



January 11, 2005

USAID/Iraq A&A Notice 05-001

TO: USAID/Iraq Mission Staff and Contractors

FROM: Alvera Reichert, Office Director-Baghdad

SUBJECT: Processing Modifications to Contract Statements of Work

The purpose of this notice is to emphasize the requirement to formalize changes to contract statements of work prior to implementation of changes by the contractor and within a reasonable timeframe of notification of the requirement for a change.

The statement of work (SOW) contained in a contract represents agreement between the buyer (hereinafter referred to as USAID) and the implementing contractor on what goods and services are to be provided. Typically SOWs at USAID are written broadly enough to permit a variety of activities in support of common results. The SOWs are supplemented by work/implementation plans that address approach(es) and/or specific activities to be undertaken by the Contractor. Work/implementation plans are not a legal part of the contract.

In situations where changes to the SOW are needed, that have a direct affect on the intended outputs, either as directed by USAID or proposed by a contractor via a workplan/implementation plan, the Cognizant Technical Officer (CTO) should take the lead by first informing the Contracting Officer (CO) of the proposed change. If a CTO does not agree with a contractor proposed change, the CO and CTO shall discuss it with the contractor, and the CO shall inform the contractor's designated representative (home office or in-country) in writing that this change would not be acceptable to the US Government. This written notification to the contractor should be within thirty (30) days of receipt of the proposed change by the CTO.

If the CTO proposes a change, or agrees with a contractor-proposed change, the CTO designation letter, as transmitted in AAPD 04-10, assigns this responsibility to the CTO:

"Recommend in writing (with justification for the proposed action) to the Contracting Officer any changes needed in the scope of the contract, including any changes to technical provisions of the contract that affect the timing of the deliverables/services or the overall cost-price of the contract."

The written recommendation should be transmitted from the CTO to the CO within five (5) days of CTO receipt of contractor-proposed change. Once officially informed, the CO would then have the information needed to successfully determine if the proposed changes were within the scope of the contract, and proceed to negotiate the modification with the contractor's designated representative (home office or in-country). The modification to the SOW should occur within thirty (30) days, if possible, of notification to the CO.

In the event that a contractor does not agree with a USAID-proposed change, the Contracting Officer has the option of issuing a change order (reference FAR Part 43.2) unilaterally changing the description of services to be performed. The change order should be definitized by a bilateral contract modification within 30 days of issuance. Any changes outside of the scope must be competed or justified as an exception to competition in accordance with FAR Part 6.