

## CLIENT ALERT

### DFARS Deviation Removes “Technical Interchange” Requirement for IR&D Cost Allowability

September 25, 2017

On September 14, 2017, [the Department of Defense issued a Class Deviation](#) waiving the requirement for “major contractors” to “engage in” and “document” a “technical interchange” with DoD as a prerequisite to making costs for IR&D projects allowable (previously discussed [here](#) and [here](#)). This deviation is “effective until it is incorporated in the DFARS” or otherwise rescinded. While it is certainly good news for contractors, it does not impact the portion of the rule requiring contractors to report at least annually IR&D projects to DTIC as a condition of allowability. For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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