

# DFARS Procedures, Guidance, and Information

## PGI 211—Describing Agency Needs

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*(Revised March 25, 2016)*

### PGI 211.2—USING AND MAINTAINING REQUIREMENTS DOCUMENTS

#### PGI 211.201 Identification and availability of specifications.

(1) Specifications, standards, and data item descriptions are indexed in the Acquisition Streamlining and Standardization Information System (ASSIST).

(2) Specifications, standards, and data item descriptions that are not indexed in ASSIST should be included in the solicitation, if feasible, or made available at the contracting activity.

(3) Most unclassified specifications, standards, and data item descriptions may be downloaded from the ASSIST database (<https://assist.dla.mil>). Documents not available for download from ASSIST may be ordered using the ASSIST Shopping Wizard (<http://assist.daps.dla.mil/wizard>) or by contacting the Department of Defense Single Stock Point (DoDSSP), Building 4, Section D, 700 Robbins Avenue, Philadelphia, PA 19111-5094; telephone (215) 697-2179. When contacting the DoDSSP, include with each request—

- (i) The requester's customer number; and
- (ii) A complete return mailing address, including any "mark for" instructions.

#### PGI 211.273 Substitutions for military or Federal specifications and standards.

##### PGI 211.273-3 Procedures.

(1) Solicitations for previously developed items shall encourage offerors to identify Single Process Initiative (SPI) processes for use instead of military or Federal specifications and standards cited in the solicitation. Use of the clause at DFARS [252.211-7005](#), Substitutions for Military or Federal Specifications and Standards, satisfies this requirement.

(2) Contracting officers shall ensure that—

(i) Concurrence of the requiring activity is obtained for any proposed substitutions prior to contract award;

(ii) Any necessary additional information regarding the SPI process identified in the proposal is obtained from the cognizant administrative contracting officer; and

(iii) In competitive procurements, prospective offerors are provided the opportunity to obtain verification that an SPI process is an acceptable replacement for a military or Federal specification or standard for the particular procurement prior to the date specified for receipt of offers.

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(3) Any determination that an SPI process is not acceptable for a specific procurement shall be made prior to contract award at the head of the contracting activity or program executive officer level. This authority may not be delegated.

### **PGI 211.274 Item identification and valuation requirements.**

#### **PGI 211.274-2 Policy for unique item identification.**

(b)(2)(ii) Send the copy of the determination and findings required by DFARS [211.274-2\(b\)\(2\)\(i\)](#) to DPAP/Program Development and Implementation, Deputy Director, 3060 Defense Pentagon, 3B855, Washington, DC 20301-3060; or by facsimile to (703) 695-7596.

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## PGI 217—Special Contracting Methods

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*(Revised March 25, 2016)*

### PGI 217.74—UNDEFINITIZED CONTRACT ACTIONS

#### PGI 217.7404-1 Authorization.

(1) The requiring activity, in coordination with the contracting office, will prepare the request for approval package for an undefinitized contract action (UCA) requirement. The approval package shall—

- (i) Document why a UCA is required (for letter contracts see DFARS [216.603](#));
- (ii) Provide a detailed explanation for the need to begin performance before definitization;
- (iii) Address the adverse impact on agency requirements that would result from delays in beginning performance;
- (iv) Identify the risk of using a UCA and the means by which the Government will mitigate such risk;
- (v) Identify and justify the specific contractual instrument to be used;
- (vi) Establish limitations on the obligation of funds; and
- (vii) Provide the definitization schedule of agreed-upon events that support timely definitization.

(2) A sample format with certain variations for letter contracts is provided at this website: [http://www.acq.osd.mil/dpap/dars/pgi/docs/Template\\_for\\_UCA\\_Authorization\\_Requests.pdf](http://www.acq.osd.mil/dpap/dars/pgi/docs/Template_for_UCA_Authorization_Requests.pdf).

#### PGI 217.7404-2 Price ceiling.

(1) The rationale for the not-to-exceed price will be documented and retained in the contract file. Examples of such supporting rationale include—

- (i) The Independent Government Cost Estimate;
- (ii) Price analysis based on prior buys; and
- (iii) The contractor's proposal.

