# PGI 244.3 - CONTRACTORS' PURCHASING SYSTEMS REVIEWS

**Parent topic:** PGI Part 244 - SUBCONTRACTING POLICIES AND PROCEDURES

## PGI 244.305 RESERVED

### PGI 244.305-70 Policy.

(c) *Disposition of findings*.

(2) *Initial determination*.

(ii)(A) Within 30 days of receiving the report, if the contracting officer makes a determination that there is a material weakness, the contracting officer should provide an initial determination of material weaknesses and a copy of the report to the contractor and require the contractor to submit a written response.

(C) *Evaluation of contractor's response*. Within 30 days of receiving the contractor's response, the contracting officer, in consultation with the auditor or cognizant functional specialist, should evaluate the contractor's response and make a final determination.

(3) *Final determination*.

(ii)(A) *Monitoring contractors' corrective action*. The contracting officer and Purchasing System Analyst (PSA) or auditor shall monitor the contractor's progress in correcting material weaknesses and deficiencies. If the contractor fails to make adequate progress, the contracting officer shall take whatever action is necessary to ensure that the contractor corrects the weaknesses and deficiencies. Actions the contracting officer may take include: withdrawing or withholding approval of the system; bringing the issue to the attention of higher level management; http://www.acq.osd.mil/dpap/dars/dfars/html/current/252242.htm#252.242-7005 recommending non-award of potential contracts, as applicable; and for material weaknesses, implementing or increasing the withholding in accordance with 252.242-7005, Contractor Business Systems.

(B) *Correction of* material weaknesses.

(*1*) When the contractor notifies the contracting officer that the contractor has corrected the material weaknesses, the contracting officer shall request the PSA or auditor to review the correction to determine if the weaknesses and deficiencies have been resolved.

(*2*) The contracting officer shall determine if the contractor has corrected the weaknesses and deficiencies.

(*3*) If the contracting officer determines the contractor has corrected the deficiencies, the contracting officer's notification shall be sent to the PSA; auditor; payment office; appropriate action officers responsible for reporting past performance at the requiring activities; and each contracting and contract administration office having substantial business with the contractor as applicable.