



Homeland
Security

MEMORANDUM FOR: Heads of Contracting Activities

FROM: Paul Courtney
Chief Procurement Officer

PAUL R
COURTNEY

Digitally signed by PAUL R
COURTNEY
Date: 2025.10.23 15:01:48
-04'00'

SUBJECT: FAR Class Deviation (Number 26-08) for FAR Part 15 in Support
of Executive Order on Restoring Common Sense to Federal
Procurement

- 1. Purpose.** This memorandum approves a class deviation to Federal Acquisition Regulation (FAR) Part 15 for purposes of implementing the FAR Council's model deviation text to FAR Part 15.
- 2. Background.** [Executive Order \(E.O.\) 14275, Restoring Common Sense to Federal Procurement](#), signed April 15, 2025, mandates a comprehensive review and simplification of the FAR.

The FAR is being updated to:

- Eliminate non-statutory language
- Remove redundant or obsolete language
- Enhance clarity through plain language
- Align with the new FAR framework
- Preserve essential governmentwide acquisition standards

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative. This initiative will make the FAR more concise, understandable, and focused on core procurement requirements.

- 3. Summary of Changes.** Besides a major restructuring, there have been significant changes to FAR 15, Contracting by Negotiation, to address long-term pain points for Government and Industry.

Key new improvements and flexibilities to Part 15 include:

- **Logical Flow:** The new framework replaces a topic-based structure with a more intuitive flow based on the acquisition life-cycle.

- **Consolidation:** Concepts that were previously fragmented are now unified creating a more cohesive framework.
- **Core Vocabulary Changes:** Key terms are defined and standardized.
 - The term “discussions” is replaced with “negotiations.” The term “communications,” in the context of competitive range establishment, has been eliminated. The term “deficiency” is redefined.
 - The use of “clarifications” now includes robust guidelines for its application. Clarifications permit minor corrections but do not allow for proposal revision and cannot be used to cure proposal deficiencies or material omissions. The scope of permissible clarifications was expanded to include coverage that was previously limited to “communications” before establishing the competitive range. Clarifications may be conducted at any time after receipt of proposals through contract award irrespective of whether a competitive range has been established.
- **Updated Rules of Engagement:** Contracting officers must negotiate with each responsible offeror within the competitive range and may further negotiate with the offerors as needed. Having further negotiations with one offeror does not require the contracting officer to have further negotiations with other offerors. The deviation text provides guidance on industry communication through early exchanges and debriefing.
- **Redefined Competitive Range:** The competitive range is now clearly defined as “the group of evaluated proposals that the contracting officer determines are best suited for further negotiation” instead of “all of the most highly rated proposals”.
- **Enhanced Clarity:** The text has been revised for greater clarity. It employs more direct language and introduces explicit subheadings for complex topics.

Statutory requirements are retained in the RFO FAR Part 15 model deviation, include but may not be limited to, the following:

- 6 U.S.C. § 394: Unsolicited Proposals
- 10 U.S.C. § 3206 and 41 U.S.C. § 3306(c): Evaluation Factors
- 10 U.S.C. §§ 3301 et seq and 41 U.S.C. §§ 3701 et seq: Awarding of Contracts
- 10 U.S.C. §§ 3701 et seq and 41 U.S.C. §§ 3501 et seq: Truth in Negotiations Act
- 41 U.S.C. § 2102: Prohibitions on Disclosing and Obtaining Procurement Information

Change	Description
Retained	• Part 15 continues to be the part primarily used for establishing negotiated contracts when using a request for proposal (RFP).

	• The following provision and clauses are retained (or remain reserved) with no changes: ○ 52.215-4 remains reserved ○ 52.215-7 remains reserved ○ 52.215-10 (Clause), Price Reduction for Defective Certified Cost or Pricing Data ○ 52.215-14 (Clause), Integrity of Unit Prices ○ 52.215-16 (Provision), Facilities Capital Cost of Money ○ 52.215-16 (Provision), Facilities Capital Cost of Money ○ 52.215-17 (Clause), Waiver of Facilities Capital Cost of Money
Moved/Updated	• The part structure is revised from six subparts to five: ○ Subpart 15.1 - Presolicitation and Solicitation ○ Subpart 15.2 - Evaluation and Award ○ Subpart 15.3 - Postaward ○ Subpart 15.4 - Contract Pricing ○ Subpart 15.5 - Unsolicited Proposals • 15.000, “Scope”, is updated to emphasize that the procedures in the part provide an opportunity for back-and-forth negotiation between the Government and an offeror(s) upon receipt of a proposal submitted in response to an RFP. • 15.001, “Definitions”, updates two of the four definitions: ○ “Deficiency” is updated to remove reference to “unacceptable risk” and clearly define a “material requirement”. ○ “Proposal revision” is updated to include the phrase “material elements of a proposal”. This revision clarifies that not every change made during negotiations constitutes a proposal revision, focusing the definition on changes that are substantive in nature. • 15.002, “Types of Negotiated Acquisitions”, is updated to modernize the language throughout. The two paragraphs in this section are now titled “Noncompetitive Acquisitions” and “Competitive Acquisitions”. • 15.101, “Early Exchanges with Industry”, revises and consolidates content previously located in multiple sections of the part. The new section is structured with clear subheadings for “Draft RFPs”, “Requests for Information”, “Mission Needs and Requirements”, and “Advisory Multistep Process”, making the content more accessible. • 15.102, “Structuring a request for proposals”, more clearly outlines the required format and content for RFPs. • 15.103, “Developing a Competitive Source Selection Approach”, relocates the existing source selection approaches (“Tradeoff” and “Lowest Price Technically Acceptable”) and adds two approaches - “Highest Technically Rated with a Fair and Reasonable Price” (15.103-3) and “Phased Acquisitions” (15.103- 4).

	● 15.105, “Other Considerations”, relocates, consolidates, and updates topics previously located throughout the part into a single section. This consolidation enhances the usability of the regulation by grouping these specific solicitation-related considerations together for easy reference during RFP preparation: ○ 15.105-1 Oral presentations. Relocated from 15.102. ○ 15.105-2 Negotiations disclosure. Relocated from 15.209(a). ○ 15.105-3 Limitation on tiered evaluations for multiple award contracts. Relocated from 15.101-3. ○ 15.105-4 Request for cost or pricing data. Relocated from 15.403-5. ○ 15.105-5 Make-or-buy decision. Relocated from 15.407-2. ○ 15.105-6 Should-cost review. Relocated from 15.407-4. ○ 15.105-7 Unit prices. Relocated from 15.404-1(f). ● 15.106, “Amending a Request for Proposal”, updates former section 15.206. The language and requirements are now clearer. ● 15.109, “Uniform Contract Format”, and its subsections, are relocated and streamlined. ● New subpart 15.2, “Evaluation and Award”, updates and clarifies the evaluation and award process. ● 15.202, “Evaluating Competitive Proposals”, relocates and substantially revises the content previously at section 15.305. ○ 15.202(a)(2) provides a more robust, multi-part definition of “clarifications”. It states that clarifications can be used to “enhance the Government’s understanding of a proposal”, “allow reasonable interpretation”, and address “ambiguities” as well as “perceived deficiencies, weaknesses, errors, omissions, or mistakes”. ○ The new definition allows the contracting officer to request additional information or documentation provided cost/price or other material elements of the proposal are unchanged. ○ Clarifications are not to be used for revising proposals and curing deficiencies or material omissions. ● 15.204, “Competitive Award with Negotiation”, streamlines and consolidates the complex rules for post-evaluation exchanges with offerors, which were previously spread across sections 15.306 (“Exchanges with offerors after receipt of proposals”) and 15.307 (“Proposal revisions”). ○ The phrase “communications with offerors before establishment of the competitive range” has been deleted, and where appropriate, functions have been moved to the new definition of “clarifications” under 15.202(a)(2).
--	--