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(2) The maximum not-to-exceed price is the firm-fixed price for firm-fixed price contracts, the ceiling price for fixed-price incentive contracts, and the estimated cost and fee for cost-reimbursement contracts.

### **PGI 217.7404-3 Definitization schedule.**

In order to meet the definitization dates, the contracting officer shall closely coordinate and monitor each UCA. Contracting officers should frequently communicate with the program office and requiring officials as appropriate to actively manage the definitization of UCAs. The contracting officer should alert the approval authority if, for any reason, the definitization schedule appears to be in jeopardy.

### **PGI 217.7404-6 Allowable profit.**

To improve the documentation and provide guidance on determining the profit for UCAs with substantial incurred cost, contracting officers shall follow the mandatory instructions at DFARS [215.404-71-3\(d\)\(2\)](#) regarding lowering contract type risk assessments for the incurred costs when performing weighted guidelines analysis. Additional guidance on analyzing profit or fee (DAU continuous learning course(CLC) 104, Analyzing Profit or Fee) is provided at this website:

[http://icatalog.dau.mil/onlinecatalog/courses.aspx?crs\\_id=239](http://icatalog.dau.mil/onlinecatalog/courses.aspx?crs_id=239)

### **PGI 217.7405 Plans and reports.**

(1) By October 31 and April 30 of each year, departments and agencies shall submit an updated Consolidated UCA Management Plan, and a Consolidated UCA Management Report, identifying each UCA with a value exceeding \$5 million. In addition, departments and agencies shall submit a copy of the record of weighted guidelines for each definitized UCA with a value of \$100 million or more. If there is no record of weighted guidelines (e.g., not required for a cost plus award fee contract per DFARS [215.404-74](#)), then departments and agencies shall submit alternative documentation that addresses appropriate recognition of the contractor's reduced cost risk during the undefinitized performance period. Submit the required information to—

Deputy Director, Defense Procurement and Acquisition Policy  
(Contract Policy and International Contracting)  
3060 Defense Pentagon  
Washington, DC 20301-3060.

(2) The Consolidated UCA Management Plan and the Consolidated UCA Management Report shall be prepared using the following formats:

(i) *Consolidated UCA Management Plan:*

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Title: Consolidated Undefinitized Contract Action (UCA) Management Plan  
Period Covered:

1. Applicable military department, defense agency, or DoD component.
  - a. Headquarters point of contact.
  - b. Contact information.
2. Description of actions planned and taken to ensure:
  - a. Appropriate use of UCAs.
  - b. Timely definitization of UCAs.
  - c. Minimized obligation amounts at the time of UCA award, consistent with the contractor's requirements for the undefinitized period.
  - d. In determining profit/fee, appropriate recognition of the contractor's reduced cost risk during the undefinitized performance period.
  - e. Documentation of the risk assessment in the contract file.
3. Milestones for completion of planned events.
4. Other.

(ii) *Consolidated UCA Management Report:*

The required format for the Consolidated UCA Management Report is available at this website:

[http://www.acq.osd.mil/dpap/dars/pgi/docs/uca\\_management\\_report\\_2015\(updated22Mar16\).xlsx](http://www.acq.osd.mil/dpap/dars/pgi/docs/uca_management_report_2015(updated22Mar16).xlsx).

(3) A list of Frequently Asked Questions about UCA reporting requirements is available at this website: [http://www.acq.osd.mil/dpap/dars/pgi/docs/faq\\_201603.docx](http://www.acq.osd.mil/dpap/dars/pgi/docs/faq_201603.docx).

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## PGI 228—Bonds and Insurance

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*(Revised March 25, 2016)*

### PGI 228.3--INSURANCE

#### PGI 228.304 Risk-pooling arrangements.

(1) The plan—

(i) Is implemented by attaching an endorsement to standard insurance policy forms for workers' compensation, employer's liability, comprehensive general, and automobile liability. The endorsement states that the instant policy is subject to the National Defense Projects Rating Plan.

