

This is what the statute requires. Let's now review the more significant questions of implementation of Public Law 87-653 and attempt to summarize how ASPR accommodates them for us.

First, what is cost or pricing data and what is meant by the term "Accurate, complete and current"? To begin with, ASPR tells us that cost or pricing data is factual ... the kinds of information that can be verified for accuracy. While this includes the information upon which pricing judgments are based, the ASPR makes clear that it does not include the judgments themselves. This distinction between a judgment and a fact helps to clarify what is meant by "Accuracy." But what about the words "Complete" and "Current"? In this regard, ASPR states that the contractor's submission is complete if it includes all factual information that significantly affects price negotiations. Putting this another way, it means contractor submission of all facts that could contribute to sound estimates of future costs. ASPR further tells us that "Current" means all such facts as are reasonably available to the contractor up to the time of agreement on price.

In my opinion, the difference between getting data for good pricing and data to comply with this law has created a misunderstanding which I feel requires clarification.

In the past when we said all data, we meant all the data needed for arriving at a fair and reasonable price. Today, under Public Law 87-653, when we say all data, we mean the contractor will submit and will certify to all factual data which could have a significant effect on price negotiations.

Today there isn't any difference between securing cost or pricing data from the contractor for good pricing and full technical compliance with the "Truth in Negotiations Act." Under the requirements of this Law, the contractor must actually submit or specifically identify all significant factual data. From the data thus disclosed the negotiator, auditor and price analyst evaluate the data necessary to arrive at a fair price.

I believe that our negotiators, generally, seek to secure data as required. However, our documentation of this data apparently needs some improvement. The contractor's submission should specifically identify his data, so that later there can be no question as to what data he submitted and certified. The negotiator should indicate clearly what data, if any, furnished by the contractor was not relied upon, and set forth what other data was relied upon in reaching agreement on price. This will permit a later judgment as to whether action should be initiated against the contractor under his certificate and the defective pricing clause. To do this, every procurement contracting officer must insist that the contractor: