**DFARS Case 2024-D002**

**Inflation Adjustment of Acquisition-Related Thresholds**

**Final Rule**

**PART 203—IMPROPER BUSINESS PRACTICES AND PERSONAL CONFLICTS OF INTEREST**

**\* \* \* \* \***

**SUBPART 203.10—CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT**

\* \* \* \* \*

**203.1004 Contract clauses.**

\* \* \* \* \*

(b)(2)(ii) Unless the contract is for the acquisition of a commercial product or commercial service, use the clause at 252.203-7004, Display of Hotline Posters, in lieu of the clause at FAR 52.203-14, Display of Hotline Poster(s), in solicitations and contracts, if the contract value exceeds $~~6~~**[7.5]** million. If the Department of Homeland Security (DHS) provides disaster relief funds for the contract, DHS will provide information on how to obtain and display the DHS fraud hotline poster (see FAR 3.1003).

\* \* \* \* \*

**PART 205—PUBLICIZING CONTRACT ACTIONS**

\* \* \* \* \*

**SUBPART 205.3—SYNOPSES OF CONTRACT AWARDS**

\* \* \* \* \*

**205.303 Announcement of contract awards.**

(a) *Public announcement*.

(i) The threshold for DoD awards is $~~7.5~~**[9]** million. Report all contractual actions, including modifications, that have a face value, excluding unexercised options, of more than $~~7.5~~**[9]** million.

(A) For undefinitized contractual actions, report the not-to-exceed (NTE) amount. Later, if the definitized amount exceeds the NTE amount by more than $~~7.5~~**[9]** million, report only the amount exceeding the NTE.

(B) For indefinite delivery, time and material, labor hour, and similar contracts, report the initial award if the estimated face value, excluding unexercised options, is more than $~~7.5~~**[9]** million. Do not report orders up to the estimated value, but after the estimated value is reached, report subsequent modifications and orders that have a face value of more than $~~7.5~~**[9]** million.

\* \* \* \* \*

**PART 209—CONTRACTOR QUALIFICATIONS**

\* \* \* \* \*

**SUBPART 209.4—DEBARMENT, SUSPENSION, AND INELIGIBILITY**

\* \* \* \* \*

**209.409 Contract clause.**

Use the clause at 252.209-7004, Subcontracting with Firms that are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism, in solicitations and contracts with a value of $~~150,000~~**[200,000]** or more.

\* \* \* \* \*

**PART 211—DESCRIBING AGENCY NEEDS**

\* \* \* \* \*

**SUBPART 211.5—LIQUIDATED DAMAGES**

**211.503 Contract clauses.**

(b) Use the clause at FAR 52.211-12, Liquidated Damages—Construction, in all construction contracts exceeding $~~750,000~~**[900,000]**, except cost-plus-fixed-fee contracts or contracts where the contractor cannot control the pace of the work. Use of the clause in contracts of $~~750,000~~**[900,000]** or less is optional.

\* \* \* \* \*

**PART 212—ACQUISITION OF COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES**

\* \* \* \* \*

**SUbpart 212.2—SPECIAL REQUIREMENTS FOR THE ACQUISITION OF COMMERCIAL PRODUCTS AND COMMERCIAL SERVICES**

\* \* \* \* \*

**212.271 Limitation on acquisition of right-hand drive passenger sedans.**

10 U.S.C. 2253(a)(2) limits the authority to purchase right-hand drive passenger sedans to a cost of not more than $~~45,000~~**[55,000]**per vehicle.

\* \* \* \* \*

**PART 215—CONTRACTING BY NEGOTIATION**

\* \* \* \* \*

**SUBPART 215.4—CONTRACT PRICING**

**\* \* \* \* \***

**215.403 Obtaining certified cost or pricing data**

**215.403-1 Prohibition on obtaining certified cost or pricing data (10 U.S.C. chapter 271 and 41 U.S.C. chapter 35).**

\* \* \* \* \*

(c) \* \* \*

(4) \* \* \*

(B) By November 30th of each year, departments and agencies shall provide a report to the Office of the Principal Director, Defense Pricing, Contracting, and Acquisition Policy, (Price, Cost and Finance), of all waivers granted under FAR 15.403-1(b)(4), during the previous fiscal year, for any contract, subcontract, or modification expected to have a value of $~~20~~**[25]** million or more. See PGI 215.403-1(c)(4)(B) for the format and guidance for the report.