(ii) Applies to eligible defense projects of one or more departments/agencies. For purposes of this section, a defense project is any eligible contract or group of contracts with the same contractor.

(A) A defense project is eligible when—

(1) Eligible contracts represent, at the inception of the plan, at least 90 percent of the payroll for the total operations at project locations; and

(2) The annual insurance premium is estimated to be at least \$10,000.

(B) A contract is eligible when it is—

(1) Either domestic or foreign;

(2) Cost-reimbursement type; or

(3) Fixed price with redetermination provisions.

(2) Under construction contracts, include construction subcontractors in the prime contractor's plan only when subcontractor operations are at the project site, and the subcontract provides that the prime contractor will furnish insurance.

(3) Use the agreement in Table 28-1, Insurance Rating Plan Agreement, when the Government assumes contractor premium payments upon contract termination or completion.

(4) The Federal Tort Claims Act provides protection for Government employees while driving Government-owned vehicles in the performance of their assigned duties. Include the endorsement in Table 28-2, Automobile Insurance Policy Endorsement, in automobile liability insurance policies provided under the National Defense Projects Rating Plan.

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## PGI 228—Bonds and Insurance

### TABLE 28-1, INSURANCE RATING PLAN RATING AGREEMENT

#### Special Casualty Insurance Rating Plan Assignment-Assumption of Premium Obligations

It is agreed that 100 percent\* of the return premiums and premium refunds (and dividends) due or to become due the prime contractor under the policies to which the National Defense Projects Rating Plan Endorsement made a part of policy \_\_\_\_\_ applies are hereby assigned to and shall be paid to the United States of America, and the prime contractor directs the Company to make such payments to the office designated for contract administration acting for and on account of the United States of America.

The United States of America hereby assumes and agrees to fulfill all present and future obligations of the prime contractor with respect to the payment of 100 percent\* of the premiums under said policies.

This agreement, upon acceptance by the prime contractor, the United States of America, and the Company shall be effective from \_\_\_\_\_

Accepted \_\_\_\_\_ (Date)  
\_\_\_\_\_  
(Name of Insurance Company)  
By \_\_\_\_\_ (Title of Official Signing)

Accepted \_\_\_\_\_ (Date)  
United States of America  
By \_\_\_\_\_ (Authorized Representative)

Accepted \_\_\_\_\_ (Date)  
\_\_\_\_\_  
(Prime Contractor)  
By \_\_\_\_\_ (Authorized Representative)

\*In the event the Government has less than a 100 percent interest in premium funds or dividends, modify the assignment to reflect the percentage of interest and extent of the Government's assumption of additional premium obligation.

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### TABLE 28-2, AUTOMOBILE INSURANCE POLICY ENDORSEMENT

It is agreed that insurance provided by the policy with respect to the ownership, maintenance, or use of automobiles, including loading and unloading thereof, does not apply to the following as insureds: The United States of America, any of its agencies, or any of its officers or employees.

### **PGI 228.305 Overseas workers' compensation and war-hazard insurance.**

(d) Submit requests for waiver through department/agency channels. Include the following in the request:

- (i) Name and address of contractor.
- (ii) Contract number.
- (iii) Date of award.
- (iv) Place of performance.
- (v) Name of insurance company providing Defense Base Act coverage.
- (vi) Nationality of employees to whom waiver is to apply.
- (vii) Reason for waiver.

### **PGI 228.370 Additional clauses.**

(b)(3) DFARS 252.228-7001, Ground and Flight Risk Clause, requires the assignment of a Government Flight Representative (GFR) to administer the requirements of the combined instruction [Contractor's Flight and Ground Operations](#), (DCMA INST 8210.1, AFI 10-220, AR 95-20, NAVAIRINST 3710.1 (Series), and COMDTINST M13020.3). At the time the solicitation is issued, contracting officers shall contact DCMA Aircraft Operations (AO) and the appropriate Military Service to obtain technical advice and allow adequate lead time for assigning a GFR. Make requests for assignment of a GFR to—

