# AMS COMMON AUTHORITIES FOR MODIFICATION FOR SUPPLIES, SERVICES, OR CONSTRUCTION

As described in AMS Procurement Guidance T3.10.1, contract terms may be modified by the Contracting Officer (CO) when in the best interest of FAA. Modifications can either be bilateral or unilateral:

1. Bilateral modification: a contract modification jointly agreed to by the CO and contractor.
2. Unilateral modification: a contract modification made by the CO that does not require concurrence by the contractor.

To issue a modification, the CO must have the authority to do so. The basis for the authority to modify a contract may be an AMS clause incorporated into a contract, a law or statute, or simply the terms and conditions of the contract.

The tables below provide varying actions that support a contract modification. The actions covered include change orders, administrative changes, supplemental agreements, and other actions that support a modification. Each table describes:

1. The type of action;
2. Whether it is a bilateral or unilateral modification; and
3. Reasons and authorities supporting a modification depending on the kind of requirement (i.e., supply, service, or construction) and type of contract (i.e., fixed-price or cost- reimbursement).

Each table also provides guidance into how each factor relates to FAA 4400-34 Amendment of Solicitation/Modification of Contract.

Table 1: Change Orders

| Reasons for Modification | Authority |
| --- | --- |
| Supplies (Fixed-Price)  Change to:   * Drawings, Designs, or Specifications * Method of Shipment or Package * Place of Delivery | AMS Clause 3.10.1-12, Changes – Fixed-Price |
| Services (no supplies to be furnished)  Change to:   * Description of Services * Time of Performance * Place of Performance | AMS Clause 3.10.1-12/alt1, Changes – Fixed-Price Alternate I |
| Services (supplies to be furnished)  (Fixed-Price)  Change to:   * Description of Services * Time of Performance * Place of Performance * Drawings, Designs, or Specifications * Method of Shipment or Packing * Place of Delivery | AMS Clause 3.10.1-12/alt2, Changes – Fixed-Price Alternate II |
| A&E or Other Professional Services (Fixed-Price)  Change to:   * General Scope | AMS Clause 3.10.1-12/alt3, Changes – Fixed-Price Alternate III |
| Transportation Services (Fixed-Price)  Change to:   * Specifications * Work or Services * Place of Origin * Place of Delivery * Tonnage to be Shipped * Amount of Government-Furnished Property | AMS Clause 3.10.1-12/alt4, Changes – Fixed-Price Alternate IV |
| R&D (Fixed-Price)  Change to:   * Drawings, Design, or Specifications * Place of Inspection, Delivery, or Acceptance | AMS Clause 3.10.1-12/alt5, Changes – Fixed-Price Alternate V |
| Supplies (Cost-Reimbursement)  Change to:   * Description of Services * Time of Performance * Place of Performance | AMS Clause 3.10.1-13, Changes – Cost-Reimbursement |
| Services (no supplies to be furnished) (Cost-Reimbursement  Change to:   * Description of Services * Time of Performance * Place of Performance | AMS Clause 3.10.1-13/alt1, Changes – Cost-Reimbursement Alternate I |
| Services (supplies to be furnished) (Cost-Reimbursement)  Change to:   * Description of Services * Time of Performance * Place of Performance * Drawings, Designs, or Specifications * Method of Shipment or Packing * Place of Delivery | AMS Clause 3.10.1-13/alt2, Changes – Cost-Reimbursement Alternate II |
| Construction (Cost-Reimbursement)  Change to:   * Plans and Specifications, or Instructions | AMS Clause 3.10.1-13/alt3, Changes – Cost-Reimbursement Alternate III |
| Facilities (Cost-Reimbursement)  Change to:   * General Scope | AMS Clause 3.10.1-13/alt4, Changes – Cost-Reimbursement Alternate IV |
| R&D (Cost-Reimbursement)  Change to:   * Drawings, Designs, or Specifications * Place of Inspection, Delivery, or Acceptance | AMS Clause 3.10.1-13/alt5, Changes – Cost-Reimbursement Alternate V |
| Time and Materials or Labor Hours  Change to:   * Description of Services * Time of Performance * Place of Performance * Drawings, Designs, or Specifications * Method of Shipment or Packing * Place of Delivery * Amount of Government-Furnished Property | AMS Clause 3.10.1-14, Changes – Time and Materials or Labor Hours |
| Construction, Dismantling, Demolition, or Removal of Improvements  Change to:   * Drawings, Designs, or Specifications * Method or Manner of Performance * Government-Furnished Property or Services * Accelerate the Performance of the Work | AMS Clause 3.10.1-15, Changes – Construction, Dismantling, Demolition, or Removal of Improvements |
| Construction (Changed Conditions)  Change to:   * Drawings or Specifications within the Scope of the Contract | AMS Clause 3.10.1-16, Change sand Changed Conditions |

