

215.404–76**215.404–76 Reporting profit and fee statistics.**

Follow the procedures at PGI 215.404–76 for reporting profit and fee statistics.

[71 FR 69494, Dec. 1, 2006]

215.406–1 Prenegotiation objectives.

Follow the procedures at PGI 215.406–1 for establishing prenegotiation objectives.

[71 FR 69494, Dec. 1, 2006]

215.406–3 Documenting the negotiation.

Follow the procedures at PGI 215.406–3 for documenting the negotiation and uploading sole source business clearance documentation into the Contract Business Analysis Repository.

[78 FR 21850, Apr. 12, 2013]

215.407–2 Make-or-buy programs.

(a) *General.* See PGI 215.407–2 for guidance on factors to consider when deciding whether to request a make-or-buy plan and for factors to consider when evaluating make-or-buy plan submissions.

(e) *Program requirements—(1) Items and work included.* The minimum dollar amount is \$1.5 million.

[63 FR 55040, Oct. 14, 1998, as amended at 75 FR 45073, Aug. 2, 2010; 76 FR 76319, Dec. 7, 2011]

215.407–3 Forward pricing rate agreements.

(b)(i) Use forward pricing rate agreement (FPRA) rates when such rates are available, unless waived on a case-by-case basis by the head of the contracting activity.

(ii) Advise the ACO of each case waived.

(iii) Contact the ACO for questions on FPRAs or recommended rates.

215.407–4 Should-cost review.

See PGI 215.407–4 for guidance on determining whether to perform a program or overhead should-cost review.

[71 FR 69495, Dec. 1, 2006]

215.407–5 Estimating systems.**215.407–5–70 Disclosure, maintenance, and review requirements.**

(a) *Definitions.* (1) *Acceptable estimating system* is defined in the clause at 252.215–7002, Cost Estimating System Requirements.

(2) *Contractor* means a business unit as defined in FAR 2.101.

(3) *Estimating system* is as defined in the clause at 252.215–7002, Cost Estimating System Requirements.

(4) *Significant deficiency* is defined in the clause at 252.215–7002, Cost Estimating System Requirements.

(b) *Applicability.* (1) DoD policy is that all contractors have acceptable estimating systems that consistently produce well-supported proposals that are acceptable as a basis for negotiation of fair and reasonable prices.

(2) A large business contractor is subject to estimating system disclosure, maintenance, and review requirements if—

(i) In its preceding fiscal year, the contractor received DoD prime contracts or subcontracts totaling \$50 million or more for which certified cost or pricing data were required; or

(ii) In its preceding fiscal year, the contractor received DoD prime contracts or subcontracts totaling \$10 million or more (but less than \$50 million) for which certified cost or pricing data were required and the contracting officer, with concurrence or at the request of the ACO, determines it to be in the best interest of the Government (e.g., significant estimating problems are believed to exist or the contractor's sales are predominantly Government).

(c) *Policy.* (1) The contracting officer shall—

(i) Through use of the clause at 252.215–7002, Cost Estimating System Requirements, apply the disclosure, maintenance, and review requirements to large business contractors meeting the criteria in paragraph (b)(2)(i) of this section;

(ii) Consider whether to apply the disclosure, maintenance, and review requirements to large business contractors under paragraph (b)(2)(ii) of this section; and