HQ DCMA: DCMA-AO  
8000 Jefferson Davis Highway  
Building 4A  
Richmond, VA 23297  
804-279-6322

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Email: [AQInbox@dcma.mil](mailto:AQInbox@dcma.mil) (include "Ground and Flight Risk Clause" on the subject line)

Army: HQ, Army Materiel Command  
ATTN: AMCOL-CA  
4400 Martin Road  
Redstone Arsenal, AL 35898  
256-450-7021

Navy: Commander, Naval Air Systems Command (AIR-09F)  
22541 Millstone Road, Unit 10  
Patuxent River, MD 20670-1601  
301-342-7233

Air Force: HQ AFMC/A3V  
508 W. Choctawhatchee  
Eglin AFB, FL 32542-5713  
850-882-7890  
Workflow: [afmc.a3v@us.af.mil](mailto:afmc.a3v@us.af.mil)

Coast Guard: Commanding Officer  
Aviation Logistics Center  
U.S. Coast Guard  
1664 Weeksville Road, Building 63  
Elizabeth City, NC 27909-6725

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## PGI 246—Quality Assurance

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(Added March 25, 2016)

### PGI 246.7—WARRANTIES

#### PGI 246.701 Definitions.

“Duration,” “fixed expiration,” “starting event,” “usage,” and “warranty repair source” are defined in the clause at [252.246-7006](#), Warranty Tracking of Serialized Items.

#### PGI 246.710-70 Warranty attachments.

(1) The following attachments shall be included in solicitations and awards to specify the required data elements for warranties of serialized items:

(i) *Warranty Tracking Information.* This format is used to specify the required warranty tracking data elements and accomplish the electronic transmission of the list of warranty items. All fields of this attachment must be completed at the time of award, except the unique item identifier field, which may be completed after the time of award, but no later than when the warranted items are presented for receipt and/or acceptance.

(ii) *Source of Repair Instructions.* This format is used to specify the required warranty source of repair data elements and accomplish the electronic transmission of the source of repair data for each warranty item. This attachment shall be completed no later than when the warranted items are presented for receipt and/or acceptance.

(2) Warranty attachments shall be—

(i) Completed electronically using the fillable PDF format or downloadable Excel format available on the Product Data Reporting and Evaluation Program (PDREP) website at [https://www.pdrep.csd.disa.mil/pdrep\\_files/other/wsr.htm](https://www.pdrep.csd.disa.mil/pdrep_files/other/wsr.htm); and

(ii) Numbered in accordance with [PGI 204.7105\(b\)\(5\)](#).

(3) If the Government specifies a warranty, the contracting officer shall request the requiring activity to provide information to ensure that the “Warranty Tracking Information” attachment is populated with data specifying the Government’s required warranty terms by contract line item number, subline item number, or exhibit line item number prior to solicitation. One of the following is required to populate the attachment for each warranted item: starting event, usage, duration, or fixed expiration date.

(4) If the Government does not specify a warranty, the contracting officer may require offerors to provide warranty data by populating the “Warranty Tracking Information” attachment, as appropriate, and include the attachment as part of its offer, in accordance with the provision at [252.246-7005](#), Notice of Warranty Tracking of Serialized Items.

(5) As required in the clause at [252.246-7006](#), Warranty Tracking of Serialized Items, the contractor is required to provide the following information no later than the time of receipt and/or acceptance of warranted items:

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## PGI 246—Quality Assurance

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(i) The unique item identifier for each warranted item on the “Warranty Tracking Information” attachment.

(ii) The warranty repair source information and instructions required by the “Source of Repair Instructions” attachment.

(6) The contracting officer shall ensure the completed warranty attachments are uploaded to the Electronic Document Access (EDA) system (see DFARS [204.270](#) for information on obtaining an EDA account).

(7) For additional information on the warranty attachments, see the “Warranty and Source of Repair” training and “Warranty and Source of Repair Tracking User Guide” accessible on the PDREP site at [https://www.pdrep.csd.disa.mil/pdrep\\_files/other/wsr.htm](https://www.pdrep.csd.disa.mil/pdrep_files/other/wsr.htm).