	• 15.206, “Preaward notices and debriefings”, updates guidance on preaward notices and debriefings. • New 15.207-1, provides new information about completing the award document when not using OF 307, Contract Award; SF 26, Award/Contract; or SF 33, Solicitation, Offer and Award. • 15.301, “Postaward Debriefing of Offerors”, relocates and updates the content on post-award debriefings, previously at 15.506. • Subpart 15.4, “Contract Pricing”, has been restructured and the internal section numbering and organization have been significantly updated. • Subpart 15.5, “Unsolicited Proposals”, is moved from former subpart 15.6 and the content is reorganized and streamlined. • The following provision and clauses are updated for clarity, to mirror updates made throughout the part, and/or to update cross-references or remove outdated content: ○ 52.215-1 (Provision), Instructions to Offerors—Competitive Acquisition ○ 52.215-2 (Clause), Audit and Records—Negotiation • Alternate I is removed because it implemented the American Recovery and Reinvestment Act which is no longer active. ○ 52.215-6 (Provision), Place of Performance ○ 52.215-8 (Clause), Order of Precedence—Uniform Contract Format ○ 52.215-9 (Clause), Changes or Additions to Make-or-Buy Program ○ 52.215-11 (Clause), Price Reduction for Defective Certified Cost or Pricing Data—Modifications ○ 52.215-12 (Clause), Subcontractor Certified Cost or Pricing Data ○ 52.215-13 (Clause), Subcontractor Certified Cost or Pricing Data—Modifications ○ 52.215-15 (Clause), Pension adjustments and asset reversions ○ 52.215-18 (Clause), Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions ○ 52.215-19 (Clause), Notification of Ownership Changes ○ 52.215-20 (Provision), Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data ○ 52.215-21 (Clause), Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data—Modifications ○ 52.215-22 (Provision), Limitations on Pass-Through Charges—Identification of Subcontract Effort
--	--

	○ 52.215-23 (Clause), Limitations on Pass-Through Charges ● The FAR Companion is expected to include best practice information not required in the FAR on the following content: ○ Guidance on the best value continuum and using various source selection approaches ○ Procedures pertaining to oral presentations ○ Amendments based on alternate solutions
Removed	● Former section 15.205, “Issuing Solicitations”, is removed because it is repetitive of information found in other FAR parts. ● The following provisions are deleted: ○ 52.215-3 (Provision), Request for Information or Solicitation for Planning Purposes, is now reserved. ▪ The information is covered by the new 15.101(c). ○ 52.215-5 (Provision), Facsimile Proposals, is now reserved. The revised regulation takes a more technology- neutral approach. ▪ This allows agencies the flexibility to authorize a range of modern electronic submission methods without needing a specific, and now largely outdated, provision.

This table is not an exhaustive list.

4. Instructions.

- The Department of Homeland Security (DHS) acquisition workforce shall follow the RFO Part 15 and corresponding 52 model deviation text instead of FAR Part 15 and 52 as codified at 48 CFR Chapter 1. The Council’s RFO part 15 model deviation text is available at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-15> and is incorporated into this class deviation.
- For new solicitations or contracts, when using any provisions or clauses that have been revised, utilize the RFO model deviation language at [RFO FAR part 52](#). Do not include any of the removed provisions or clauses in future solicitations and contracts.
- For open solicitations or awarded contracts, the contracting officer has discretion regarding the need to enforce or amend the provisions or clauses. Note that without some of the removed provisions or clauses, the contracting officer may be required to separately address certain aspects in the contract.
- Contracting activities must review templates and related standard operating procedures to align with this class deviation and remove unnecessary processes

and steps.

5. **Applicability.** This class deviation applies to all DHS procurements.
6. **Authority.** This class deviation is issued under the authority of EO 14275, [OMB Memo M-25- 26](#), 48 CFR 1.4, and RFO FAR 1.304.
7. **Effective Date.** This class deviation is effective November 3, 2025 and remains in effect until rescinded or incorporated into the FAR.
8. **Points of Contact.** Questions regarding this class deviation may be directed to Acquisition Policy and Legislation Branch at Acquisition.Policy@hq.dhs.gov.

Attachment:

1. FAR Part 15 Solicitation Provisions and Contract Clauses Revisions

PART 52—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

Subpart 52.2—Text of Provisions and Clauses

52.215-1 Instructions to Offerors-Competitive Acquisition.

As prescribed in 15.110(a), insert the following provision:

Instructions to Offerors-Competitive Acquisition (OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)

(a) *Definitions.* As used in this provision-

In writing, "writing," or "written" means any worded or numbered expression that can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

Proposal modification is a change made to a proposal before the request for proposal closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award.

Proposal revision is a change to material elements of a proposal made after the request for proposal closing date, at the request of or as allowed by a Contracting Officer, as the result of negotiations.

Time, if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

(b) *Amendments to requests for proposals.* If this request for proposal (RFP) is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this RFP by the date and time specified in the amendment(s).

(c) Submission, modification, revision, and withdrawal of proposals.

(1)

(i) Proposals and modifications to proposals shall be—

(A) Submitted using the method and the format specified in the RFP;

(B) Addressed to the office specified in the RFP; and

(C) Showing the time and date specified for receipt, the RFP number, and the name and address of the offeror.

(ii) Offerors using commercial carriers should ensure that the proposal is marked on the outermost wrapper with the information in paragraphs (c)(1)(i)(B) and (C) of this provision.

(2) The first page of the proposal must show—

(i) The RFP number;

(ii) The name, address, and telephone number of the offeror (and electronic address if available);

(iii) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the RFP and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;

(iv) Names, titles, and telephone number (and electronic addresses if available) of persons authorized to negotiate on the offeror's behalf with the Government in connection with this RFP; and

(v) Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.

(3)

(i) Offerors are responsible for submitting proposals, and any modifications or revisions, so as to reach the Government office designated in the RFP by the time specified in the RFP. If no time is specified in the RFP, the time for receipt is 4:30 p.m., local time, for the designated Government office on the date that proposal or revision is due.

(ii)

(A) Any proposal, modification, or revision received at the Government office designated in the RFP after the exact time specified for receipt of offers is "late" and will not be considered unless it is received before award is made, the Contracting Officer determines that accepting the late offer would not unduly delay the acquisition; and-

(I) If it was transmitted through an electronic commerce method authorized by the RFP, it was received at the initial

point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals; or

(2) There is acceptable evidence to establish that it was received at the Government installation designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers; or

(3) It is the only proposal received.

(B) However, a late modification of an otherwise successful proposal that makes its terms more favorable to the Government, will be considered at any time it is received and may be accepted.

(iii) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.

(iv) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the RFP, and urgent Government requirements preclude amendment of the RFP, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the RFP on the first work day on which normal Government processes resume.

(v) Proposals may be withdrawn by written notice received at any time before award. Oral proposals in response to oral RFPs may be withdrawn orally. Proposals may be withdrawn in person by an offeror or an authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal before award.