\* \* \* \* \*

**SUBPART 215.5—PREAWARD, AWARD, AND POSTAWARD NOTIFICATIONS, PROTESTS, AND MISTAKES**

\* \* \* \* \*

**215.506 Postaward debriefing of offerors.**

(b) Notwithstanding FAR 15.506(b), when requested by a successful or unsuccessful offeror, a written or oral debriefing is required for contract awards valued at $~~10~~**[15]** million or more (section 818 of the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. 115-91)).

(c) \* \* \*

(d) In addition to the requirements of FAR 15.506(d), the minimum debriefing information shall include the following:

(i) For award of a contract in excess of $~~10~~**[15]** million and not in excess of $~~100~~**[150]** million with a small business or nontraditional defense contractor, an option for the small business or nontraditional defense contractor to request disclosure of the agency’s written source selection decision document, redacted to protect the confidential and proprietary information of other offerors for the contract award.

(ii) For award of a contract in excess of $~~100~~**[150]** million, disclosure of the agency’s written source selection decision document, redacted to protect the confidential and proprietary information of other offerors for the contract award.

\* \* \* \* \*

**215.570 Solicitation provision**.

Use the provision at [252.215-7016](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252215.htm#252.215-7016), Notification to Offerors—Postaward Debriefings, in competitive negotiated solicitations for contract awards valued at $~~10~~**[15]** million or more, including solicitations using FAR part 12 procedures for the acquisition of commercial products and commercial services.

\* \* \* \* \*

**PART 216—TYPES OF CONTRACTS**

\* \* \* \* \*

**SUBPART 216.5—INDEFINITE-DELIVERY CONTRACTS**

\* \* \* \* \*

**216.505 Ordering.**

\* \* \* \* \*

(b) *Orders under multiple-award contracts.*

\* \* \* \* \*

(6) *Postaward notices and debriefing of awardees for orders exceeding $~~6~~****[7.5]****million.* In addition to the notice required at FAR 16.505(b)(6), a written or oral postaward debriefing of successful and unsuccessful awardees is required for task orders and delivery orders valued at $~~10~~**[15]** million or more (section 818 of the National Defense Authorization Act for Fiscal Year 2018 (Pub. L. 115-91)).

(ii) Follow the procedures at [215.506](https://www.acq.osd.mil/dpap/dars/dfars/html/current/215_5.htm#215.506) and [215.506-70](https://www.acq.osd.mil/dpap/dars/dfars/html/current/215_5.htm#215.506-70) when providing the postaward debriefing to successful and unsuccessful awardees for task orders or delivery orders valued at $~~10~~**[15]** million or more.

\* \* \* \* \*

**216.506 Solicitation provisions and contract clauses.**

**216.506-70 Additional solicitation provisions and contract clause.**

\* \* \* \* \*

(b) Use the clause at [252.216-7010](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252216.htm#252.216-7010), Postaward Debriefings for Task Orders and Delivery Orders, in competitive negotiated solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products and commercial services, when a multiple-award contract is contemplated and task orders or delivery orders placed under the contract may be valued at $~~10~~**[15]** million or more.

\* \* \* \* \*

**PART 217—SPECIAL CONTRACTING METHODS**

**SUBPART 217.1—MULTIYEAR CONTRACTING**

\* \* \* \* \*

**217.170 General.**

\* \* \* \* \*

(d)(1) DoD must provide notification to the congressional defense committees at least 30 days before entering into a multiyear contract for certain procurements, including those expected to⎯

\* \* \* \* \*

(iv) Include a cancellation ceiling in excess of $~~150~~**[200]** million (see 10 U.S.C. 3531(d)(4) and 10 U.S.C. 3501(g)(1)).

\* \* \* \* \*

(5) If the budget for a contract that contains a cancellation ceiling in excess of $~~150~~**[200]** million does not include proposed funding for the costs of contract cancellation up to the cancellation ceiling established in the contract—

(i) \* \* \*

\* \* \* \* \*

**217.171 Multiyear contracts for services.**

\* \* \* \* \*

(d) The head of an agency may not initiate a multiyear contract for services if the value of the multiyear contract exceeds $~~750~~**[900]** million unless a law specifically provides authority for the contract (10 U.S.C. 3531(d)(2)).

**217.172 Multiyear contracts for supplies.**

\* \* \* \* \*

(c) Multiyear contracts in amounts exceeding $~~750~~**[900]** million must be specifically authorized by law in an act other than an appropriations act (10 U.S.C. 3501(i)(1)).

(d) The head of the agency may not initiate a multiyear procurement contract for any system (or component thereof) if the value of the multiyear contract would exceed $~~750~~**[900]** million unless authority for the contract is specifically provided in an appropriations act (10 U.S.C. 3501(l)(3)).

