52.215-2 Audit and Records-Negotiation.

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

Audit and Records-Negotiation (Jun 2020)

(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 in subpart 4.7, Contractor Records Retention, 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) 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—

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

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

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

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 (Mar 2009). As prescribed in 15.209 (b)(2), substitute the following paragraphs (d)(1) and (g) for paragraphs (d)(1) and (g) of the basic clause:

(d) *Comptroller General or Inspector General*. (1) The Comptroller General of the *United States*, an appropriate Inspector General appointed under section 3 or 8G of the Inspector General Act of 1978 (5 U.S.C. App.), or an authorized representative of either of the foregoing officials, *shall* have access to and the right to-

(i) Examine any of the Contractor’s or any subcontractor’s records that pertain to and involve transactions relating to this contract or a subcontract hereunder; and

(ii) Interview any officer or employee regarding such transactions.

(g)(1) Except as provided in paragraph (g)(2) of this clause, the Contractor *shall* insert a clause containing all the terms of this clause, including this paragraph (g), in all subcontracts under this contract. The clause *may* be altered only as necessary to identify properly the *contracting* parties and the *Contracting Officer* under the Government prime contract.

(2) The authority of the Inspector General under paragraph (d)(1)(ii) of this clause does not flow

down to subcontracts.

Alternate II (Aug 2016). As prescribed in 15.209 (b)(3), add the following paragraph (h) to the basic clause:

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

Alternate III (June1999). As prescribed in 15.209 (b)(4), delete paragraph (d) of the basic clause and redesignate the remaining paragraphs accordingly, and substitute the following paragraph (e) for the redesignated paragraph (e) of the basic 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 in subpart 4.7, Contractor Records Retention, 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.

Parent topic: 52.215 [Reserved]