(4) Unless otherwise specified in the RFP, the offeror may propose to provide any item or combination of items.

(5) Offerors shall submit proposals in response to this RFP in English, unless otherwise permitted by the RFP, and in U.S. dollars, unless the provision at FAR 52.225-17, Evaluation of Foreign Currency Offers, is included in the RFP.

(6) Offerors may submit modifications to their proposals at any time before the RFP closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.

(7) Offerors may submit revised proposals only if requested or allowed by the

Contracting Officer.

(8) Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.

(d) *Offer expiration date.* Proposals in response to this RFP will be valid for the number of days specified on the RFP cover sheet (unless a different period is proposed by the offeror).

(e) *Restriction on disclosure and use of data.* Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall-

(1) Mark the title page with the following legend:

Mark the title page with the following legend: This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed—in whole or in part—for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of, or in connection with, the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [*insert numbers or other identification of sheets*]; and

(2) Mark each sheet of data it wishes to restrict with the following legend:

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

(f) *Contract award.*

(1) The Government intends to award a contract or contracts resulting from this RFP to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the RFP.

(2) The Government may reject any or all proposals if such action is in the Government's interest.

(3) The Government may waive informalities and minor irregularities in proposals received.

(4) The Government intends to evaluate proposals and award a contract without negotiations with offerors (except clarifications as described in FAR 15.202(b)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct

negotiations if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly evaluated proposals.

(5) The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the proposal.

(6) The Government reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the Government's best interest to do so.

(7) The Government may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the Government.

(8) If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.

(9) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

(10) If a post-award debriefing is given to requesting offerors, the Government shall disclose the following information, if applicable:

(i) The agency's evaluation of the significant weaknesses or deficiencies in the debriefed offeror's offer.

(ii) The overall evaluated cost or price and technical rating of the successful and the debriefed offeror and past performance information on the debriefed offeror.

(iii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection.

(iv) A summary of the rationale for award.

(v) For acquisitions of commercial products, the make and model of the product to be delivered by the successful offeror.

(vi) Reasonable responses to relevant questions posed by the debriefed offeror as to whether source selection procedures set forth in the RFP, applicable regulations, and other applicable authorities were followed by the agency.

(vii) For DoD contracts in excess of \$10 million but not in excess of \$100 million with a small business or nontraditional defense contractor (10 U.S.C. 3014), an option for the contractor to request disclosure of the agency's written source selection decision document, redacted to protect the confidential and proprietary information of other offerors for the contract award.

(viii) For award of a DoD contract in excess of \$100 million, disclosure of the agency's written source selection decision document, redacted to protect the confidential and proprietary information of other offerors for the contract award.

(End of provision)

Alternate I—(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(a)(1), substitute the following paragraph (f)(4) for paragraph (f)(4) of the provision:

(f)(4) The Government intends to evaluate proposals and award a contract after conducting negotiations with offerors whose proposals have been determined to be within the competitive range. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals. Therefore, the offeror's initial proposal should contain the offeror's best terms from a price and technical standpoint.

Alternate II—(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(a)(2), add a paragraph (c)(9) substantially the same as the following to the basic clause:

(c)(9) Offerors may submit proposals that depart from stated requirements. Such proposals shall clearly identify why the acceptance of the proposal would be advantageous to the Government. Any deviations from the terms and conditions of the RFP, as well as the comparative advantage to the Government, shall be clearly identified and explicitly defined. The Government reserves the right to amend the RFP to allow all offerors an opportunity to submit revised proposals based on the revised requirements.

52.215-2 Audit and Records-Negotiation.

As prescribed in 15.209(b), insert the following clause:

Audit and Records-Negotiation (OCT 2025) (DEVIATION 26-08)
(effective November 3, 2025)

(a) As used in this clause, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form.

(b) *Examination of costs.* If this is a cost-reimbursement, incentive, time-and-materials, labor-hour, or price redeterminable contract, or any combination of these, the Contractor shall maintain and the Contracting Officer, or an authorized representative of the Contracting Officer, shall have the right to examine and audit all records and other evidence sufficient to reflect properly all costs claimed to have been incurred or anticipated to be incurred directly or indirectly in performance of this contract. This right of examination shall include inspection at all reasonable times of the Contractor's plants, or parts of them, engaged in performing the contract.

(c) *Certified cost or pricing data.* If the Contractor has been required to submit certified cost or pricing data in connection with any pricing action relating to this contract, the Contracting Officer, or an authorized representative of the Contracting Officer, in order to evaluate the accuracy, completeness, and currency of the certified cost or pricing data, shall have the right to examine and audit all of the Contractor's records, including computations and projections, related to-

- (1) The proposal for the contract, subcontract, or modification;
- (2) The discussions conducted on the proposal(s), including those related to negotiating;
- (3) Pricing of the contract, subcontract, or modification; or
- (4) Performance of the contract, subcontract or modification.

(d) Comptroller General.-

(1) The Comptroller General of the United States, or an authorized representative, shall have access to and the right to examine any of the Contractor's directly pertinent records involving transactions related to this contract or a subcontract hereunder and to interview any current employee regarding such transactions.

(2) This paragraph may not be construed to require the Contractor or subcontractor to create or maintain any record that the Contractor or subcontractor does not maintain in the ordinary course of business or pursuant to a provision of law.

(e) *Reports.* If the Contractor is required to furnish cost, funding, or performance reports, the Contracting Officer or an authorized representative of the Contracting Officer shall have the right to examine and audit the supporting records and materials, for the purpose of

evaluating-

(1) The effectiveness of the Contractor's policies and procedures to produce data compatible with the objectives of these reports; and

(2) The data reported.

(f) *Availability*. The Contractor shall make available at its office at all reasonable times the records, materials, and other evidence described in paragraphs (a), (b), (c), (d), and (e) of this clause, for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified for contractor record retention in Part 4 of the Federal Acquisition Regulation (FAR), or for any longer period required by statute or by other clauses of this contract. In addition—

(1) If this contract is completely or partially terminated, the Contractor shall make available the records relating to the work terminated until 3 years after any resulting final termination settlement; and

(2) The Contractor shall make available records relating to appeals under the Disputes clause or to litigation or the settlement of claims arising under or relating to this contract until such appeals, litigation, or claims are finally resolved.

(g)

(1) The Contractor shall insert a clause containing all the terms of this clause, including this paragraph (g), in all subcontracts under this contract that exceed the simplified acquisition threshold, as defined in FAR 2.101 on the date of subcontract award, and—

(i) That are cost-reimbursement, incentive, time-and-materials, labor-hour, or price-redeterminable type or any combination of these;

(ii) For which certified cost or pricing data are required; or

(iii) That require the subcontractor to furnish reports as discussed in paragraph (e) of this clause.

(2) The clause may be altered only as necessary to identify properly the contracting parties and the Contracting Officer under the Government prime contract.

(End of clause)

Alternate I [Reserved]

Alternate II (Aug 2016). As prescribed in 15.110(b)(3), add the following paragraph (h) to the clause:

(h) The provisions of the OMB Uniform Guidance at 2 CFR part 200, subpart F apply to this contract.

