible for the corporate office, if affected contracts are in more than one business unit of the transferor.

b. If none of the affected contracts held by the transferor have been assigned to an ACO, the Contracting Officer responsible for the largest unsettled (unbilled plus billed but unpaid) dollar balance of contracts must be the responsible Contracting Officer.

c. If several transferors are involved, the responsible Contracting Officer must be either the ACO administering the largest unsettled dollar balance; or the Contracting Officer designated by the agency having the largest unsettled dollar balance, if none of the affected contracts have been assigned to an ACO.

**4.6. RECEIVING REQUEST.** Upon receipt of the Contractor's written request for the Government to recognize a successor in interest to contracts or a name change, in accordance with FAR 42.1203(b), the assigned Contracting Officer must:

a. Identify and request the Contractor submit the information necessary to evaluate the proposed agreement for recognizing a successor in interest or a name change.

b. Notify the following offices affected by a proposed agreement for recognizing a successor in interest, and provide the offices with a list of all affected contracts.

(1) Assigned Legal Counsel. The assigned Contracting Officer must notify assigned legal counsel upon being notified of a possible sale or reorganization of a DoD Contractor. The guidance of counsel is needed as early as possible in determining whether purchases by foreign

or domestic concerns of a DoD Contractor or a reorganization of the Contractor may require a Novation Agreement or Change-of-Name Agreement.

(2) CMO and Contracting Office. The assigned Contracting Officer must promptly notify each CMO and contracting office affected by a proposed request. For DLA, see the resource page for mailing addresses for the Defense Supply Centers.

(3) Military Departments and NASA. For contracts awarded by a military department or NASA, the ACO must provide notices to the addresses as stated in DFARS PGI 242.1203(1) instead of individual contracting or contract administration offices. On the notice sent to the addresses, the assigned Contracting Officer must include a consolidated list for all subordinate contracting offices of the addressee in accordance with DFARS PGI 242.1203(4).

(4) DCMAS. The cognizant Contracting Officer must notify DCMAS of all Novation/Change-of-Name requests via an email to the DCMAS Inbox.

c. Request submission of any comments or objections to the proposed transfer within 30 calendar days after notification. Any submission should be accompanied by supporting documentation.

#### **4.7. EVALUATION OF CONTRACTOR'S NOVATION AND CHANGE-OF-NAME AGREEMENT.**

a. The assigned Contracting Officer must follow, as applicable, FAR 42.1204(f), as the documents become available in addition to the documents requirements stated in Section 4.4 of this Manual.

b. The Novation Agreement Checklist, located on this Manual's resource page, should be used as a tool to confirm whether all necessary documents are submitted. If the assigned Contracting Officer has acquired the documents during participation in the pre-merger or pre-acquisition review process, or the Government's interests are adequately protected with an alternative formulation of the information, the assigned Contracting Officer may modify the list of documents to be submitted by the Contractor in accordance with FAR 42.1204(g).

c. The assigned Contracting Officer must review the documentation submitted by the Contractor, promptly notify the Contractor of any deficiencies, and request corrective action if any of the items are missing or inadequate.

d. Prior to the execution of a Novation Agreement, the assigned Contracting Officer must find that the proposed novation is in the Government's best interest. In order to make such a finding, the assigned Contracting Officer must consider legal sufficiency and the transferee's capability to perform the contract.

(1) Legal Sufficiency Determination. In instances of Novation and/or Change-of-Name, the assigned Contracting Officer must obtain review of assigned legal counsel for a legal sufficiency determination in accordance with FAR 42.1203(f). In instances in which a firm that

is to be party to the agreement, a known affiliate of the same, or associated natural person is/are debarred, suspended, proposed for debarment or suspension, or when the assigned Contracting Officer is aware that such action is being considered even though not yet done, the assigned Contracting Officer must notify assigned legal counsel as part of such request.

