Policy and Procedure Number: CA103	**Title:** Process to Implement Contract Modifications
Effective Date: April 18, 2003	**Revision Number:** 0.0
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1.0 Policy All contract modifications shall be completed within thirty-five (35) business days from the date of request from Community Based Resource Specialists.

2.0 Scope This procedure applies to the process for making contract modifications under contracts with providers to MRDDA. During the term of the contract, circumstances arise that may require modifications to the contract's scope of services and contract pricing. Pricing adjustments may be made throughout the contract's term, including all unexecuted options. Modifications can be made when there are justified program and market needs. The Contract Modification process shall involve the Community Based Resource Specialists, the Services Management Specialists, the Bureau Chief of Contract Administration, the Budget Office, and the Office of Contracts and Procurement (OCP).

3.0 Process The process is cross-functional in nature and involves all the applicable parties.

3.1. When there is a need to revise the scope of services, to add or delete a new consumer, or adjust the contract pricing, the Community Based Resource Specialist shall write a justification, develop a scope of services and request that the contract be modified. This justification and request shall be sent to the Services Management Specialist within two (2) business days.

3.2. Upon receipt of the justification, the Services Management Specialist shall review the scope of services and changes requested in light of the justification provided. Within the first two (2) business days of step 3.1 completion, the Community Based Resource Specialist and the Services Management Specialist shall agree on the specifics of the modifications before proceeding to the approval phase.

The Services Management Specialist shall request a written proposal from the provider, including their budget estimate. The provider shall respond to the Services Management Specialist within two (2) business days of request. The Services Management Specialist performs an assessment of the provider estimate against the Services Management Specialist's independent government cost estimate to ensure the provider's estimate is fair and reasonable. This task shall be performed within three (3) business days.

3.3. Within two (2) business days of receipt of the justification, the Services Management Specialist shall create the 3-in-1 form based on the activities in 3.2 and forward it with supporting documentation that includes the revised scope of services, specific information on the modification desired, justification for the modification, independent government cost estimate, cost analysis of provider's budget estimate, reference to the contract clauses to be revised, to the Bureau Chief of Contract Administration for approval.

3.4. Once received, the Bureau Chief of Contract Administration shall approve or reject the request within two (2) business days. If approved, the Bureau Chief of Contract Administration shall send the 3-in-1 form to the Services Management Specialist to send to the Budget Office for the pre-encumbrance of funds. If rejected, the request shall be transmitted to the Services Management Specialist to address areas of concern.

3.5. Upon receipt, the Services Management Specialist shall send the 3-in-1 form, along with the supporting documentation for the modification, to the Budget Office for pre-encumbrance of funds. Supporting documentation includes the revised scope of services, specific information on the modification desired, justification for the modification, independent government cost estimate, cost analysis of provider's budget estimate, reference to the contract clauses to be revised, and the 3-in-1 form approvals. This task shall be performed within two (2) business days.

3.6. Within three (3) business days of receipt, the Budget Office shall pre-encumber the funds and send the completed 3-in-1 form and supporting documentation to the OCP.

3.7. The OCP shall review the 3-in-1 form, the supporting documentation, and the requested contract modification within three (3) business days of receipt.

3.8. The OCP staff member shall negotiate the changes and contract modification with the provider. The results of the negotiations shall be noted on the 3-in-1 form so that the total budget is reflected on the form. The form shall then be transmitted with the supporting documentation to the Services Management Specialist. This task shall be performed within three (3) business days.

3.9. The Services Management Specialist shall ensure that the 3-in-1 form reflects the negotiated budget and forward the form with the supporting documentation to the Budget Office for budget encumbrance within two (2) business days.

3.10. Within two (2) business days of receipt, the Budget Office shall encumber the funds and transmit the completed form and the supporting documentation to the OCP.

