

Additional Guidance for Procuring Contracting Officers (PCOs) and Buying Commands on the Changes in DCMA's Field Pricing Assistance

FAR 15.4 instructs PCOs on the requirements to obtain certified cost or pricing data or other than certified cost or pricing data in order to establish a fair and reasonable price. Defense Pricing and Contracting (DPC) issued Class Deviation 2018-O0015 on May 31, 2018 to increase the threshold for obtaining certified cost or pricing data to \$2 million.

DFARS/PGI 215.404-2 provides instructions to contracting officers on when to request field pricing assistance. Contracting officers should adjust their criteria when making requests to comply with the changes to the certified cost or pricing data threshold.

DCMA Director VADM Lewis issued guidance in a memo dated April 28, 2020 regarding DCMA's re-alignment of cost and pricing resources to work that is most important to support lethality and readiness as required by the National Defense Strategy (NDS). This will impact the field pricing assistance that DCMA provides to PCOs and Buying Commands. DCMA will no longer accept requests for review of proposals with a total price of less than \$2 million. DCMA will consider making an exception IAW DFARS/PGI 215.404-2(a)(ii) based on the risk factors to each acquisition.

What to expect

If a Buying Command requests field pricing assistance for a proposal with a total value of less than \$2 million, DCMA will contact the requestor to inform them of the new threshold, provide a written declination memorandum, and decline the request. If a requestor wishes to appeal the denial, information will be provided in the declination memorandum on how to appeal. DCMA will consider other risk factors in the appeal process and may decide to accept a review for less than \$2 million based on risk.

This \$2 million threshold will also apply to requests for technical evaluation of proposals. If a Buying Command requests assistance for a review of the technical aspects of the proposal (e.g., labor hours, material costs, ODCs), DCMA will not accept the request if the total proposed price is less than \$2 million.

(Note: The \$2 million threshold applies to the total proposed price, not the amount that is being requested for review. This threshold is applicable to both prime contract and subcontract proposals.)

Alternatives to DCMA Field Pricing Assistance

PCOs and Buying Commands frequently come to DCMA for cost analysis assistance with indirect rates. DCMA will continue to provide insight into indirect rates by issuing what DCMA has termed a "Rate Check". A requestor can send an email through the regular process and ask that the DCMA office provide available rate information on file. The DCMA pricing team will provide a memo with the available information, but will not perform an analysis of the rates. The available information may be from a DACO/ACO issued FPRR/FPRA, rates from recent DCAA audits, or recommended rates from indirect rate analysis performed on other proposals.

Contracting Officers can also use analysis techniques other than cost analysis. The Contract Pricing Reference Guides (CPRG) provide information on these other techniques, and can be found at the following link: <https://www.dau.edu/tools/p/cprg>.