



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

IN REPLY  
REFER TO

JAN 08 2001

DESC-CPB

CONTRACTING INSTRUCTION (CI): 01-2  
MEMORANDUM FOR CI DISTRIBUTION

SUBJECT: Price Adjustment Modifications

1. This Contracting Instruction formalizes policy on maintaining price adjustment modifications (PA Mods) in DESC contracts.
2. The Federal Acquisition Regulation (FAR) 4.803(b) states that the contract administration office contract file must contain, among other items, "(1) Copy of the contract and all modifications, together with official record copies of supporting documents" and "(18) Cross reference to other pertinent documents that are filed elsewhere." In pursuance of this direction, FAR 4.802 (f) states that "Agencies may retain contract files in any medium (paper, electronic, microfilm, etc.) or any combination of media, as long as the requirements of this subpart are satisfied."
3. To the maximum extent practicable, all PA Mods shall be electronic. In addition, a printout summary of the contract's price adjustment history shall be maintained in the hard copy file as part of the closeout procedure. Electronic versions of the modifications are available until the destroy date from Prices to Web, DFAMS, and "prodprc," which stands for "**P**roduction **P**rice (Escalation) System." The summary history should be filed under tab 47 of the hard copy file.
4. This Contracting Instruction is effective immediately, and expires upon incorporation into the DEPI. Point of contact is Pernie Forehand, x7630.



SHARON L. MURPHY  
Center Senior Procurement Official

