

**PADDS REGULATION REFERENCE TEXT  
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REGULATION  
CODE: HS7070

REGULATION  
REFERENCE: 52.243-4000

DATE: 11/01/2003

**TITLE:** ENG CHG PROPOSAL, VALUE ENG CHG PROPOSAL, REQUEST FOR DEVIATION, REQUEST FOR WAIVER, ENG RELEASE RECORDS, NOTICE OF REVISION, & SPECIFICATION CHG NOTICE PREPARATION & SUBMISSION INSTRUCTIONS

**TEXT**

(a) Format: Contractor initiated Engineering Change Proposals (ECPs), Value Engineering Change Proposals (VECPs), Request for Deviations (RFDs), and Request for Waivers (RFWs), collectively referred to as "proposals", shall be prepared in accordance with the format and requirements specified in the following paragraphs:

(1) Class I ECPs require the "Long Form Procedure" for documenting the change and describing the effects of the change on the suitability and supportability of the Configuration Item (CI). Class I ECPs should be limited to those that are necessary or offer significant benefit to the Government. Class I ECPs are those that affect the performance, reliability, maintainability, survivability, weight, balance, moment of inertia, interface characteristics, electromagnetic characteristics, or other technical requirements in the specifications and drawings. Class I ECPs also include those changes that affect Government Furnished Equipment, safety, compatibility, retrofit, operation and maintenance manuals, interchangeability, substitutability, replaceability, source control specifications and drawings, costs, guarantees or warranties, deliveries, or schedules. Class II ECPs are those that do not affect form, fit and function, cost, or schedule of the system CI and do not meet the other criteria described above for Class I ECPs.

(2) Long Form Procedure: Class I changes to the CI require that AMSAM-RD Form 523, pages 1 through 7 (as applicable), be prepared. Use of this procedure assures that all effects of the change on the CI are properly addressed and documented to the necessary detail to allow proper evaluation of the proposed change.

(3) Short Form Procedure: ECPs and VECPs, which meet the requirements of Class II ECPs, shall be prepared using AMSAM-RD Form 523 (page 1 only). Supplemental pages may be used with the form as necessary. The responsible Contract Management Office (CMO) will enter the appropriate data in Block 5 "Class of ECP", Block 6 "Justification Codes", and Block 7 "Priority."

(4) The Contractor shall not manufacture items for acceptance by the Government that incorporate a known departure from requirements, unless the Government has approved a RFD. RFDs shall be prepared using AMSAM-RD Form 527 or AMSRD-AMR Form 530 (Type I).

(5) The Contractor shall not submit items for acceptance that include a known departure from the requirements, unless the Government has approved a RFW (AMSRD-RD Form 527) or Type II RFD (AMSRD-AMR Form 530).

(6) Each ECP, RFD or RFW submitted shall be accompanied by a written and signed evaluation prepared by the responsible Defense Contract Management Agency (DCMA) technical representative. The DCMA written evaluation shall be considered part of the ECP/RFD/RFW proposal submitted.

(7) Classification of RFDs/RFWs.

(a) Major RFDs/RFWs. RFDs/RFWs written against CIs shall be designated as major when the RFD/RFW consists of acceptance of an item having a nonconformance with contract or configuration documentation involving health; performance; interchangeability; reliability; survivability; maintainability; effective use or operation; weight; appearance (when a factor); or when there is a departure from a requirement classified as major in the contractual documentation.

(b) Critical RFDs/RFWs. RFDs/RFWs written against CIs shall be designated as critical when the RFD/RFW consists of acceptance of an item having a nonconformance with contract or configuration documentation involving safety or when there is a departure from a requirement classified as critical in the contractual documentation.

(c) Minor RFDs/RFWs. RFDs/RFWs written against CIs shall be designated as minor when the RFD/RFW consists of acceptance of an item having a nonconformance with contract or configuration documentation which does not involve any of the factors listed above in paragraphs 7(a) or 7(b), or when there is a departure from a requirement classified as minor in the contractual documentation.

(8) Proposals shall include sufficient technical data to describe all changes from existing contract requirements.

(9) Proposals shall include sufficient justification for making the change, including a statement of contract impact, if the change is not authorized.

(10) Proposals for ECPs shall set forth a "not to exceed" price and delivery adjustment acceptable to the Contractor if the Government subsequently approves the proposal. If approved, the equitable increase shall not exceed this amount.

