

15.403-4 Requiring certified cost or pricing data (10 U.S.C. chapter 271 and 41 U.S.C. chapter 35).

(a)

(1) The *contracting officer* shall obtain *certified cost or pricing data* only if the *contracting officer* concludes that none of the exceptions in [15.403-1\(b\)](#) applies. However, if the *contracting officer* has reason to believe exceptional circumstances exist and has sufficient data available to determine a fair and reasonable *price*, then the *contracting officer* should consider requesting a waiver under the exception at [15.403-1\(b\)\(4\)](#). The threshold for obtaining *certified cost or pricing data* is \$750,000 for prime contracts awarded before July 1, 2018, and \$2 million for prime contracts awarded on or after July 1, 2018. When a clause refers to this threshold, and if the threshold is adjusted for inflation pursuant to [1.109\(a\)](#), then pursuant to [1.109\(d\)](#) the changed threshold applies throughout the remaining term of the contract, unless there is a subsequent threshold adjustment. Unless an exception applies, *certified cost or pricing data* are required before accomplishing any of the following actions expected to exceed the current threshold or, in the case of existing contracts, the threshold specified in the contract:

(i) The award of any negotiated contract (except for undefinitized actions such as letter contracts).

(ii) The award of a *subcontract* at any tier, if the contractor and each higher-tier subcontractor were required to furnish *certified cost or pricing data* (but see waivers at [15.403-1\(c\)\(4\)](#)).

(iii) The modification of any sealed bid or negotiated contract (whether or not *certified cost or pricing data* were initially required) or any *subcontract* covered by paragraph (a)(1)(ii) of this subsection. *Price* adjustment amounts *must* consider both increases and decreases (e.g., a \$500,000 modification resulting from a reduction of \$1,500,000 and an increase of \$1,000,000 is a \$2,500,000 *pricing* adjustment exceeding the \$2,000,000 threshold). This requirement does not apply when unrelated and separately priced changes for which *certified cost or pricing data* would not otherwise be required are included for administrative convenience in the same modification. Negotiated final *pricing* actions (such as termination settlements and total final *price* agreements for fixed-*price* incentive and redeterminable contracts) are *contract modifications* requiring *certified cost or pricing data* if-

(A) The total final *price* agreement for such settlements or agreements exceeds the pertinent threshold set forth at paragraph (a)(1) of this subsection; or

(B) The *partial termination* settlement plus the estimate to complete the *continued portion of the contract* exceeds the pertinent threshold set forth at paragraph (a)(1) of this subsection (see [49.105\(c\)\(15\)](#)).

(2) Unless prohibited because an exception at [15.403-1\(b\)](#) applies, the *head of the contracting activity*, without power of delegation, may authorize the *contracting officer* to obtain *certified cost or pricing data* for *pricing* actions below the pertinent threshold in paragraph (a)(1) of this subsection, provided the action exceeds the *simplified acquisition threshold*. The *head of the contracting activity* shall justify the requirement for *certified cost or pricing data*. The documentation shall include a

written finding that *certified cost or pricing data* are necessary to determine whether the *price* is fair and reasonable and the facts supporting that finding.

(3) Upon the request of a contractor that was required to submit *certified cost or pricing data* in connection with a prime contract entered into before July 1, 2018, the *contracting officer shall* modify the contract, without requiring consideration, to reflect a \$2 million threshold for obtaining *certified cost or pricing data* on *subcontracts* entered on and after July 1, 2018. See [15.408](#).

(b) When *certified cost or pricing data* are required, the *contracting officer shall* require the contractor or prospective contractor to submit to the *contracting officer* (and to have any subcontractor or prospective subcontractor submit to the prime contractor or appropriate subcontractor tier) the following in support of any proposal:

(1) The *certified cost or pricing data* and *data other than certified cost or pricing data* required by the *contracting officer* to determine that the *price* is fair and reasonable.

(2) A Certificate of Current *Cost or Pricing Data*, in the format specified in [15.406-2](#), certifying that to the best of its knowledge and belief, the *cost or pricing data* were accurate, complete, and current as of the date of agreement on *price* or, if applicable, an earlier date agreed upon between the parties that is as close as practicable to the date of agreement on *price*.

(c) If *certified cost or pricing data* are requested and submitted by an *offeror*, but an exception is later found to apply, the data *must* not be considered *certified cost or pricing data* as defined in [2.101](#) and *must* not be certified in accordance with [15.406-2](#)

(d) The requirements of this subsection also apply to contracts entered into by an agency on behalf of a foreign government.

Parent topic: [15.403 Obtaining certified cost or pricing data](#).