Alternate III (Jun 1999). As prescribed in 15.110(b)(3), delete paragraph (d) of the clause and redesignate the remaining paragraphs accordingly, and substitute the following paragraph (e) for the redesignated paragraph (e) of the clause:

(e) *Availability*. The Contractor shall make available at its office at all reasonable times the records, materials, and other evidence described in paragraphs (a), (b), (c), and (d) of this clause, for examination, audit, or reproduction, until 3 years after final payment under this contract or for any shorter period specified for contractor record retention in Part 4 of the Federal Acquisition Regulation (FAR), or for any longer period required by statute or by other clauses of this contract. In addition—

(1) If this contract is completely or partially terminated, the Contractor shall make available the records relating to the work terminated until 3 years after any resulting final termination settlement; and

(2) The Contractor shall make available records relating to appeals under the Disputes clause or to litigation or the settlement of claims arising under or relating to this contract until such appeals, litigation, or claims are finally resolved.

52.215-3 [Reserved (OCT 2025) (DEVIATION 26-08)] (effective November 3, 2025)

52.215-5 [Reserved (OCT 2025) (DEVIATION 26-08)] (effective November 3, 2025)

52.215-6 Place of Performance.

As prescribed in 15.110(f), insert the following provision:

Place of Performance (OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)

(a) The offeror or respondent, in the performance of any contract resulting from this request for proposals, ☐ intends, ☐ does not intend [*check applicable block*] to use one or more plants or facilities located at a different address from the address of the offeror or respondent as indicated in this proposal or response to request for information.

(b) If the offeror or respondent checks "intends" in paragraph (a) of this provision, it shall insert in the following spaces the required information:

Place of Performance (Street
Address, City, State, County, ZIP
Code)

Name and Address of Owner and Operator of
the Plant or Facility if Other than Offeror or
Respondent

(End of provision)

52.215-8 Order of Precedence-Uniform Contract Format.

As prescribed in 15.110(h), insert the following clause:

Order of Precedence-uniform Contract Format (OCT 2025) (DEVIATION 26-08)
(effective November 3, 2025)

Any inconsistency in this request for proposal or contract shall be resolved by giving precedence in the following order:

- (a) The Schedule (excluding the specifications).
- (b) Representations and other instructions.
- (c) Contract clauses.
- (d) Other documents, exhibits, and attachments.
- (e) The specifications.

(End of clause)

52.215-9 Changes or Additions to Make-or-Buy Program.

As prescribed in 15.110(l), insert the following clause:

Changes or Additions to Make-or-Buy Program (OCT 2025) (DEVIATION 26-08)
(effective November 3, 2025)

- (a) The Contractor shall perform in accordance with the make-or-buy program incorporated in this contract. If the Contractor proposes to change the program, the Contractor shall, reasonably in advance of the proposed change, (1) notify the Contracting Officer in writing, and (2) submit justification in sufficient detail to permit evaluation. Changes in the place of performance of any “make” items in the program are subject to this requirement.
- (b) For items deferred at the time of negotiation of this contract for later addition to the program, the Contractor shall, at the earliest possible time-

- (1) Notify the Contracting Officer of each proposed addition; and
 - (2) Provide justification in sufficient detail to permit evaluation.
- (c) Modification of the make-or-buy program to incorporate proposed changes or additions shall be effective upon the Contractor's receipt of the Contracting Officer's written approval.

(End of clause)

Alternate I-(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(i)(1) add the following paragraph (d) to the clause:

(d) If the Contractor desires to reverse the categorization of "make" or "buy" for any item or items designated in the contract as subject to this paragraph, it shall—

- (1) Support its proposal with certified cost or pricing data in accordance with FAR 15.408-2, Table 15-1, when required by FAR 15.403-3, and data other than certified cost or pricing data, to permit evaluation; and
- (2) After approval is granted, promptly negotiate with the Contracting Officer an equitable reduction in the contract price in accordance with paragraph (k) of the Incentive Price Revision-Firm Target clause or paragraph (m) of the Incentive Price Revision-Successive Targets clause of this contract.

Alternate II-(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.408 (a)(2), add the following paragraph (d) to the basic clause:

(d) If the Contractor desires to reverse the categorization of "make" or "buy" for any item or items designated in the contract as subject to this paragraph, it shall—

- (1) Support its proposal with certified cost or pricing data in accordance with FAR 15.408-2, Table 15-1, when required by FAR 15.403-3, and data other than certified cost or pricing data, to permit evaluation;
- (2) Support its proposal with cost or pricing data to permit evaluation; and
- (3) After approval is granted, promptly negotiate with the Contracting Officer an equitable reduction in the contract's total estimated cost and fee in accordance with paragraph (e) of the Incentive Fee clause of this contract.

52.215-10 Price Reduction for Defective Certified Cost or Pricing Data.

As prescribed in 15.110(j), insert the following clause:

Price Reduction for Defective Certified Cost or Pricing Data (Aug 2011)

(a) If any price, including profit or fee, negotiated in connection with this contract, or any cost reimbursable under this contract, was increased by any significant amount because—

(1) The Contractor or a subcontractor furnished certified cost or pricing data that were not complete, accurate, and current as certified in its Certificate of Current Cost or Pricing Data;

(2) A subcontractor or prospective subcontractor furnished the Contractor certified cost or pricing data that were not complete, accurate, and current as certified in the Contractor's Certificate of Current Cost or Pricing Data; or

(3) Any of these parties furnished data of any description that were not accurate, the price or cost shall be reduced accordingly and the contract shall be modified to reflect the reduction.

(b) Any reduction in the contract price under paragraph (a) of this clause due to defective data from a prospective subcontractor that was not subsequently awarded the subcontract shall be limited to the amount, plus applicable overhead and profit markup, by which (1) the actual subcontract or (2) the actual cost to the Contractor, if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the Contractor; provided, that the actual subcontract price was not itself affected by defective certified cost or pricing data.

(c)

(1) If the Contracting Officer determines under paragraph (a) of this clause that a price or cost reduction should be made, the Contractor agrees not to raise the following matters as a defense:

(i) The Contractor or subcontractor was a sole source supplier or otherwise was in a superior bargaining position and thus the price of the contract would not have been modified even if accurate, complete, and current certified cost or pricing data had been submitted.

(ii) The Contracting Officer should have known that the certified cost or pricing data in issue were defective even though the Contractor or subcontractor took no affirmative action to bring the character of the data to the attention of the Contracting Officer.

(iii) The contract was based on an agreement about the total cost of the contract and there was no agreement about the cost of each item procured under the contract.

(iv) The Contractor or subcontractor did not submit a Certificate of Current Cost or Pricing Data.

(2)

(i) Except as prohibited by subdivision (c)(2)(ii) of this clause, an offset in an amount determined appropriate by the Contracting Officer based upon the facts shall be allowed against the amount of a contract price reduction if-

(A) The Contractor certifies to the Contracting Officer that, to the best of the Contractor's knowledge and belief, the Contractor is entitled to the offset in the amount requested; and

(B) The Contractor proves that the certified cost or pricing data were available before the "as of" date specified on its Certificate of Current Cost or Pricing Data, and that the data were not submitted before such date.

(ii) An offset shall not be allowed if—

(A) The understated data were known by the Contractor to be understated before the "as of" date specified on its Certificate of Current Cost or Pricing Data; or

(B) The Government proves that the facts demonstrate that the contract price would not have increased in the amount to be offset even if the available data had been submitted before the "as of" date specified on its Certificate of Current Cost or Pricing Data.

