



**DEFENSE LOGISTICS AGENCY**  
DEFENSE ENERGY SUPPORT CENTER  
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FORT BELVOIR, VIRGINIA 22060-6222

IN REPLY  
REFER TO

MAR 25 2003

DESC-CPA

CONTRACTING INSTRUCTION (CI): 03-08  
MEMORANDUM FOR CI Distribution

SUBJECT: Novation and Change-of-Name Agreements

In an effort to update procedures for administering Novation and Change-of-Name agreements, DEPI coverage at 42.1203 is being revised to update the processing of the agreements. The most significant changes are regarding modifications. Authority is given to use "And Others" ("et al") modifications as a method for modifying numerous contracts using one modification. Also, the coverage addresses the fact that the Posts, Camps and Stations Divisions are unable to share unnumbered modifications, for use either within or outside of the Division, due to a systems restriction.

The amended DEPI coverage is attached to this Contracting Instruction

This CI is effective immediately and expires upon inclusion in the DEPI. Point of contact is Cheryl Creason, extension 8471.

GABRIELLA M EARHARDT  
Center Senior Procurement Official

Attachment:  
DEPI coverage



## PART 42

### CONTRACT ADMINISTRATION

#### SUBPART 42.2 - ASSIGNMENT OF CONTRACT ADMINISTRATION

##### 42.203 Retention of contract administration.

(a) When one or more administrative functions are assigned to another activity, the SF 26, SF 30, or SF 33 of the contract will clearly state the functions assigned or reference the clauses that make the delegation, and copies of the contract will be distributed to the appropriate administration offices.

(b) Further guidance on assignment and delegation of contract administration functions is set forth in DoD 4140.25-M, Procedures for the Management of Petroleum Products, Part 202.3.

#### SUBPART 42.12 - NOVATION AND CHANGE-OF-NAME AGREEMENTS

##### 42.1203 Processing agreements.

(d) *Processing of Agreements by DESC.* Personnel within the CBUs will process requests by contractors seeking Novation and Change-of-Name Agreements. Contracting personnel shall consult with DESC-G to determine which type of agreement is appropriate and the legal sufficiency of all agreements. When a contractor informs DESC verbally or in writing of a change of name, sale, merger, etc., contracting personnel shall check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs and the Contractor General File before processing any agreement. For both Novation Agreements and Change-of-Name Agreements, DESC-CPC will assign a bidder code, if required, adjust DFAMS accordingly and immediately notify the implementing CBU. The CBU will then notify the contractor of the change in bidder code. Since a Novation or Change-of-Name Agreement will include contract numbers of current DESC contracts, the Contracting Officer will notify other DESC Contracting Officers, whose contracts are identified in the agreement. For a listing of contract number assignments see DEPI 4.7003.

(1) *Novation Agreements.* After receipt of a request for a Novation Agreement, CBU personnel will check the Contractor General file in DESC-CPC to see if the change has already been accomplished by another CBU. If no other paperwork has been prepared for this particular Agreement, the contracting officer will then obtain the information required under FAR 42.1204(e) directly from the contractor.

(i) When dealing with a **debarred or suspended contractor**, or if correspondence indicates that a suspension or debarment is pending, the contracting officer shall refer the matter to DESC-G (which will refer the matter to the DLA Special Assistant for Contracting Integrity [DLA-SACI] when the contractor is actually debarred or suspended) in accordance with the requirements of DLAD 9.405(90)(a)(4) and 9.405-1(90).

(ii) All other contractors will prepare and sign four original copies of the Novation Agreement, using the format suggested in FAR 42.1204, and forward them to the contracting officer for signature. The contracting officer shall obtain DESC-G coordination regarding the legal sufficiency of the Novation, prior to the CO signing the Novation Agreement. The CBU retains one original for the contract file, sends one original to the transferor and one original to the successor in interest, and sends one copy of the agreement to DESC-CPC. DESC-CPC will file the copy in the Contractor General File. The contracting officer will notify customers as is necessary.

(2) *Change-of-Name Agreements.*

(i) **If the contractor is on the list of suspended and debarred companies, or if correspondence indicates that a suspension or debarment is pending**, the matter will be referred to DESC-G before proceeding. DESC-G will coordinate the matter with DLA-SACI if the contractor is already debarred or suspended. If the company (or entity) seeking the Change-of-Name Agreement is trying to evade the terms of the suspension or debarment proceeding, the contracting officer shall determine, in consultation with DESC-G, whether to recommend the new entity for suspension or debarment. If the company is not seeking to evade the terms of the proceeding, the Agreement shall be processed as detailed in (ii) below.

(ii) **If the contractor is not on the list of suspended and debarred companies, or is not seeking to evade the terms of a suspension or debarment proceeding**, the contracting CBU will check the Contractor General file in DESC-CPC to see if the change has already been accomplished by another CBU. If no other paperwork has been prepared for this particular Agreement, contracting personnel shall prepare and send a letter to the contractor informing him of documents required by FAR 42.1205(a) for processing a Change-of-Name Agreement. The contractor shall complete the Change-of-Name Agreement using the format proposed in FAR 42.1205(b) and shall submit three original signed copies of the Agreement to the contracting officer. After reviewing the documents for accuracy and acceptability, the contracting officer shall sign the Agreement after coordination with DESC-G. One original will be filed in the contract file. One original is forwarded to DESC-CPC for filing in the Contractor General File, and one original is sent to the contractor.

(f) *Contract modifications.* The contracting officer who signed the Novation or Change-of-Name Agreement will prepare an administrative modification (SF30) on the basis of the Agreement.

(1) If only that Contracting Officer is involved, he/she will number date sign and issue the change.

(2) If other Contracting Officers are involved, copies of the modification will be provided to other Contracting Officers who have contracts with the same contractor before it is numbered, dated and signed, so that they may use the modification for their own contracts.

(3) As an alternative to paragraph (2), above, the Contracting Officer may prepare an "And Others" ("et al") modification. In this type of modification, block 1, "Contract ID Code" of the SF 30 will be filled with: "see attachment" and a list of effected contract numbers and P0000 numbers will be attached. Block 2, " Amendment/Modification No." is filled in with the words "et al" in lieu of a modification number. Block 10A, "Modification of Contract Order Number" will be left blank.

(4) In the case of the Direct Delivery Fuels Commodity Business Unit (DESC-P) the Contracting Officer will provide a copy of the modification that is already numbered to use as a model because modifications in DESC-P are generated in the Requirements Manager System (RM) with the modification number automatically assigned. Other affected Contracting Officers will use this modification as guidance in preparing their own modifications.

(5) Contracting Officers will initiate such changes to Bulletins or other notifications as made necessary by the modification.