(2) Financial Capability. For a Novation Agreement, the assigned Contracting Officer must review financial information for the transferor and transferee to determine the transferee's financial capability to perform the contracts being proposed for novation in accordance with FAR 42.1204(f)(6). As appropriate, the assigned Contracting Officer must request review and input from the DCMA Cost and Pricing Center Financial Capability Group. A financial capability review should be guided by the specific requirements set forth in the contracts being transferred and should include, but not be limited to, assets, liabilities, and revenue stream of the transferee.

(3) Technical Capability. For a Novation Agreement, the assigned Contracting Officer must review information regarding the transferee's capability to perform the technical requirements specified in the contracts being transferred. Review and input may be provided by DCMA personnel, Government personnel at the buying activity, or other Government personnel involved with or having knowledge of the requirements and capabilities needed for the item(s) or service(s) at issue. In addition to any submission presented for review under FAR 42.1204(e)(3), the assigned Contracting Officer may also use information reasonably available within DCMA, from the buying activity, or from another credible source including web-based resources for reporting past performance, and may request review as needed of this information by the Government personnel mentioned above.

(4) Security Requirements. For a Novation Agreement, the assigned Contracting Officer must ensure that the transferee meets all security classification requirements (for both personnel and facilities) specified in the contracts being transferred in accordance with FAR 42.1204(f)(7).

(5) Foreign Interests. For a Novation Agreement, the assigned Contracting Officer must review whether the transfer of assets and liabilities could potentially result in foreign ownership, control, or influence, which could jeopardize the ability to perform current and future classified contracts in accordance with DFARS 209.104-1.

(6) Business Status. For a Novation Agreement, the assigned Contracting Officer must review whether the transferee meets any specified set-aside requirements based on business status, such as small business. Also consider whether the transferee will be able to retain such status after the transfer is completed. FAR 19.301-2(b) requires Contractors to recertify small business size status within 30 calendar days after execution of a Novation Agreement.

(7) Intellectual Property/Data Rights. For a Novation Agreement, the assigned Contracting Officer must carefully consider whether the control, ownership, and transfer of data rights has been properly addressed in the transfer of assets and liabilities between the Contractors in accordance FAR 27.4. Most importantly, ensure that Government interest and/or rights in such data has been properly addressed and protected.

(8) Other Considerations. The assigned Contracting Officer must also consider any implications the proposed Novation Agreement may have on Cost Accounting Standards (CAS) coverage and consult with the functional specialists to assess risks to the current status of approval for business systems (accounting, estimating, and purchasing), etc., of the transferee and document the risk assessment conducted.

e. When considering whether to recognize a third party as a successor in interest to Government contracts, the assigned Contracting Officer must identify and evaluate any significant organizational conflicts of interest in accordance with FAR 9.5. If the assigned Contracting Officer determines that a conflict of interest cannot be resolved, but that it is in the best interest of the Government to approve the Novation Agreement request, in accordance with FAR 42.1204(d) a request for a waiver of application of general rule or procedure in FAR 9.5 may be submitted in accordance with the procedures at FAR 9.503.

f. When a Novation Agreement is requested and the transferee intends to incur restructuring costs for external restructuring activities as defined in DFARS 231.205-70, the assigned Contracting Officer for the transferor must include the provision cited in DFARS 242.1204 in the Novation Agreement instead of what is provided in the sample format at FAR 42.1204(i). The detailed procedures for execution of a Restructuring Advance Agreement are captured in DCMA-MAN 2401-01.

g. There may be instances in which the Contractor asserts that a Novation Agreement is not required. For example, a “conversion” from one form of legal entity to a Limited Liability Company may be such an instance. The determination of whether a Novation Agreement is required can entail technical legal considerations, and the assigned Contracting Officer should seek guidance from assigned legal counsel before concluding that a Novation Agreement is or is not required in any instance in which questions regarding need for such agreement arise. Further, even if a Novation Agreement is not needed, a formal agreement may be appropriate. Refer to FAR 42.1204(b).

#### **4.8. DETERMINATION TO RECOGNIZE A SUCCESSOR IN INTEREST OR CHANGE-OF-NAME.**

a. After receiving a legal sufficiency determination from DCMA assigned legal counsel, the assigned Contracting Officer must make a determination whether or not it is in the Government’s interest to recognize the proposed successor in interest, considering the following, in accordance with FAR 42.1203(c):

(1) The comments received from the affected contract administration offices and contracting offices.

