



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH, DEVELOPMENT AND ACQUISITION
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MEMORANDUM FOR DISTRIBUTION

Subj: DEPARTMENT OF THE NAVY DESK GUIDE FOR SERVICE CONTRACT
PRICE ADJUSTMENTS

Encl: (1) Desk Guide for Service Contract Price Adjustments

FAR Clauses 52.222-43/44 provide for limited contract price adjustments on fixed-price contracts for increased (or decreased) labor costs resulting from the incorporation of new or revised Service Contract Act (SCA) wage determinations (minimum wages and fringe benefits). We have prepared a desk guide to assist contracting personnel in reviewing and responding to contractor requests for price adjustments under these clauses. The desk guide will help contracting officers make consistent determinations of contract price adjustments and minimize delays in processing the requests.

The new desk guide has been posted on the DoN Acquisition One Source homepage, at <http://www.acquisition.navy.mil/navyaos>. Please ensure that all contracting personnel involved in awarding and/or administering SCA-covered contracts receive notice of the new desk guide. The Navy Labor Advisor provides contract labor standards training, and I highly recommend that DoN contracting offices request training on this subject if they haven't had any recently. If you have questions, or to schedule training, please contact Diane Truman, Navy Labor Advisor, (703) 693-2939 (email: NavyLaborAdvisor@navy.mil).

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