(A) Promptly make an initial written determination on any significant deficiencies and notify the contractor, in writing, providing a description of each significant deficiency in sufficient detail to allow the contractor to understand the deficiency;

(B) Request the contractor to respond in writing to the initial determination within 30 days; and

(C) Promptly evaluate the contractor’s responses to the initial determination, in consultation with the auditor or functional specialist, and make a final determination.

(3) Final determination. (i) The contracting officer shall make a final determination and notify the contractor in writing that—

(A) The contractor’s estimating system is acceptable and approved, and no significant deficiencies remain, or

(B) Significant deficiencies remain. The notice shall identify any remaining significant deficiencies, and indicate the adequacy of any proposed or completed corrective action. The contracting officer shall—

(1) Request that the contractor, within 45 days of receipt of the final determination, either correct the deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the deficiencies;

(2) Disapprove the system in accordance with the clause at 252.215–7002, Cost Estimating System Requirements; and

(3) Withhold payments in accordance with the clause at 252.242–7005, Contractor Business Systems, if the clause is included in the contract.

(ii) Follow the procedures relating to monitoring a contractor’s corrective action and the correction of significant deficiencies in PGI 215.407–5-70(e).

(f) System approval. The contracting officer shall promptly approve a previously disapproved system and release withheld payments, to the auditor; payment office; affected contracting officers at the buying activities; and cognizant contracting officers in contract administration activities.


215.408 Solicitation provisions and contract clauses.

(1) Use the clause at 252.215–7000, Pricing Adjustments, in solicitations and contracts that contain the clause at—

(i) FAR 52.215–11, Price Reduction for Defective Cost or Pricing Data—Modifications;

(ii) FAR 52.215–12, Subcontractor Cost or Pricing Data; or

(iii) FAR 52.215–13, Subcontractor Cost or Pricing Data—Modifications.

(2) Use the clause at 252.215–7002, Cost Estimating System requirements, in all solicitations and contracts to be award on the basis of cost or pricing data.


215.470 Estimated data prices.

(a) DoD requires estimates of the prices of data in order to evaluate the cost to the Government of data items in terms of their management, product, or engineering value.

(b) When data are required to be delivered under a contract, include DD Form 1423, Contract Data Requirements List, in the solicitation. See PGI 215.470(b) for guidance on the use of DD Form 1423.

(c) The contracting officer shall ensure that the contract does not include a requirement for data that the contractor has delivered or is obligated to deliver to the government under another contract or subcontract, and that the successful offeror identifies any such data required by the solicitation. However, where duplicate data are desired, the contract price shall include