(2) The proposed successor’s responsibility under FAR 9.1, “Responsible Prospective Contractors.”

(3) Any factor relating to the proposed successor's performance of contracts with the Government that the Government determines would impair the proposed successor's ability to perform the contract satisfactorily.

(4) The assigned Contracting Officer must not execute a Novation Agreement with any Contractors that have been suspended, debarred, or proposed for debarment, without prior review by assigned legal counsel and the DCMA Contract Integrity Center. See FAR 9.406 and FAR 9.407. For Excluded Parties List System, see the resource page link, where the Government maintains a publicly available list of parties who are suspended, debarred, or proposed for debarment.

b. The assigned Contracting Officer must notify the Contractor if he or she decides that a successor will not be recognized. In this situation, the original Contractor remains under contractual obligation to perform the existing contracts as provided in FAR 42.1204(c).

c. When a Contractor requests in writing that the Government recognize a name change, the assigned Contracting Officer, after consultation with assigned legal counsel, must determine whether the Government and the Contractor's obligations remain unaffected and whether advance notification to the contracting and administration offices is warranted in accordance with FAR 42.1205.

d. The assigned Contracting Officer over the transferee must have the responsibility for resolving and dispositioning pre-existing open issues such as reportable audits after the execution of the Novation Agreement. However, the assigned Contracting Officer over the transferor must make every effort to resolve/disposition all open issues prior to the execution of the Novation Agreement. If the assigned Contracting Officer over the transferor cannot resolve/disposition all open issues prior to the execution of the Novation Agreement, the assigned Contracting Officer over the transferor must provide records and assistance to the assigned Contracting Officer over the transferee in support of resolving/dispositioning all the open issues.

e. If there are different assigned Contracting Officers for the transferor and the transferee, such assigned Contracting Officers must coordinate and cooperate to ensure successful transition of contract. The Contracts Directors or the CACO/DACO group supervisors who manage the assigned Contracting Officers over transferor or transferee must communicate with each other in order to resolve and disposition pre-existing open issues.

f. If the Contracts Director or the CACO/DACO group supervisor supervises both assigned Contracting Officers over transferor and transferee, the Contracts Director or the CACO/DACO group supervisor must make a decision on how to resolve and disposition pre-existing open issues.

g. In the contract file, the assigned Contracting Officer must document the principal elements of the negotiated agreement and the process of decision making. The MFR must support the final conclusion reached by the assigned Contracting Officer as follows:

(1) Be appropriately detailed and organized to provide a clear link to the findings, conclusions, and recommendations contained in the record. The rationale and extent of procedures performed, including the conclusions reached, must be documented in the MFR as well.

(2) Be signed by the supervisor as evidence of the work performed.

(3) Include the analysis of other functional specialist comments or reports, including but not limited to Defense Contract Audit Agency (DCAA), assigned legal counsel, etc., when the assigned Contracting Officer relies on the specialists' work provided.

(4) Include sufficient documentation to describe the scope of work performed, the area covered, the nature and extent of procedures applied, the documents obtained and analyzed, and the conclusion, even though the extent of documentation needed is a matter of the assigned Contracting Officers judgment. The MFR can include copies of documents obtained from the Contractor, review reports or comments provided by assigned legal counsel, DCAA, or other functional specialists.

#### **4.9. EXECUTION OF NOVATION AND CHANGE-OF-NAME AGREEMENT.**

a. The assigned Contracting Officer, the transferor, and the transferee must execute the Novation Agreement. The agreement must ordinarily provide in part, that in accordance with FAR 42.1204(h):

(1) The transferee assumes all the transferor's obligations under the contract.

(2) The transferor waives all rights under the contract against the Government.

(3) The transferor guarantees performance of the contract by the transferee (a satisfactory performance bond may be accepted instead of the guarantee).