(d) If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Contractor shall be liable to and shall pay the United States at the time such overpayment is repaid-

(1) Interest compounded daily, as required by [26 U.S.C.6622](#), on the amount of such overpayment to be computed from the date(s) of overpayment to the Contractor to the date the Government is repaid by the Contractor at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under [26 U.S.C. 6621\(a\)\(2\)](#); and

(2) A penalty equal to the amount of the overpayment, if the Contractor or subcontractor knowingly submitted certified cost or pricing data that were incomplete, inaccurate, or noncurrent.

(End of clause)

52.215-11 Price Reduction for Defective Certified Cost or Pricing Data-Modifications.

As prescribed in [15.110\(k\)](#), insert the following clause:

**Price Reduction for Defective Certified Cost or Pricing Data-Modifications
(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)**

(a) This clause shall become operative only for any modification to this contract involving a pricing adjustment expected to exceed the threshold for submission of certified cost or pricing data in Federal Acquisition Regulation (FAR) 15.403-3(a) on the date of execution of the modification, except that this clause does not apply to any modification if an exception under FAR 15.403-2 applies.

(b) If any price, including profit or fee, negotiated in connection with any modification under this clause, or any cost reimbursable under this contract, was increased by any significant amount because (1) the Contractor or a subcontractor furnished certified cost or pricing data that were not complete, accurate, and current as certified in its Certificate of Current Cost or Pricing Data, (2) a subcontractor or prospective subcontractor furnished the Contractor certified cost or pricing data that were not complete, accurate, and current as certified in the Contractor's Certificate of Current Cost or Pricing Data, or (3) any of these parties furnished data of any description that were not accurate, the price or cost shall be reduced accordingly and the contract shall be modified to reflect the reduction. This right to a price reduction is limited to that resulting from defects in data relating to modifications for which this clause becomes operative under paragraph (a) of this clause.

(c) Any reduction in the contract price under paragraph (b) of this clause due to defective data from a prospective subcontractor that was not subsequently awarded the subcontract shall be limited to the amount, plus applicable overhead and profit markup, by which (1) the actual subcontract or (2) the actual cost to the Contractor, if there was no subcontract, was less than the prospective subcontract cost estimate submitted by the Contractor; provided, that the actual subcontract price was not itself affected by defective certified cost or pricing data.

(d)

(1) If the Contracting Officer determines under paragraph (b) of this clause that a price or cost reduction should be made, the Contractor agrees not to raise the following matters as a defense:

(i) The Contractor or subcontractor was a sole source supplier or otherwise was in a superior bargaining position and thus the price of the contract would not have been modified even if accurate, complete, and current certified cost or pricing data had been submitted.

(ii) The Contracting Officer should have known that the certified cost or pricing data in issue were defective even though the Contractor or subcontractor took no affirmative action to bring the character of the data to the attention of the Contracting Officer.

(iii) The contract was based on an agreement about the total cost of the contract

and there was no agreement about the cost of each item procured under the contract.

(iv) The Contractor or subcontractor did not submit a Certificate of Current Cost or Pricing Data.

(2)

(i) Except as prohibited by paragraph (d)(2)(ii) of this clause, an offset in an amount determined appropriate by the Contracting Officer based upon the facts shall be allowed against the amount of a contract price reduction if-

(A) The Contractor certifies to the Contracting Officer that, to the best of the Contractor's knowledge and belief, the Contractor is entitled to the offset in the amount requested; and

(B) The Contractor proves that the certified cost or pricing data were available before the "as of" date specified on its Certificate of Current Cost or Pricing Data, and that the data were not submitted before such date.

(ii) An offset shall not be allowed if-

(A) The understated data were known by the Contractor to be understated before the "as of" date specified on its Certificate of Current Cost or Pricing Data; or

(B) The Government proves that the facts demonstrate that the contract price would not have increased in the amount to be offset even if the available data had been submitted before the "as of" date specified on its Certificate of Current Cost or Pricing Data.

(e) If any reduction in the contract price under this clause reduces the price of items for which payment was made prior to the date of the modification reflecting the price reduction, the Contractor shall be liable to and shall pay the United States at the time such overpayment is repaid—

(1) Interest compounded daily, as required by [26U.S.C.6622](#), on the amount of such overpayment to be computed from the date(s) of overpayment to the Contractor to the date the Government is repaid by the Contractor at the applicable underpayment rate effective for each quarter prescribed by the Secretary of the Treasury under [26 U.S.C. 6621\(a\)\(2\)](#); and

(2) A penalty equal to the amount of the overpayment, if the Contractor or subcontractor knowingly submitted certified cost or pricing data that were incomplete, inaccurate, or noncurrent.

(End of clause)

52.215-12 Subcontractor Certified Cost or Pricing Data.

As prescribed in 15.110(l)(1), insert the following clause:

**Subcontractor Certified Cost or Pricing Data
(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)**

(a) Before awarding any subcontract expected to exceed the threshold for submission of certified cost or pricing data in Federal Acquisition Regulation (FAR) 15.403-3(a), on the date of agreement on price or the date of award, whichever is later; or before pricing any subcontract modification involving a pricing adjustment expected to exceed the threshold for submission of certified cost or pricing data in FAR 15.403-3(a), the Contractor shall require the subcontractor to submit certified cost or pricing data (actually or by specific identification in writing), in accordance with FAR 15.408-2, Table 15-1 (to include any information reasonably required to explain the subcontractor's estimating process such as the judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting from known data, and the nature and amount of any contingencies included in the price), unless an exception under FAR 15.403-2 applies. If the threshold for submission of certified cost or pricing data specified in FAR 15.403-3(a) is adjusted for inflation as set forth in FAR part 1, then the changed threshold applies throughout the remaining term of the contract, unless there is a subsequent threshold adjustment.

(b) The Contractor shall require the subcontractor to certify in substantially the form prescribed in FAR 15.403-4 that, to the best of its knowledge and belief, the data submitted under paragraph (a) of this clause were accurate, complete, and current as of the date of agreement on the negotiated price of the subcontract or subcontract modification.

(c) In each subcontract that, when entered into, exceeds the threshold for submission of certified cost or pricing data in FAR 15.403-3(a), the Contractor shall insert either—

(1) The substance of this clause, including this paragraph (c), if paragraph (a) of this clause requires submission of certified cost or pricing data for the subcontract; or

(2) The substance of the clause at FAR 52.215-13, *Subcontractor Certified Cost or Pricing Data—Modifications*.

(End of clause)

Alternate I-(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(l)(2), substitute the following paragraph (a) in place of paragraph (a) of the clause:

(a) Unless an exception under FAR 15.403-2 applies, the Contractor shall require the subcontractor to submit certified cost or pricing data (actually or by specific identification in writing), in accordance with FAR 15.408-2, Table 15-1 (to include any information reasonably

required to explain the subcontractor's estimating process such as the judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting from known data, and the nature and amount of any contingencies included in the price) before awarding any subcontract expected to exceed \$2 million under any prime contract awarded before July 1, 2018.

52.215-13 Subcontractor Certified Cost or Pricing Data-Modifications.

As prescribed in 15.110(m)(1), insert the following clause:

**Subcontractor Certified Cost or Pricing Data-Modifications
(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)**

(a) The requirements of paragraphs (b) and (c) of this clause shall—

(1) Become operative only for any modification to this contract involving a pricing adjustment expected to exceed the threshold for submission of certified cost or pricing data in Federal Acquisition Regulation (FAR) 15.403-3(a) on the date of execution of the modification; and

(2) Be limited to such modifications.