\* \* \* \* \*

(f)(1) The head of the agency must not enter into or extend a multiyear contract that exceeds $~~750~~**[900]** million (when entered into or extended) until the Secretary of Defense identifies the contract and any extension in a report submitted to the congressional defense committees (10 U.S.C. 3501(l)(5)).

(2) In addition, for contracts equal to or greater than $~~750~~**[900]** million, the head of the contracting activity must determine that the conditions required by paragraphs (h)(2)(i) through (vii) of this section will be met by such contract, in accordance with the Secretary’s certification and determination required by paragraph (h)(2) of this section.

\* \* \* \* \*

**PART 219—SMALL BUSINESS PROGRAMS**

\* \* \* \* \*

**SUBPART 219.5—SMALL BUSINESS TOTAL SET-ASIDES, PARTIAL SET-ASIDES, AND RESERVES**

\* \* \* \* \*

**219.502-2 Total small business set-asides.**

Unless the contracting officer determines that the criteria for set-aside cannot be met, set aside for small business concerns acquisitions for—

(1) Construction, including maintenance and repairs, under $~~3~~**[3.5]** million;

(2) Dredging under $~~1.5~~**[2]** million; and

\* \* \* \* \*

**PART 225—FOREIGN ACQUISITION**

\* \* \* \* \*

**SUBPART 225.1—BUY AMERICAN—SUPPLIES**

\* \* \* \* \*

**225.103 Exceptions.**

\* \* \* \* \*

(a) \* \* \*

(ii)(A) \* \* \*

(B) Except as provided in [PGI 225.872-4](https://www.acq.osd.mil/dpap/dars/pgi/pgi_htm/PGI225_8.htm#225.872-4), process a determination for a public interest exception after consideration of the factors in 10 U.S.C. 4861—

(*1*) At a level above the contracting officer for acquisitions valued at or below the simplified acquisition threshold;

(*2*) By the head of the contracting activity for acquisitions with a value greater than the simplified acquisition threshold but less than $~~1.5~~**[2]** million; or

(*3*) By the agency head for acquisitions valued at $~~1.5~~**[2]** million or more.

\* \* \* \* \*

(b) \* \* \*

(ii) \* \* \*

(A) \* \* \*

(B) By the chief of the contracting office for acquisitions with a value greater than the simplified acquisition threshold but less than $~~1.5~~**[2]** million; or

(C) By the head of the contracting activity or immediate deputy for acquisitions valued at $~~1.5~~**[2]** million or more.

\* \* \* \* \*

**subpart 225.7—PROHIBITED SOURCES**

\* \* \* \* \*

**225.771 Prohibition on contracting or subcontracting with a firm that is owned or controlled by the government of a country that is a state sponsor of terrorism.**

\* \* \* \* \*

**225.771-2 Prohibition.**

(a) The contracting officer shall not award a contract of $~~150,000~~**[200,000]** or more to a firm when a foreign government that is a state sponsor of terrorism owns or controls, either directly or indirectly, a significant interest in—

(i) \* \* \*

\* \* \* \* \*

**225.771-5 Solicitation provision.**

Use the provision at [252.225-7050](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7050), Disclosure of Ownership or Control by the Government of a Country that is a State Sponsor of Terrorism, in solicitations, including solicitations using FAR part 12 procedures for the acquisition of commercial products and commercial services (other than commercial satellite services), that are expected to result in contracts of $~~150,000~~**[200,000]** or more. If the solicitation includes the provision at FAR 52.204-7, do not separately list the provision [252.225-7050](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7050) in the solicitation.

\* \* \* \* \*

**SUBPART 225.70—AUTHORIZATION ACTS, APPROPRIATIONS ACTS, AND OTHER STATUTORY RESTRICTIONS ON FOREIGN ACQUISITION**

\* \* \* \* \*

**225.7002 Restrictions on food, clothing, fabrics, hand or measuring tools, and flags.**

\* \* \* \* \*

**225.7002-2 Exceptions.**

Acquisitions in the following categories are not subject to the restrictions in 225.7002-1:

(a) Acquisitions not exceeding $~~150,000~~**[200,000]**, except for athletic footwear purchased by DoD for use by members of the Army, Navy, Air Force, or Marine Corps upon their initial entry into the Armed Forces (37 U.S.C. 418(b)(4)).

\* \* \* \* \*

**225.7023 Restriction on acquisition of personal protective equipment and certain other items from non-allied foreign nations**.