(4) Nothing in the agreement must relieve the transferor or transferee from compliance with any Federal law.

b. The assigned Contracting Officer for the transferor must include the provision cited in DFARS 242.1204(i) in the Novation Agreement instead of the paragraph provided in the sample format at FAR 42.1204(i) when a Novation Agreement is requested and the transferee intends to incur restructuring costs for external restructuring activities as defined in DFARS 231.205-70.

c. Any separate agreement between the transferor and the transferee regarding the assumption of liabilities (e.g., long-term incentive compensation plans, CAS noncompliance, environmental cleanup costs, and final overhead costs) will be referenced specifically in the Novation Agreement in accordance with FAR 42.1203(e).

d. The execution of a Novation Agreement does not preclude the use of any other method available to the Contracting Officer to resolve any other issues related to a transfer of Contractor assets, including the treatment of costs in accordance with FAR 42.1203(d).

e. If NASA wants a separate agreement with the Contractor, the assigned Contracting Officer must continue to process the agreement only for DoD, in accordance with DFARS PGI 242.1203(6).

f. The format for agreements stated in FAR 42.12 must be followed by the assigned Contracting Officer.

(1) The assigned Contracting Officer must use the format stated in FAR 42.1204(i) for agreements when the transfer and transferee are corporations and all the transferor's assets are transferred. The format may be adapted to fit specific cases and may be used as a guide in preparing similar agreements for other situations. However, before making any substantial alterations or additions to the Novation Agreement format at FAR 42.1204(i), the assigned Contracting Officer, with input from assigned legal counsel, must coordinate with the addressees. The assigned Contracting Officer must resolve any objections from the addressees before executing the agreement in accordance with DFARS PGI 242.1203(5).

(2) Upon receipt of a legal sufficiency determination, the assigned Contracting Officer and Contractor must execute the Change-of-Name Agreement in accordance with FAR 42.1205(a). A suggested format is in FAR 42.1205(b), which may be adapted for specific cases.

g. The assigned Contracting Officer must submit mass modifications to the FIRM Center using MDO unless an exception applies. The mass modification is transferred to the cognizant FIRM representative within MDO. The FIRM Center reviews the submission and coordinates the scheduling and processing of mass modifications in coordination with DISA and DFAS. The assigned Contracting Officer must consult with the cognizant FIRM representative for questions concerning proper ARZ modification preparation. The ARZ modification must incorporate the agreement, or if it is not practical to do so, must incorporate a written summary of the agreement, as well as a complete list of affected contracts and CAGE codes. For ARZ modifications, Block 8 of the ARZ modification must be completed with the former name and address of the Contractor and Block 14 must be completed with the new name and address of the Contractor.

h. After the ARZ modification is approved by the FIRM representative, the FIRM Center, on behalf of the assigned Contracting Officer, must submit the modification along with a copy of the Novation Agreement or Change-of-Name Agreement to Defense Logistics Information Service (DLIS) and request an update to the CAGE code file. See FAR 52.204-13, "System for Award Management Maintenance."

i. When a Contractor requests a change-of-name, address, business affiliation, financial institution, financial account number, or mailbox in the SAM, CAGE information in the MOCAS database is automatically updated through DLIS. Consequently, even though the SAM system warns the Contractor that making such changes without a contract modification may result in payment delays, Contractor changes in SAM information may result in contracts being

transferred from one cognizant CMO to another in MOCAS. Therefore, in cases where a contractual modification is required (e.g., Novation and Change-of-Name Agreements, change in address, or CMO), it is important that the assigned Contracting Officer advise Contractors to wait until such modifications are actually processed in MOCAS before making changes to SAM information. However, since timing is crucial in the MOCAS system, the assigned Contracting Officer must advise the Contractor to update SAM within 48 hours after the signing of the modification. The assigned Contracting Officer must follow-up with the Contractor or check the SAM to confirm that the change to SAM has been made.

j. The assigned Contracting Officer should note the Government's right to suspend payments under FAR 4.11 and FAR 52.204-13 when a Contractor fails to comply with the FAR 42 Novation and Change-of-Name requirements after making certain changes in the SAM.

k. The processes outlined within this Manual will not be construed as requiring a Contracting Officer to sign any agreement if contrary to statute or regulation, or if not in the best interests of the Government.

l. To modify contracts assigned for administration that are not in MOCAS, the assigned Contracting Officer must use the EDA-Only Contract Modification capability within MDO.

