



**DEPARTMENT OF THE AIR FORCE**  
HEADQUARTERS SPACE AND MISSILE SYSTEMS CENTER (AFSPC)  
LOS ANGELES AIR FORCE BASE CALIFORNIA

**MAR 07 2003**

MEMORANDUM FOR RECIPIENTS OF SMC/PK INFORMATIONAL LETTERS

FROM: SMC/PK

Subject: Procedural Guidance for Conforming Contracts

1. Program and contractual decisions regarding changes in schedule, terms and conditions, funding level and price require the most current contract information. A conformed contract provides the basis for accurate decisions. Contract clearance that involves a contract modification must include a conformed working copy of the contract up to the modification submitted for review/approval.
2. In order to ensure that all of the contract documentation is kept current, it is essential that the contracting officer, as well as other IPT members, take an active role in its maintenance. Changes to the Integrated Master Plan, statement of work, specifications, contract data requirements lists (CDRLs), government furnished property (GFP) list, contract security classification specification, and any other item listed in section J of the contract, whether attached or incorporated by reference, must be kept current. Additionally, program financial managers should review Section G of the contract and provide necessary input to ensure funding information in the summary is current and accurate. Contracting officers are ultimately responsible for maintenance of their contracts and must work closely with the program office to ensure these functions are carried out correctly.
3. In addition to maintaining a conformed contract, each contract should be supplemented with a contract and funding summary that shows changes in funding, contract value, CLIN value, etc. Most contracting offices already recognize the value of such a summary in quick detection and resolution of discrepancies (e.g., disconnects with ConWrite, contractor conformed copy, or the paying office). The summary can also be a valuable tool in preventing anti-deficiency problems. As a minimum, the summary should contain the following information:
  - a. listing of all modifications;
  - b. recapitulation of funds by modification number;
  - c. listing of Accounting Classification Reference Numbers (ACRNs) and changes in amounts;
  - d. all changes to the current value of each contract type; and
  - e. period of performance.

A Contract and Funding Summary spread sheet is posted to the PKC web site. This spreadsheet emphasizes the distinction between contract values and contract funding. Any variation of this spreadsheet is acceptable as long as it contains the essential information identified above.

4. For existing contracts that require a contractor to maintain the conformed working copy and issue change pages to the Government, the contracting officer shall ensure that all distributed

pages parallel the official contract modification. Contracting officers for such contracts shall develop a procedure whereby they annotate their written validation of the changed pages prior to filing them. No new contracts or contract changes shall be issued requiring a contractor to maintain a conformed working copy without prior review of the requirement by SMC/PKC.

5. To assist you in establishing contract conformation procedures, attached is a list of methods for conforming contracts. Any one of these methods is acceptable as long as it provides the program office and the contracting officer a current and accurate basis for making program decisions.

6. Maintaining your conformed copy is one of the processes that is easily postponed, but it can prove its value repeatedly throughout the life of the contract. Errors based on out-of-date or improperly posted contracts can prove embarrassing, time consuming, and costly to correct. One of the key lessons learned from contract litigation is that a conformed contract is essential when claims arise. If you have recently awarded a contract, or expect to in the near future, I urge you to take the time to decide what conforming method to use, set up your summaries, and ensure that the individual(s) responsible for contract maintenance are adequately trained.

7. Questions may be directed to PKC at x30674.



PATRICIA KIRK-MCALPINE, SES  
Director of Contracting

2 Attachments:

1. Contract Conforming Methods
2. Contract and Funding Summary Spreadsheet  
(softcopy posted on PKC Web Site)

## Contract Conforming Methods

- a. The page substitution method consists of creating a replacement page for each contract page modified, including change page bars in the margins and a running list in the bottom margin of all modification numbers affecting that page. The change pages are distributed as attachments to their respective modifications. This method works well on contracts with numerous changes but can have problems when numerous contract modifications are in process at the same time.
- b. Contract with few and simple changes can often be conformed through the pen-and-ink method whereby the change and the modification number are handwritten into the document.
- c. The cut-and-paste method involves cutting the new text out of a copy of the contract modification and fastening the piece of paper over the text being replaced, then annotating the modification number. This provides the best historical perspective but leads to a voluminous document if there are many changes.
- d. A “successive addition” method retains all old text with deleting marks through it and follows it with the new text and the annotated modification number. This provides the best historical perspective but leads to a voluminous document if there are many changes.