\* \* \* \* \*

**225.7023-3 Exceptions**.

The restriction in section 225.7023-2 does not apply to acquisitions—

(a) Of covered items for use outside of the United States;

(b) At or below $~~150,000~~**[200,000]**; or

\* \* \* \* \*

**225.7023-4 Contract clause**.

Unless an exception applies, use the clause at 252.225-7061, Restriction on the Acquisition of Personal Protective Equipment and Certain Other Items from Non-Allied Foreign Nations, in solicitations and contracts, including solicitations and contracts using FAR part 12 procedures for the acquisition of commercial products, including COTS items, and commercial services, and that—

(a) Are for the acquisition of covered items;

(b) Are for use within the United States; and

(c) Have an estimated value greater than $~~150,000~~**[200,000]**.

\* \* \* \* \*

**SUBPART 225.72—REPORTING CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES**

**225.7201 Policy.**

10 U.S.C. 4603 requires offerors and contractors to notify DoD of any intention to perform any part of a DoD contract outside the United States and Canada that—

(a) Exceeds $~~750,000~~**[900,000]** in value; and

\* \* \* \* \*

**225.7204 Solicitation provision and contract clauses.**

Except for acquisitions described in 225.7202—

(a) Use the provision at [252.225-7003](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7003), Report of Intended Performance Outside the United States and Canada—Submission with Offer, in solicitations with a value exceeding $~~15~~**[20]** million; and

(b) Use the clause at [252.225-7004](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7004), Report of Intended Performance Outside the United States and Canada—Submission after Award, in solicitations and contracts with a value exceeding $~~15~~**[20]** million.

\* \* \* \* \*

**SUBPART 225.77—ACQUISITIONS IN SUPPORT OF OPERATIONS IN AFGHANISTAN**

\* \* \* \* \*

**225.7703 Enhanced authority to acquire products or services from Afghanistan.**

\* \* \* \* \*

**225.7703-2 Determination requirements.**

\* \* \* \* \*

(b) \* \* \*

(2) Determinations may be made for an individual acquisition or a class of acquisitions meeting the criteria in paragraph (b)(1) of this ~~sub~~section as follows:

(i) The head of the contacting activity is authorized to make a determination that applies to an individual acquisition with a value of less than $~~100~~**[150]** million.

(ii) The Principal Director, Defense Pricing, Contracting, and Acquisition Policy, and the following officials, without power of redelegation, are authorized to make a determination that applies to an individual acquisition with a value of $~~100~~**[150]** million or more or to a class of acquisitions:

(A) \* \* \*

\* \* \* \* \*

**PART 236—CONSTRUCTION AND ARCHITECT-ENGINEER CONTRACTS**

\* \* \* \* \*

**SUBPART 236.3—Two-Phase Design-Build Selection Procedures**

**236.303-1 Phase One.**

(a)(4) \* \* \*

(i) If the contract value exceeds $~~4.5~~**[5.5]** million, the maximum number of offerors specified in the solicitation that are to be selected to submit phase-two proposals shall not exceed five, unless—

(A) The solicitation is issued for an indefinite-delivery indefinite-quantity contract for design-build construction; or

(B) The head of the contracting activity, delegable to a level no lower than the senior contracting official within the contracting activity, approves the contracting officer’s decision with respect to an individual solicitation, that a maximum number greater than five is in the best interest of the Government and is consistent with the purposes and objectives of the two-phase selection procedures. The decision shall be documented in the contract file (10 U.S.C. 3241(d)).

(ii) If the contract value is at or below $~~4.5~~**[5.5]** million, the maximum number of offerors specified in the solicitation that are to be selected to submit phase-two proposals is at the discretion of the contracting officer.

\* \* \* \* \*

**PART 246—QUALITY ASSURANCE**

\* \* \* \* \*

**subpart 246.4—government contract quality assurance**

\* \* \* \* \*

**246.402 Government contract quality assurance at source.**

Do not require Government contract quality assurance at source for contracts or delivery orders valued below $~~350,000~~**[400,000]**, unless—

(1) \* \* \*

\* \* \* \* \*

**PART 250—EXTRAORDINARY CONTRACTUAL ACTIONS AND THE SAFETY ACT**

\* \* \* \* \*

**SUBPART 250.1—EXTRAORDINARY CONTRACTUAL ACTIONS**

**\* \* \* \* \***

**250.102 Delegation of and limitations on exercise of authority.**

\* \* \* \* \*

**250.102-1 Delegation of authority.**

(b) Authority under FAR 50.104 to approve actions obligating $~~75,000~~**[90,000]** or less may not be delegated below the level of the head of the contracting activity.