(1) The modification is executed through MDO, posted to EDA, and reported to the FPDS.

(2) On behalf of the assigned Contracting Officer, the FIRM Center must submit the modification along with a copy of the Novation Agreement or Change-of-Name Agreement to DLIS and request that DLIS update the CAGE code file. (See FAR 52.204-13.)

m. For more information, see FAR 52.204-13, FAR 42.12, and DFARS 242.12.

#### **4.10. DISTRIBUTION OF NOVATION AND CHANGE-OF-NAME AGREEMENTS.**

a. The assigned Contracting Officer must distribute signed copies of Novation/Change-of-Name Agreements to:

(1) The transferor and the transferee as stated in FAR 42.1203(g).

(2) Individual contracting or contract administration offices including DCMAS.

(3) Military Departments, two signed copies to the addresses stated in DFARS PGI 242.1203(1).

(4) NASA, two signed copies to the addresses stated in DFARS PGI 242.1203(1), if applicable.

(5) SDDC, two signed copies to the address stated in DFARS PGI 242.1203(7).

- (6) The cognizant DFAS payment office.
  - (7) The assigned Contracting Officer, who must retain a signed copy in the case file.
- b. The assigned Contracting Officer must, in accordance with FAR 42.1203(h):
- (1) Prepare a modification incorporating a summary of the agreement and attach a complete list of contracts affected.
  - (2) Retain the original modification with the attached list in the case file.
  - (3) Send a signed copy of the modification with attached list to the transferor and to the transferee.
  - (4) Send a copy of the modification with attached list to each contract administration office or contracting office involved, which must be responsible for further appropriate distribution.
  - (5) Send two copies of the modification with attached list to the addressees of Military Departments. The list of contracts may be confined to modifications issued by that department in accordance with DFARS PGI 242.1203(8)(i).
  - (6) Not send copies to NASA or SDDC as NASA and SDDC will issue a separate modification in accordance with DFARS PGI 242.1203(8)(ii).
  - (7) Report the Novation Agreement or Change-of-Name modification for each of the affected contracts to the FPDS in accordance with DFARS PGI 204.606(4)(iv) and (v).

**4.11. MANAGEMENT AND RETENTION OF NOVATION AND CHANGE-OF-NAME RECORDS.** According to the DCMA Records Retention Schedule, Novation/Change-of-Name records must be retained for a minimum of 6 years after completion of the contract(s), or final payment or termination of the program effort, or settlement of disputes/incidents, whichever is later. Retention and compliance of the file documentation is the responsibility of the assigned specialists, Contracting Officers, the Contracts Directors, and CACO/DACO group supervisors. The assigned Contracting Officer is responsible for complying with the records management requirements. The work product must be stored using a naming convention that will allow for the logical retrieval and must be stored in a specified location identified by the component or in accordance with Agency direction. If documents relating to a case are too large to upload electronically, the uploaded location will cite a specific location where the hard copy document/disk will be stored. The location is sanctioned by the component for the retention of records conforming to DCMA policy on retention of records.

## GLOSSARY

### G.1. DEFINITIONS.

**ARZ Modification.** A global modification which is processed systemically and applicable to all contracts assigned to a given Contractor.

**Assigned Legal Counsel.** Those counsel who are directly assigned by the DCMA Office of General Counsel to serve as the primary legal advisor to a specific DCMA Contracting Officer.

**Bilateral Modification.** A bilateral modification is signed by both the Contractor and the Contracting Officer and is used to make negotiated equitable adjustments resulting from the issuance of a change order, to definitize letter contracts, and to reflect other agreements of the parties modifying the terms of the contracts.

**Business Unit.** Any segment of an organization, or an entire business organization that is not divided into segments in accordance with FAR 2.1.

**Change-Of-Name Agreement.** A legal instrument executed by the Contractor and the Government that recognizes the legal change-of-name of the Contractor without disturbing the original contractual rights and obligations of the parties in accordance with FAR 2.1.

