204.7601 Definitions.

As used in this subpart—

“Item risk” means the probability that a product, based on intended use, will introduce performance risk resulting in safety issues, mission degradation, or monetary loss.

“Price risk” means the measure of whether a proposed price for a product or service is consistent with historical prices paid for that item or service.

“Supplier risk” means the probability that an award may subject the procurement to the risk of unsuccessful performance or to supply chain risk (see 239.7301).

Parent topic: Subpart 204.76 - SUPPLIER PERFORMANCE RISK SYSTEM