(b) Before awarding any subcontract expected to exceed the threshold for submission of certified cost or pricing data in FAR 15.403-3(a), on the date of agreement on price or the date of award, whichever is later; or before pricing any subcontract modification involving a pricing adjustment expected to exceed the threshold for submission of certified cost or pricing data in FAR 15.403-3(a), the Contractor shall require the subcontractor to submit certified cost or pricing data (actually or by specific identification in writing), in accordance with FAR 15.408-2, Table 15-1 (to include any information reasonably required to explain the subcontractor's estimating process such as the judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting from known data, and the nature and amount of any contingencies included in the price), unless an exception under FAR 15.403-2 applies. If the threshold for submission of certified cost or pricing data specified in FAR 15.403-3(a) is adjusted for inflation as set forth in FAR part 1, then the changed threshold applies throughout the remaining term of the contract, unless there is a subsequent threshold adjustment.

(c) The Contractor shall require the subcontractor to certify in substantially the form prescribed in FAR 15.403-4 that, to the best of its knowledge and belief, the data submitted under paragraph (b) of this clause were accurate, complete, and current as of the date of agreement on the negotiated price of the subcontract or subcontract modification.

(d) The Contractor shall insert the substance of this clause, including this paragraph (d), in each subcontract that exceeds the threshold for submission of certified cost or pricing data in FAR 15.403-3(a) on the date of agreement on price or the date of award, whichever is later.

(End of clause)

Alternate I-(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(m)(2), substitute the following paragraphs (a), (b), and (d) for paragraphs (a), (b), and (d) of the clause:

(a) The requirements of paragraphs (b) and (c) of this clause shall—

(1) Become operative only for any modification to this contract involving aggregate increases and/or decreases in costs, plus applicable profits, expected to exceed the threshold for submission of certified cost or pricing data at FAR 15.403-3(a); and

(2) Be limited to such modifications.

(b) Unless an exception under FAR 15.403-2 applies, the Contractor shall require the subcontractor to submit certified cost or pricing data (actually or by specific identification in writing), in accordance with FAR 15.408-2, Table 15-1 (to include any information reasonably required to explain the subcontractor's estimating process such as the judgmental factors applied and the mathematical or other methods used in the estimate, including those used in projecting from known data, and the nature and amount of any contingencies included in the price) before modifying a subcontract under a prime contract awarded before July 1, 2018 if the modification involves a pricing adjustment expected to exceed \$2.5 million.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in each subcontract that exceeds \$2.5 million.

52.215-14 Integrity of Unit Prices.

As prescribed in 15.110(n)(1), insert the following clause:

Integrity of Unit Prices (Nov 2021)

(a) Any proposal submitted for the negotiation of prices for items of supplies shall distribute costs within contracts on a basis that ensures that unit prices are in proportion to the items' base cost (*e.g.*, manufacturing or acquisition costs). Any method of distributing costs to line items that distorts unit prices shall not be used. For example, distributing costs equally among line items is not acceptable except when there is little or no variation in base cost. Nothing in this paragraph requires submission of certified cost or pricing data not otherwise required by law or regulation.

(b) When requested by the Contracting Officer, the Offeror/Contractor shall also identify those supplies that it will not manufacture or to which it will not contribute significant value.

(c) The Contractor shall insert the substance of this clause, less paragraph (b) of this clause, in all subcontracts for other than: acquisitions at or below the simplified acquisition threshold, as defined in Federal Acquisition Regulation (FAR) 2.101 on the date of subcontract award; construction or architect-engineer services under FAR part 36; utility services under FAR part 41; services where supplies are not required; commercial products and commercial services; and petroleum products.

(End of clause)

Alternate I (Oct 1997). As prescribed in 15.110(n)(1), substitute the following paragraph (b) for paragraph (b) of the basic clause:

(b) The Offeror/Contractor shall also identify those supplies that it will not manufacture or to which it will not contribute significant value.

52.215-15 Pension Adjustments and Asset Reversions.

As prescribed in 15.110(o), insert the following clause:

Pension Adjustments and Asset Reversions (OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)

(a) The Contractor shall promptly notify the Contracting Officer in writing when it determines that it will terminate a defined-benefit pension plan or otherwise recapture such pension fund assets.

(b) For segment closings, pension plan terminations, or curtailment of benefits, the amount of the adjustment shall be-

(1) For contracts and subcontracts that are subject to full coverage under the Cost Accounting Standards (CAS) Board rules and regulations (48 CFR Chapter 99), the amount measured, assigned, and allocated in accordance with 48 CFR 9904.413-50(c)(12) ; and

(2) For contracts and subcontracts that are not subject to full coverage under the CAS, the amount measured, assigned, and allocated in accordance with 48 CFR 9904.413-50(c)(12) , except the numerator of the fraction at 48 CFR 9904.413-50(c)(12) (vi) shall be the sum of the pension plan costs allocated to all non-CAS covered contracts and subcontracts that are subject to Federal Acquisition Regulation (FAR) subpart 31.2 or for which certified cost or pricing data were submitted.

(c) For all other situations where assets revert to the Contractor, or such assets are constructively received by it for any reason, the Contractor shall, at the Government's option, make a refund or give a credit to the Government for its equitable share of the gross amount withdrawn. The Government's equitable share shall reflect the Government's participation in pension costs through those contracts for which certified cost or pricing data were submitted or that are subject to FAR subpart 31.2.

(d) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.110(o).

(End of clause)

52.215-16 Facilities Capital Cost of Money.

As prescribed in 15.110(p), insert the following provision:

Facilities Capital Cost of Money (June 2003)

(a) Facilities capital cost of money will be an allowable cost under the contemplated contract, if the criteria for allowability in FAR 31.205-10(b) are met. One of the allowability criteria requires the prospective Contractor to propose facilities capital cost of money in its offer.

(b) If the prospective Contractor does not propose this cost, the resulting contract will include the clause Waiver of Facilities Capital Cost of Money.

(End of provision)

52.215-17 Waiver of Facilities Capital Cost of Money.

As prescribed in 15.110(q), insert the following clause:

Waiver of Facilities Capital Cost of Money (Oct 1997)

The Contractor did not include facilities capital cost of money as a proposed cost of this contract. Therefore, it is an unallowable cost under this contract.

(End of clause)

52.215-18 Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions.

As prescribed in 15.110(r), insert the following clause:

Reversion or Adjustment of Plans for Postretirement Benefits (PRB) Other Than Pensions (OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)

(a) The Contractor shall promptly notify the Contracting Officer in writing when the Contractor determines that it will terminate or reduce the benefits of a PRB plan.

(b) If PRB fund assets revert or inure to the Contractor, or are constructively received by it under a plan termination or otherwise, the Contractor shall make a refund or give a credit to the Government for its equitable share as required by 31.205-6(o)(5) of the Federal Acquisition Regulation (FAR). When determining or agreeing on the method for recovery of the Government's equitable share, the contracting parties should consider the following methods: cost reduction, amortizing the credit over a number of years (with appropriate interest), cash refund, or some other agreed upon method. Should the parties be unable to agree on the method for recovery of the Government's equitable share, through good faith negotiations, the Contracting Officer shall designate the method of recovery.

(c) The Contractor shall insert the substance of this clause in all subcontracts that meet the applicability requirements of FAR 15.110(r)

(End of clause)

52.215-19 Notification of Ownership Changes.