\* \* \* \* \*

**250.102-1-70 Delegations.**

(a) \* \* \*

(b) *Defense agencies.* Subject to the restrictions on delegations of authority in [250.102-1](https://www.acq.osd.mil/dpap/dars/dfars/html/current/250_1.htm#250.102-1)(b) and FAR 50.102-1, the directors of the defense agencies may exercise and redelegate the authority contained in the Act and the Executive Order. The agency supplements or agency acquisition guidance shall specify the delegations and levels of authority.

(1) Requests to obligate the Government in excess of $~~75,000~~**[90,000]** must be submitted to the USD(A&S) for approval.

\* \* \* \* \*

**PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

\* \* \* \* \*

**252.204-7007 Alternate A, Annual Representations and Certifications.**

As prescribed in [204.1202](https://www.acq.osd.mil/dpap/dars/dfars/html/current/204_12.htm#204.1202), use the following provision:

ALTERNATE A, ANNUAL REPRESENTATIONS AND CERTIFICATIONS

(~~OCT 2024~~**[OCT 2025]**)

Substitute the following paragraphs (b), (d), and (e) for paragraphs (b) and (d) of the provision at FAR 52.204-8:

\* \* \* \* \*

(d)(1) The following representations or certifications in the SAM database are applicable to this solicitation as indicated:

\* \* \* \* \*

(v) [252.225-7050](https://www.acq.osd.mil/dpap/dars/dfars/html/current/252225.htm#252.225-7050), Disclosure of Ownership or Control by the Government of a Country that is a State Sponsor of Terrorism. Applies to all solicitations expected to result in contracts of $~~150,000~~**[200,000]** or more.

\* \* \* \* \*

**252.215-7016 Notification to Offerors—Postaward Debriefings.**

As prescribed in [215.570](https://www.acq.osd.mil/dpap/dars/dfars/html/current/215_5.htm#215.570), use the following provision:

NOTIFICATION TO OFFERORS—POSTAWARD DEBRIEFINGS

(~~DEC 2022~~**[OCT 2025]**)

\* \* \* \* \*

(b) *Postaward debriefing.*

(1) Upon timely request, the Government will provide a written or oral postaward debriefing to successful or unsuccessful offerors for contract awards valued at $~~10~~**[15]** million or more, while protecting the confidential and proprietary information of other offerors. The request is considered timely if received within 3 days of notification of contract award.

(2) When required, the minimum postaward debriefing information will include the following:

(i) For contracts in excess of $~~10~~**[15]** million and not in excess of $~~100~~**[150]** million with a small business or nontraditional defense contractor, an option for the small business or nontraditional defense contractor to request disclosure of the agency’s written source selection decision document, redacted to protect the confidential and proprietary information of other offerors for the contract award.

(ii) For contracts in excess of $~~100~~**[150]** million, disclosure of the agency’s written source selection decision document, redacted to protect the confidential and proprietary information of other offerors for the contract award.

\* \* \* \* \*

**252.216-7010 Postaward Debriefings for Task Orders and Delivery Orders.**

As prescribed at 216.506-70(b), use the following clause:

POSTAWARD DEBRIEFINGS FOR TASK ORDERS AND DELIVERY ORDERS

(~~DEC 2022~~**[OCT 2025]**)

(a) *Postaward debriefing.*

(1) Upon timely request, the Government will provide a written or oral postaward debriefing for task orders or delivery orders valued at $~~10~~**[15]** million or more to the Contractor, regardless of whether the Contractor’s offer for the task order or delivery order was successful or unsuccessful, while protecting the confidential and proprietary information of other contractors. The request is considered timely if received within 3 days of notification of task order or delivery order award.

\* \* \* \* \*

**252.225-7003 Report of Intended Performance Outside the United States and Canada—Submission with Offer.**

As prescribed in [225.7204](https://www.acq.osd.mil/dpap/dars/dfars/html/current/225_72.htm#225.7204)(a), use the following provision:

REPORT OF INTENDED PERFORMANCE OUTSIDE THE UNITED STATES AND CANADA—SUBMISSION WITH OFFER (~~JAN 2025~~**[OCT 2025]**)

\* \* \* \* \*

(b) The Offeror shall submit, with its offer, a report of intended performance outside the United States and Canada if—

(1) The offer exceeds $~~15~~**[20]** million in value; and

(2) The Offeror is aware that the Offeror or a first-tier subcontractor intends to perform any part of the contract outside the United States and Canada that—

(i) Exceeds $~~750,000~~**[900,000]** in value; and

\* \* \* \* \*