

## CLIENT ALERT

### DoD White Paper Takes Aim at IR&D Costs

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While DOD's August 26 [white paper](#) "Enhancing the Effectiveness of Independent Research and Development" explains that the intent of new requirements it announced is "not to reduce the independence of IR&D investment selection, nor to establish a bureaucratic requirement for government approval prior to initiating an IR&D project," contactors have good reason to doubt that assertion. Most significantly for contractors, there will be a new DFARS rule under which, "beginning in FY 2017, DoD will require contractors to record the name of the government party with whom, and date when, a technical interchange took place prior to IR&D project initiation and to provide this information as part of the required IR&D submissions made to [DTIC]," and DCMA and DCAA "will use these DTIC inputs when making allowability determinations for IR&D costs."

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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