As prescribed in 15.110(s), insert the following clause:

Notification of Ownership Changes (OCT 2025) (DEVIATION 26-08)
(effective November 3, 2025)

(a) The Contractor shall make the following notifications in writing:

(1) When the Contractor becomes aware that a change in its ownership has occurred, or is certain to occur, that could result in changes in the valuation of its capitalized assets in the accounting records, the Contractor shall notify the Administrative Contracting Officer (ACO) within 30 days.

(2) The Contractor shall also notify the ACO within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership.

(b) The Contractor shall-

(1) Maintain current, accurate, and complete inventory records of assets and their costs;

(2) Provide the ACO or designated representative ready access to the records upon request;

(3) Ensure that all individual and grouped assets, their capitalized values, accumulated depreciation or amortization, and remaining useful lives are identified accurately before and after each of the Contractor's ownership changes; and

(4) Retain and continue to maintain depreciation and amortization schedules based on the asset records maintained before each Contractor ownership change.

(c) The Contractor shall include the substance of this clause in all subcontracts under this contract that meet the applicability requirement of FAR 15.110(s).

(End of clause)

52.215-20 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data.

As prescribed in 15.110(t), insert the following provision:

Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data (OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)

(a) Exceptions from certified cost or pricing data.

(1) In lieu of submitting certified cost or pricing data, offerors may submit a written request for exception by submitting the information described in the following paragraphs. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable.

(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) *Commercial product and commercial service exception.* For a commercial product and commercial service exception, the offeror shall submit, at a minimum, information on prices at which the same item or similar items have previously been sold in the commercial market that is adequate for evaluating the reasonableness of the price for this acquisition. Such information may include-

(A) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), *e.g.*, wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities;

(B) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market;

(C) For items included on an active Federal Supply Schedule contract, proof that an exception has been granted for the schedule item.

(2) The offeror grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this provision, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the offeror's determination of the prices to be offered in the catalog or marketplace.

(b) *Requirements for certified cost or pricing data.* If the offeror is not granted an exception from the requirement to submit certified cost or pricing data, the following applies:

(1) The offeror shall prepare and submit certified cost or pricing data, data other than certified cost or pricing data, and supporting attachments in accordance with the instructions contained in Table 15-1 of FAR 15.408-2, which is incorporated by reference with the same force and effect as though it were inserted here in full text. The instructions in Table 15-1 are incorporated as a mandatory format to be used in this contract, unless the Contracting Officer and the Contractor agree to a different format and change this clause to use Alternate I.

(2) As soon as practicable after agreement on price, but before contract award (except for unpriced actions such as letter contracts), the offeror shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.403-4.

(End of Provision)

Alternate I-(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(t)(1), substitute the following paragraph (b)(1) for paragraph (b)(1) of the provision:

(b)(1) The offeror shall submit certified cost or pricing data, data other than certified cost or pricing data, and supporting attachments in the following format: *[Insert description of the data and format that are required, and include access to records necessary to permit an adequate evaluation of the proposed price in accordance with 15.408-2, Table 15-1, Note 2. The description may be inserted at the time of issuing the request for proposals, or the Contracting Officer may specify that the offeror's format will be acceptable, or the description may be inserted as the result of negotiations.]*

Alternate II (Oct 1997). As prescribed in 15.110(t)(2), add the following paragraph (c) to the basic provision:

(c) When the proposal is submitted, also submit one copy each to: (1) the Administrative Contracting Officer, and (2) the Contract Auditor.

Alternate III (Oct 1997). As prescribed in 15.110(t)(3), add the following paragraph (c) to the basic provision (if Alternate II is also used, redesignate the following paragraph as paragraph (d)).

(c) Submit the cost portion of the proposal via the following electronic media: _____ *[Insert media format, e.g., electronic spreadsheet format, electronic mail, etc.]*

Alternate IV-(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(t)(4), replace the text of the basic provision with the following:

(a) Submission of certified cost or pricing data is not required.

(b) Provide data described below: _____ *[Insert description of the data and the format that are required, including the access to records necessary to permit an adequate evaluation of the proposed price in accordance with 15.4.]*

52.215-21 Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data-Modifications.

As prescribed in 15.110(u), insert the following clause:

Requirements for Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data-Modifications (OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)

(a) Exceptions from certified cost or pricing data.

(1) In lieu of submitting certified cost or pricing data for modifications under this contract, for price adjustments expected to exceed the threshold set forth in Federal Acquisition Regulation (FAR) 15.403-3(a) on the date of the agreement on price or the date of the award, whichever is later, the Contractor may submit a written request for exception by submitting the information described in paragraphs (a)(1)(i) and (ii) of this clause. If the threshold for submission of certified cost or pricing data specified in FAR 15.403-3(a) is adjusted for inflation as set forth in FAR part 1, the changed threshold applies throughout the remaining term of the contract, unless there is a subsequent threshold adjustment. The Contracting Officer may require additional supporting information, but only to the extent necessary to determine whether an exception should be granted, and whether the price is fair and reasonable—

(i) *Identification of the law or regulation establishing the price offered.* If the price is controlled under law by periodic rulings, reviews, or similar actions of a governmental body, attach a copy of the controlling document, unless it was previously submitted to the contracting office.

(ii) *Information on modifications of contracts or subcontracts for commercial products or commercial services.*

(A) If—

(1) The original contract or subcontract was granted an exception from certified cost or pricing data requirements because the price agreed upon was based on adequate price competition or prices set by law or regulation, or was a contract or subcontract for the acquisition of a commercial product or commercial service; and

(2) The modification (to the contract or subcontract) is not exempted based on one of these exceptions, then the Contractor may provide information to establish that the modification would not change the contract or subcontract from a contract or

subcontract for the acquisition of a commercial product or commercial service, to a contract or subcontract for the acquisition of other than a commercial product or commercial service.

(B) For a commercial product and commercial service exception, the Contractor shall provide, at a minimum, information on prices at which the same item or similar items have previously been sold that is adequate for evaluating the reasonableness of the price of the modification. Such information may include-

(1) For catalog items, a copy of or identification of the catalog and its date, or the appropriate pages for the offered items, or a statement that the catalog is on file in the buying office to which the proposal is being submitted. Provide a copy or describe current discount policies and price lists (published or unpublished), *e.g.*, wholesale, original equipment manufacturer, or reseller. Also explain the basis of each offered price and its relationship to the established catalog price, including how the proposed price relates to the price of recent sales in quantities similar to the proposed quantities.

(2) For market-priced items, the source and date or period of the market quotation or other basis for market price, the base amount, and applicable discounts. In addition, describe the nature of the market.

(3) For items included on an active Federal Supply Schedule contract, proof that an exception has been granted for the schedule item.

(2) The Contractor grants the Contracting Officer or an authorized representative the right to examine, at any time before award, books, records, documents, or other directly pertinent records to verify any request for an exception under this clause, and the reasonableness of price. For items priced using catalog or market prices, or law or regulation, access does not extend to cost or profit information or other data relevant solely to the Contractor's determination of the prices to be offered in the catalog or marketplace.

(b) *Requirements for certified cost or pricing data.* If the Contractor is not granted an exception from the requirement to submit certified cost or pricing data, the following applies:

(1) The Contractor shall submit certified cost or pricing data, data other than certified cost or pricing data, and supporting attachments in accordance with the instructions contained in Table 15-1 of FAR 15.408-2, which is incorporated by reference with the same force and effect as though it were inserted here in full text. The instructions in Table 15-1 are incorporated as a mandatory format to be used in this contract, unless the

Contracting Officer and the Contractor agree to a different format and change this clause to use Alternate I.