Table 2: Administrative Changes

Unilateral Modification [FAA 4400-34: Administrative Change (Block13B), Unilateral (Block 13E)]

| Reasons for Modification | Authority |
| --- | --- |
| Accounting Code Change | AMS Procurement Guidance T3.10.1 |
| COR Change | AMS Procurement Guidance T3.10.1 |
| Change of Name | AMS Procurement Guidance T3.10.1 |

Table 3: Supplemental Agreements

Bilateral Modifications [**FAA 4400-34**: Supplemental Agreement (Block 13C), Bilateral (Block 13E)]

| Reasons for Modification | Authority |
| --- | --- |
| Negotiated Price or Other Adjustment Resulting from Changes Clause (Increase or Decrease) | Reference Applicable Changes Clause |
| Make changes requested by the Contractor | Reference Applicable Changes Clause |
| Adjustments to Wage Determinations and collective bargaining agreements | AMS Clause 3.6.2-30, Fair Labor Standards Act and Service Contract Labor Standards—Price Adjustment (Multiple Year and Option Contracts) |
| Novation Agreement and Change of Name | AMs Procurement Guidance T3.10.1 & AMS Clause 3.10.1-25, Novation and Change of Name Agreements |
| Settlement of Agreement Under the Disputes Clause | AMS Clause 3.9.1-1, Contract Disputes |
| Assignment of Claims | AMS Clause 3.3.1-15, Assignment of Claims |
| Extension of Delivery Date of Performance Period | Reference Applicable Changes Clause |
| Reflect other agreements of the parties which modify the terms of contracts (e.g. Executive Orders, Enactments of Legislation, etc.) | AMS Procurement Guidance T3.10.1.A.5 |

