



ACQUISITION
AND SUSTAINMENT

OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

JUN 07 2018

MEMORANDUM FOR COMMANDER, UNITED STATES SPECIAL OPERATIONS
COMMAND (ATTN: ACQUISITION EXECUTIVE)
COMMANDER, UNITED STATES TRANSPORTATION
COMMAND (ATTN: ACQUISITION EXECUTIVE)
DEPUTY ASSISTANT SECRETARY OF THE ARMY
(PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE NAVY
(ACQUISITION AND PROCUREMENT)
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE
(CONTRACTING)
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Reducing Acquisition Lead Time by Eliminating Inefficiencies Associated with
Cost or Pricing Data Submissions After Price Agreement (“Sweep Data”)

On October 5, 2017, the Secretary of Defense issued a memorandum (“Guidance from Secretary Jim Mattis”) identifying three lines of effort necessary to maintain the Department’s position as the world’s preeminent fighting force. The third line of effort focused on bringing business reforms, including streamlining of the requirement identification and acquisition processes, to the Department of Defense.

In an effort to be responsive to the Secretary’s call for streamlining acquisition processes, the Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSDA&S) is assessing the Department’s acquisition policies and practices so as to identify and address those that impede efficiency. One such practice that significantly contributes to the timeframe between price agreement and contract award relates to the contractor’s submission of additional cost or pricing data (referred to as “sweep data”) concurrently with or after the submission of the Certificate of Current Cost or Pricing Data subsequent to price agreement.

Delays associated with contractor efforts to collect and submit cost or pricing data which should have been, but were not, provided to the Contracting Officer in a timely manner prior to agreement on price unnecessarily increase acquisition lead time, both by delaying submission of the Certificate of Current Cost or Pricing Data, and by requiring the Contracting Officer to review the “sweep” data, assess the impact on the negotiated price, and come to an agreement with the contractor on that price impact.

While there is no statutory or regulatory requirement for contractors to perform a cost and pricing data “sweep” after the conclusion of price negotiations (because the requirement is to submit the data prior to the conclusion of price negotiations), untimely submissions of “sweep” data may be indicative of estimating system deficiencies, and, if habitual, appropriate corrective action should be taken.

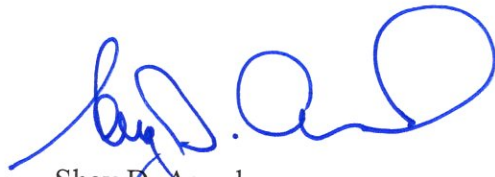
DFARS 252.215-7002(d)(4)(xiv) states, “An acceptable estimating system shall ... [p]rovide procedures to update cost estimates and notify the Contracting Officer in a timely manner throughout the negotiation process” (not after the conclusion of the negotiation process).

Effective immediately, for actions subject to the Truth in Negotiations Act, Contracting Officers shall request offerors execute the Certificate of Current Cost or Pricing Data as soon as practicable, but no later than five business days after the date of price agreement. Contracting Officers shall implement this policy for all future solicitations that require a Certificate of Current Cost or Pricing Data and, to the extent practicable, in currently open solicitations.

Contracting Officers shall defer consideration of the impact of any cost or pricing data submitted by a contractor after price agreement is reached until after award of the contract action in order to avoid delays in the awarding of the contract. Any cost or pricing data submitted after price agreement shall be reviewed and dispositioned after award of the contract action, pursuant to FAR 15.407-1, to establish whether it is rendered that the certified cost or pricing data submitted up to the point of price agreement was defective, and to determine whether the Government is entitled to a price adjustment in accordance with FAR 52.215-10 or FAR 52.215-11.

The June 7, 1989, OASD (P&L) memo, subject “Contractor Delays in Submitting Certificates of Current Cost or Pricing Data,” is hereby rescinded, and replaced by this memorandum.

My point of contact for this memorandum is Ms. Gina Bova who can be reached at regina.m.bova.civ@mail.mil, or 703-695-7146.



Shay D. Assad
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Procurement and Acquisition Policy