(2) As soon as practicable after agreement on price, but before award (except for unpriced actions), the Contractor shall submit a Certificate of Current Cost or Pricing Data, as prescribed by FAR 15.403-4.

(End of clause)

Alternate I-(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(u)(1), substitute the following paragraph (b)(1) for paragraph (b)(1) of the basic clause.

(b)(1) The Contractor shall submit certified cost or pricing data, data other than certified cost or pricing data, and supporting attachments prepared in the following format: _____ *[Insert description of the data and format that are required and include access to records necessary to permit an adequate evaluation of the proposed price in accordance with 15.408-2, Table 15-1, Note 2. The description may be inserted at the time of issuing the request for proposals, or the Contracting Officer may specify that the offeror's format will be acceptable, or the description may be inserted as the result of negotiations.]*:

Alternate II (Oct 1997). As prescribed in 15.110(u)(2), add the following paragraph (c) to the basic clause:

(c) When the proposal is submitted, also submit one copy each to: (1) the Administrative Contracting Officer, and (2) the Contract Auditor.

Alternate III (Oct 1997). As prescribed in 15.110(u)(3), add the following paragraph (c) to the basic clause (if Alternate II is also used, redesignate the following paragraph as paragraph (d)):

(c) Submit the cost portion of the proposal via the following electronic media: _____ *[Insert media format]*

Alternate IV-(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025). As prescribed in 15.110(u)(4), replace the text of the basic clause with the following:

(a) Submission of certified cost or pricing data is not required.

(b) Provide data described below: _____ *[Insert description of the data and the format that are required, including the access to records necessary to permit an adequate evaluation of the proposed price in accordance with 15.4.]*

52.215-22 Limitations on Pass-Through Charges-Identification of Subcontract Effort.

As prescribed in 15.110(v)(1), use the following provision:

Limitations On Pass-Through Charges-Identification Of Subcontract Effort

(OCT 2025) (DEVIATION 26-08) (effective November 3, 2025)

(a) *Definitions.* Added value, excessive pass-through charge, subcontract, and subcontractor, as used in this provision, are defined in the clause of this request for proposals entitled "Limitations on Pass-Through Charges" (FAR 52.215-23).

(b) *General.* The offeror's proposal shall exclude excessive pass-through charges.

(c) Performance of work by the Contractor or a subcontractor.

(1) The offeror shall identify in its proposal the total cost of the work to be performed by the offeror, and the total cost of the work to be performed by each subcontractor, under the contract, task order, or delivery order.

(2) If the offeror intends to subcontract more than 70 percent of the total cost of work to be performed under the contract, task order, or delivery order, the offeror shall identify in its proposal-

(i) The amount of the offeror's indirect costs and profit/fee applicable to the work to be performed by the subcontractor(s); and

(ii) A description of the added value provided by the offeror as related to the work to be performed by the subcontractor(s).

(3) If any subcontractor proposed under the contract, task order, or delivery order intends to subcontract to a lower-tier subcontractor more than 70 percent of the total cost of work to be performed under its subcontract, the offeror shall identify in its proposal-

(i) The amount of the subcontractor's indirect costs and profit/fee applicable to the work to be performed by the lower-tier subcontractor(s); and

(ii) A description of the added value provided by the subcontractor as related to the work to be performed by the lower-tier subcontractor(s).

(End of provision)

52.215-23 Limitations on Pass-Through Charges.

As prescribed in 15.110(v)(2), use the following clause:

**Limitations on Pass-Through Charges (OCT 2025) (DEVIATION 26-08)
(effective November 3, 2025)**

(a) *Definitions.* As used in this clause-

Added value means that the Contractor performs subcontract management functions that the Contracting Officer determines are a benefit to the Government (*e.g.*, processing orders of parts

or services, maintaining inventory, reducing delivery lead times, managing multiple sources for contract requirements, coordinating deliveries, performing quality assurance functions).

Excessive pass-through charge, with respect to a Contractor or subcontractor that adds no or negligible value to a contract or subcontract, means a charge to the Government by the Contractor or subcontractor that is for indirect costs or profit/fee on work performed by a subcontractor (other than charges for the costs of managing subcontracts and any applicable indirect costs and associated profit/fee based on such costs).

No or negligible value means the Contractor or subcontractor cannot demonstrate to the Contracting Officer that its effort added value to the contract or subcontract in accomplishing the work performed under the contract (including task or delivery orders).

Subcontract means any contract, as defined in Federal Acquisition Regulation (FAR)2.101, entered into by a subcontractor to furnish supplies or services for performance of the contract or a subcontract. It includes but is not limited to purchase orders, and changes and modifications to purchase orders.

Subcontractor, as defined in FAR part 44, means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime Contractor or another subcontractor.

(b) *General*. The Government will not pay excessive pass-through charges. The Contracting Officer shall determine if excessive pass-through charges exist.

(c) *Reporting*. Required reporting of performance of work by the Contractor or a subcontractor. The Contractor shall notify the Contracting Officer in writing if-

(1) The Contractor changes the amount of subcontract effort after award such that it exceeds 70 percent of the total cost of work to be performed under the contract, task order, or delivery order. The notification shall identify the revised cost of the subcontract effort and shall include verification that the Contractor will provide added value; or

(2) Any subcontractor changes the amount of lower-tier subcontractor effort after award such that it exceeds 70 percent of the total cost of the work to be performed under its subcontract. The notification shall identify the revised cost of the subcontract effort and shall include verification that the subcontractor will provide added value as related to the work to be performed by the lower-tier subcontractor(s).

(d) *Recovery of excessive pass-through charges*. If the Contracting Officer determines that excessive pass-through charges exist;

(1) For other than fixed-price contracts, the excessive pass-through charges are unallowable in accordance with the provisions in FAR 31; and

(2) For applicable DoD fixed-price contracts, as identified in 15.110(v)(2)(i)(B), the Government shall be entitled to a price reduction for the amount of excessive pass-

through charges included in the contract price.

(e) *Access to records.*

(1) The Contracting Officer, or authorized representative, shall have the right to examine and audit all the Contractor's records (as defined at FAR 52.215-2(a)) necessary to determine whether the Contractor proposed, billed, or claimed excessive pass-through charges.

(2) For those subcontracts to which paragraph (f) of this clause applies, the Contracting Officer, or authorized representative, shall have the right to examine and audit all the subcontractor's records (as defined at FAR 52.215-2(a)) necessary to determine whether the subcontractor proposed, billed, or claimed excessive pass-through charges.

(f) *Subcontracts.* The Contractor shall insert the substance of this clause, including this paragraph (f), in all cost-reimbursement subcontracts under this contract that exceed the simplified acquisition threshold, as defined in FAR 2.101 on the date of subcontract award, except if the contract is with DoD, then insert in all cost-reimbursement subcontracts and fixed-price subcontracts, except those identified in FAR 15.110(v)(2)(i)(B)(2), that exceed the threshold for obtaining cost or pricing data in FAR 15.403-3(a) on the date of subcontract award.

(End of clause)

Alternate I (Oct 2009). As prescribed in **15.110(v)(2)(iii)**, substitute the following paragraph (b) for paragraph (b) of the clause:

(b) *General.* The Government will not pay excessive pass-through charges. The Contracting Officer has determined that there will be no excessive pass-through charges, provided the Contractor performs the disclosed value-added functions.