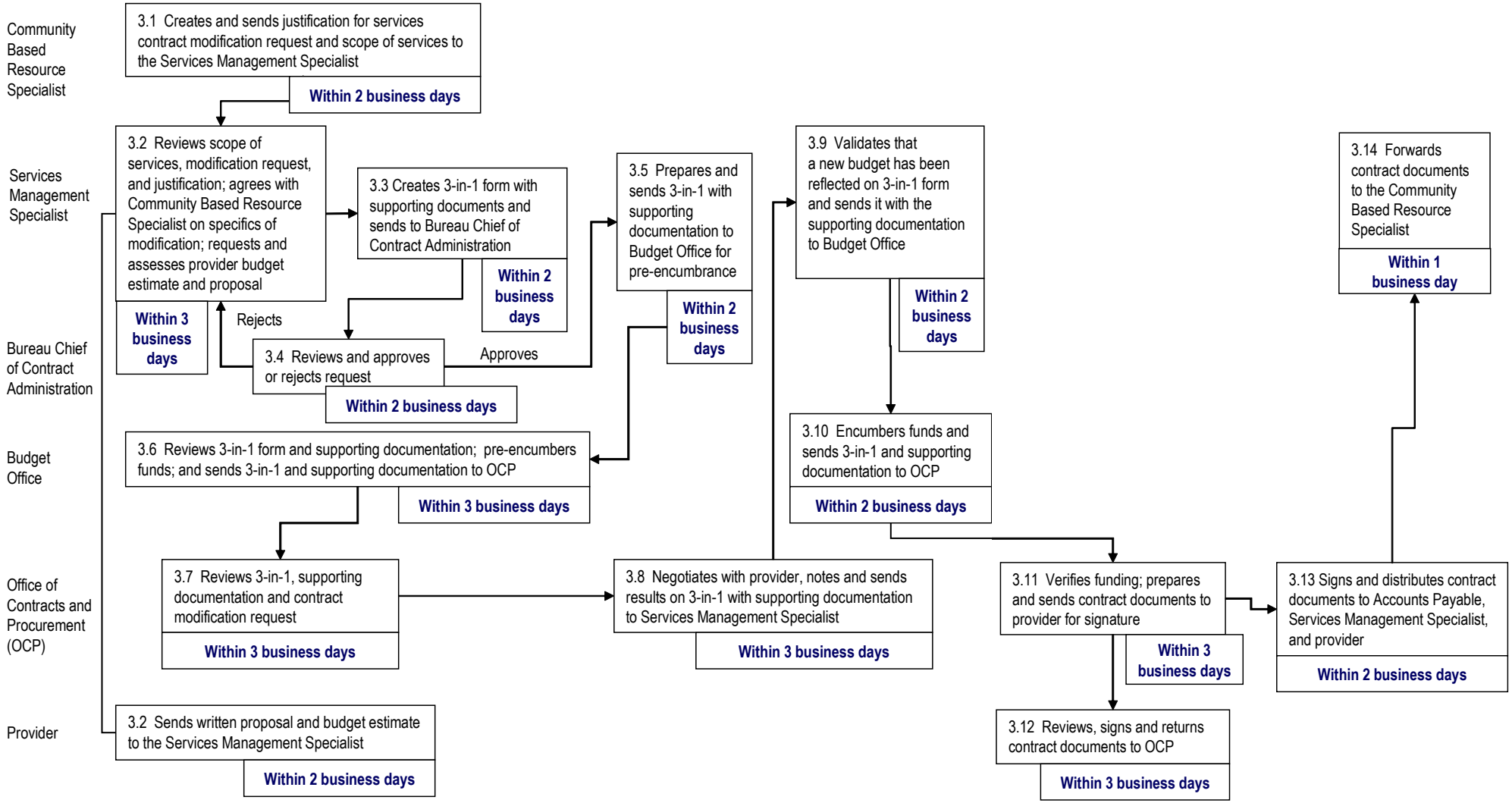
3.11. The OCP shall verify funding, prepare and send the contract documents to the provider for signature within three (3) business days.

3.12. The provider shall review, sign and return the contract documents to the OCP within three (3) business days.

3.13. The OCP shall sign and distribute the contract documents to Accounts Payable, the Services Management Specialist and the provider within two (2) business days.

3.14. The Services Management Specialist shall forward the contract documents to the Community Based Resource Specialist within one (1) business day.

4.0 Process Flow

The attached process flow chart indicates the above steps, the roles and responsibilities of the parties, the expected outcome, and the number of days allocated to each step in the process.

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