(11) Times allowed for technical decisions for ECP and RFD/RFW proposals will be worked out via mutual agreement between the Contractor and the Government.

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(12) The Contractor shall submit, concurrent with the ECP, a separate AMSAM-RD Form 525, "Specification Change Notice" (SCN), for each specification that would require revision if the ECP were approved.

(13) Proposals for VECPs shall set forth a "not less than" price and delivery adjustment acceptable to the Contractor if the Government subsequently approves the proposal. If approved, the savings shall not be less than this amount. Proposals that involve aggregate increases or decreases in cost plus applicable profits in excess of \$550,000 will require the submission to the Contracting Officer of an executed Certificate of Current Cost or Pricing Data in accordance with FAR 15.406-2.

(14) The Contractor shall utilize AMSAM-RD Form 526, "Engineering Release Record" (ERR) to release new or revised configuration documentation to the Government for approval.

(15) The Contractor shall utilize AMSAM-RD Form 524, "Notice of Revision" (NOR) to describe the exact change(s) to configuration documentation specified as a data requirement in the contract. The Contractor shall describe the change using sub-sections entitled "WAS" to describe the current contractual technical requirement and "IS" to describe the proposed new requirement.

(b) Submittal: The Contractor shall submit two (2) copies of each proposal to the responsible ACO. One (1) copy of each proposal shall be returned to the Contractor within (5) working days after receipt by the Administrative Contracting Officer (ACO), stating whether or not the proposal is in compliance with this provision. Any unresolved differences between the ACO and the Contractor concerning ECPs, VECPs, RFWs or RFDs will be submitted to the Contracting Officer for resolution. Submittals may be made by electronic means by scanning the appropriate completed forms into a computer or preparing the forms electronically.

(c) Distribution:

(1) Electronic Distribution

The preferred method of distribution is via submission through the Internet E-mail System to the Government Contracting Officer. Microsoft Word is required for use with the transmittal letter (E-mail). Required forms will be attached to the E-mail. All forms may be obtained from the AMCOM Acquisition Center Website (<https://wwwproc.redstone.army.mil/acquisition>) by clicking on "Forms/Checksheets." The forms are in both "Adobe Acrobat" and "Form Flow" formats. In order to access and use the forms, the user must have the "Adobe Acrobat" or "Form Flow" software installed on their computer. Drawings may be scanned into the computer and sent as an attachment. In some cases, because of size, drawings may have to be sent as hard copies or sent under special electronic instructions provided by the Government Contracting Officer. Contractors who do not have access to the AMCOM Acquisition Center Website will need to contact the Contracting Officer, the appropriate Project Office Configuration Management Office, or the Technical Data Management Division (AMSRD-AMR-SE-TD) to have the AMSAM forms sent to their facility.

(2) Hard Copy Distribution

For each Class I or II ECP, or each RFD/RFW that the ACO determines to be in compliance with this provision, the Contractor shall submit the original plus five copies to the Contracting Officer and one copy to the ACO. Upon receipt of any type of change proposal that is submitted to the Contracting Officer, the ACO shall immediately submit DCMA's written evaluation pertaining to the proposed engineering change action to the Contracting Officer. Assistance in preparing any of these proposals may be obtained from the ACO or AMCOM Change Control Point at:

Commander  
U. S. Army Aviation and Missile Command  
ATTN: AMSRD-AMR-SE-TD-CM  
Redstone Arsenal, Al 35898-5000  
Telephone: 256-876-1335

For each VECP that the ACO determines to be in compliance with this provision, the Contractor shall submit the original plus five copies to the Contracting Officer and one copy to the ACO. Upon receipt of any VECP that is submitted to the Contracting Officer, the ACO shall immediately submit DCMA's written evaluation to the Contracting Officer. The Contractor shall also submit one copy of the VECP to the AMCOM Value Engineering Program Manager (VEPM) whose address is below. Assistance in preparing VECPs may be obtained from the VEPM.

Commander  
U.S. Army Aviation and Missile Command  
ATTN: AMSRD-AMR-SE-IO-VE

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Redstone Arsenal, Al 35898-5000  
Telephone: 256-876-8163

(d) Government Acceptance: Acceptance of a proposal by the Government shall be affected by the issuance of a change order or execution of a supplemental agreement incorporating the proposal into the contract. The Government will notify the Contractor in writing if a proposal is determined to be unacceptable.

(End of clause)