Table 4: Other

| Reasons for Modification | Authority |
| --- | --- |
| Option for Increased Quantity (Specific Line Item) | AMS Clause 3.2.4-32, Option for Increased Quantity |
| Option for Increased Quantity (Separately Priced Line Item) | AMS Clause 3.2.4-33, Option for  Increased Quantity- Separately Priced Line Item |
| Option to Extend Services | AMS Clause 3.2.4-34, Option to Extend Services |
| Option to Extend the Term of the Contract | AMS Clause 3.2.4-35, Option to Extend the Term of the Contract |
| Termination for Convenience of the Government (Fixed-Price) | AMS Clause 3.10.6-1, Termination  for Convenience of the Government (Fixed-Price) |
| Termination for Convenience of the  Government (Educational and Other Nonprofit Institutions) | AMS Clause 3.10.6-2, Termination  for Convenience of the Government (Educational and Other Nonprofit institutions) |
| Termination (Cost-Reimbursement) | AMS Clause 3.10.6-3, Termination (Cost-Reimbursement) |
| Termination (Cost-Reimbursement) (Construction) | AMS Clause 3.10.6-3/alt1,  Termination (Cost-Reimbursement) Alternate I |
| Termination (Cost-Reimbursement) (Contracts with Agencies of the Federal  Government, or state, local or foreign governments or their agencies) | AMS Clause 3.10.6-3/alt2, Termination (Cost-Reimbursement) Alternate II |
| Termination (Cost-Reimbursement) (Construction with agencies of the Federal  Government, state, local or foreign governments or their agencies) | AMS Clause 3.10.6-3/alt3, Termination (Cost-Reimbursement) Alternate III |
| Termination (Cost-Reimbursement) (T&M and LH) | AMS Clause 3.10.6-3/alt4,  Termination (Cost-Reimbursement) Alternate IV |
| Termination (Cost-Reimbursement) (T&M  and LH with agencies of the Federal Government,  state, local or foreign governments or their agencies) | AMS Clause 3.10.6-3/alt5, Termination (Cost-Reimbursement) Alternate V |
| Default (Fixed-Price Supply and Service) | AMS Clause 3.10.6-4, Default (Fixed-Price Supply and Service) |
| Default (Fixed-Price R&D) | AMS Clause 3.10.6-5, Default  (Fixed-Price Research and Development) |
| Default (Fixed-Price Construction) | AMS Clause 3.10.6-6, Default (Fixed Price Construction) |
| Availability of Funds | AMS Clause 3.3.1-10, Availability of Funds |
| Availability of Funds for the Next Fiscal Year | AMS Clause 3.3.1-11, Availability of Funds for the Next Fiscal Year |
| Excusable Delays | AMS Clause 3.10.6-7, Excusable Delays |
| Government Delay of Work | AMS Clause 3.10.1-11,  Government Delay of Work |
| Government Property | AMS Clause 3.10.3-2, Government Property - Basic Clause |
| Government Property (Fixed-Price) | AMS Clause 3.10.3-  2/alt1,Government Property - Basic Clause Alternate I |
| Government Property (T&M/LH or Cost Reimbursement) | AMS Clause 3.10.3-2/alt2,  Government Property - Basic Clause Alternate II |
| Government Property Consolidated Facilities | AMS Clause 3.10.3-3, Government Property Consolidated Facilities |
| Government Property (Facilities Acquisition) | AMS Clause 3.10.3-6, Government Property (Facilities Acquisition) |
| Government Property (Facilities Use) | AMS Clause 3.10.3-7, Government Property - Facilities Use |
| Government Property (Facilities Use) (Research) | AMS Clause 3.10.3-7/alt1,  Government Property (Facilities Use). Alternate I |
| Suspension of Work | AMS Clause 3.10.1-8, Suspension of Work |
| Disputes (Continued Performance) | AMS Clause 3.9.1-1, Contract Disputes |
| Variation in Quantity (Fixed-Price  contracts for supplies and services that involve the furnishing of supplies) | AMS Clause 3.2.2.8-2, Variation in Quantity |
| Variation in Estimated Quantities (Fixed- Price Construction) | AMS Clause 3.2.2.8-4, Variation in Estimated Quantities |
| Make unilateral modification to any contract term as required by AMS in order to implement a statute, executive order, regulation, or other legal authority. | AMS Clause 3.10.1-28, Changes Required by AMS |

Table 5: Other

Bilateral Modifications [**FAA 4400-34**: Other (Block 13D), Bilateral (Block 13E)]

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| --- | --- |
| Reasons for Modification | Authority |
| Addition of new work using a single source procurement when contract’s period of performance is extended. | Bilateral; must be agreed to and signed by both the CO and the contractor. |
| Extension of contract’s period of performance. | Bilateral; must be agreed to and signed by both the CO and the contractor. |
| Out-of-Scope modification: post-award addition of new work that increases the scope of work beyond what was contained in the statement of work at award (e.g., change in the quantity of items, change in function) and will result in a change to the cost of the contract. | Bilateral; must be agreed to and signed by both the CO and the contractor. |