**CAGE.** A code assigned by the DLIS to identify a commercial or Government entity in accordance with DFARS 204.7201.

**Contract.** A mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and bilateral contract modifications. Contracts do not include grants and cooperative agreements covered by Section 6301 of Title 31, U.S.C.

**CAS.** All actions accomplished for the benefit of the Government; which are necessary to the performance of a contract or in support of the buying offices, system/project managers, and other organizations, including quality assurance, engineering support, production surveillance, preaward surveys, mobilization planning, contract administration, property administration, industrial security, and safety.

**CMT.** A team of functional specialists assigned to contracts and CAGEs codes under their geographic purview. They are acquisition professionals whose expertise, advice, and counsel contribute to the accomplishment of contract administration services.

**Nonprocurement Instruments.** A legal instrument other than a procurement contract that falls into three basic types: grants, cooperative agreements, and other transactions. Grants and cooperative agreements are awarded when a Federal agency is providing assistance, such as financial

assistance or services, in lieu of money. An other transaction may be used by DoD when it has been determined that it is in the government's best interest to enter into an agreement that is not a contract, grant, or cooperative agreement.

**Novation Agreement.** A legal instrument executed by (1) Contractor (transferor), (2) Successor in interest (transferee), and (3) Government; and, by which, among other things, the transferor guarantees performance of the contract, the transferee assumes all obligations under the contract, and the Government recognizes the transfer of the contract and related assets in accordance with FAR 42.12.

**Responsible Contracting Officer.** The Contracting Officer responsible for processing and executing Novation and Change-of-Name Agreements in accordance with FAR 42.1202.

**Successor-In-Interest.** An individual or party succeeding another individual or party in the former's contractual and other legal rights and obligations.

**SAM.** The official system of the U.S. Government. Registration is required for companies doing business with the Federal Government unless the company falls under an exemption. SAM is prescribed in FAR 4.11.

**Transferee.** The Contractor who acquires all or the portion of the assets involved in performing the contract, from the transferor in accordance with FAR 42.1204(a).

**Transferor.** The Contractor who transfers all or the portion of the assets involved in performing the contract, to the transferee in accordance with FAR 42.1204(a).

**Unilateral Modification.** A unilateral modification is signed only by the Contracting Officer and is used to make administrative changes that do not affect the substantive rights of the parties. For example, a unilateral modification is used to make administrative corrections, to issue change orders, to issue termination notices and to make changes authorized by clauses other than a change clause such as the Property, Options, or Suspension of Work clauses in accordance with FAR 43.103 (b).

## GLOSSARY

### G.2. ACRONYMS.

ACO	Administrative Contracting Officer
ARZ	Mass Modification
CA	Contract Administrator
CACO	Corporate Administrative Contracting Officer
CAGE	Commercial and Government Entity
CAR	Contract Action Report
CAS	Cost Accounting Standards
CLIN	Contract Line Item Numbering
CMO	Contract Management Office
CMT	Contract Management Team
DACO	Divisional Administrative Contracting Officer
DCAA	Defense Contract Audit Agency
DCMA-INST	DCMA Instruction
DCMA-MAN	DCMA Manual
DCMAS	DCMA Special Program Directorate
DFAS	Defense Finance and Accounting Service
DFARS	Defense Federal Acquisition Regulation Supplement
DISA	Defense Information Service Agency
DLA	Defense Logistics Agency
DLIS	Defense Logistics Information Service
DUNS	Data Universal Numbering System
EDA	Electronic Document Access
eDRMS	Electronic Documents Records Management System
FAR	Federal Acquisition Regulation
FIRM	Functional Information Resource Management
FPDS	Federal Procurement Data System
GFP	Government Furnished Property
MFR	Memorandum for Record
MDO	Modification and Delivery Order
MOCAS	Mechanization of Contract Administration Service
NASA	National Aeronautics and Space Administration
PCO	Procurement Contracting Officer
PT	Procurement Technician
PGI	Procedures, Guidance, and Information

