

06/12/12

**POLICY ALERT**  
**No. 12-36**  
**Order of Application for Modifications**

**REFERENCE:** Federal Register: May 22, 2012 (Volume 77, Number 99)  
Defense Federal Acquisition Regulation Supplement Publication Notice  
20120522, Defense Federal Acquisition Regulation Supplement [Case  
2012-D002, Order of Application for Modifications](#)

**TYPE OF ACTION:** Final Rule

**EFFECTIVE DATE:** May 22, 2012

**SUMMARY:** The Department of Defense issued a final rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) at 204.7007 and 243.172 to establish an order for application of contract modifications to resolve any potential conflicts that may arise from multiple modifications with the same effective date.

204.7007 Order of application for modifications.

(a) Circumstances may exist in which the numeric order of the modifications to a contract is not the order in which the changes to the contract actually take effect.

(b) In order to determine the sequence of modifications to a contract or order, the modifications will be applied in the following order:

(1) Modifications will be applied in order of the effective date on the modification;

(2) In the event of two or more modifications with the same effective date, modifications will be applied in signature date order;

(3) In the event of two or more modifications with the same effective date and the same signature date, procuring contracting office modifications will be applied in numeric order, followed by contract administration office modifications in numeric order.

**ACTION REQUIRED:** Contracting Officers shall use DFARS 204.7007 to resolve any potential conflicts that may arise from multiple modifications with the same effective date.

This Policy Alert is effective on the date indicated above, and remains in effect until incorporated into a policy document(s) or until otherwise rescinded.

You may direct comments/questions on this Policy Alert to the Contract Policy and Pricing Branch at 303-676-3985.

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