SAM	System for Award Management
SDDC	Surface Deployment and Distribution Command
TCO	Termination Contracting Officer
U.S.C.	United States Code

## REFERENCES

- DCMA Manual 2401-01, "Negotiation Intelligence Procedures," TBD
- DCMA Manual 2501-01, "Contract Receipt and Review," TBD
- DFARS 204.16, "Uniform Procurement Instrument Identifiers," February 26, 2016
- DFARS 204.7103, "Contract Line Items," October 30, 2015
- DFARS 204.7104, "Contract Subline Item," October 30, 2015
- DFARS 204.7106, "Contract Modifications," October 30, 2015
- DFARS 204.7201, "Definitions," July 15, 2009
- DFARS 209.104-1, "General Standards," December 11, 2014
- DFARS 231.205, "Selected Costs," November 4, 2016
- DFARS 242.1204, "Agreement to recognize a successor in interest (novation agreement)," November 9, 2005
- DFARS 252.211-7007, "Reporting of Government-Furnished Property," August 2012
- DFARS 252.245-7001, "Tagging, Labeling, and Marking of Government Furnished Property," April 2012
- DFARS 252.245-7002, "Reporting Loss of Government Property," April 2012
- DFARS 252.245-7003, "Contractor Property Management System Administration," April 2012
- DFARS 252.245-7004, "Reporting, Reutilization, and Disposal," September 2016
- DFARS 252.245-7000, "Government-Furnished Mapping, Charting, and Geodesy Property," April 2012
- DFARS PGI 204.2, "Contract Distribution," October 21, 2016
- DFARS PGI 204-7105, "Contract Exhibits and Attachments," October 30, 2015
- DFARS PGI 204.6, "Contract Reporting," July 29, 2009
- DFARS PGI 242.1203, "Processing agreements," December 11, 2014
- DFARS PGI 245.103-70, "Furnishing Government property to contractors," November 6, 2014
- DFARS PGI 245.103-71, "Transferring Government Property Accountability," June 7, 2016
- DFARS PGI 245.103-72, "Government-furnished property attachments to Solicitations and awards," November 6, 2016
- Defense Procurement Acquisition Policy, "Modification Guidance," July 2007
- DoD Directive 5105.64, "Defense Contract Management Agency (DCMA)," January 10, 2013
- DoD Instruction 4161.02, "Accountability and Management of Government Contract Property," April 27, 2012 as amended
- FAR 2.1, "Definitions," January 13, 2017
- FAR 4.6, "Contract Reporting," January 19, 2017
- FAR 4.11, "System for Award Management," November 6, 2017
- FAR 8.7, "Acquisition from Nonprofit Agencies Employing People Who are Blind or Severely Disabled," January 13, 2017
- FAR 8.716, "Change-of-Name and Successor in Interest Procedures," January 13, 2017
- FAR 9.1, "Responsible Prospective Contractors," November 6, 2017
- FAR 9.5, "Organizational and Consultant Conflicts of Interest," November 6, 2017
- FAR 9.503, "Waiver," November 6, 2017
- FAR 9.406, "Debarment," November 6, 2017
- FAR 9.407, "Suspension," November 6, 2017
- FAR 14.404-2(1), "Rejection of Individual Bids," January 13, 2017
- FAR 19.301, "Representations and Rerepresentations"

FAR 27.4, "Rights in Data and Copyright," January 13, 2017  
FAR 42.3, "Contract Administration Office Functions," October 1, 2015  
FAR 42.12, "Novation and Change-of-Name Agreements," January 19, 2017  
FAR 42.302, "Contract Administration Office Functions," January 19, 2017  
FAR 43.103, "Types of Modifications," December 19, 2016  
FAR 45.102, "Policy," April 2, 2012  
FAR 45.106, "Transferring Accountability," April 2, 2012  
FAR 52.204-13, "System for Award Management Maintenance," November 6, 2017  
FAR 52.245-1, "Government Property, paragraph (j)(2)(i)," April 2, 2012  
FAR 52.245-9, "Use and Charges," April 2, 2012  
United States Code, Section 31  
United States Code, Section 41