DEFENSE CONTRACT AUDIT AGENCY
CONTRACT AUDIT STANDARDS AND ASSURANCE DIRECTORATE
8725 JOHN J. KINGMAN ROAD, SUITE 2135
FORT BELVOIR, VA 22060-6219

CPSP 730.3

August 27, 2026
26-CPSP-007(R)

MEMORANDUM FOR DIRECTORATE DIRECTORS, DCAA ASSISTANT DIRECTORS, HQ, DCAA

SUBJECT: Audit Alert on the Increase to Truthful Cost or Pricing Data Threshold and TINA Lite Authority

What You Need to Know

I. Truthful Cost or Pricing Data Threshold Increase (commonly referred to as "TINA")

The Fiscal Year (FY) 2026 National Defense Authorization Act (NDAA) raised the certified cost or pricing data threshold under the Truthful Cost or Pricing Data Act (TINA) from $2.5 million to $10 million for all new Department of War (DoW) prime contracts, subcontracts, and contract modifications awarded after June 30, 2026. This change is codified at 10 U.S.C. § 3702(a) and is being implemented for DoW contracts through the Revolutionary FAR Overhaul class deviation (DARS Tracking Number: 2026-O0048, Revision 1, July 22, 2026). Audit teams should check for applicable deviations or agency-specific guidance when performing audit or advisory services. This statutory change does not apply to civilian agency contracts unless similar deviations or regulatory changes are issued for those agencies.

II. TINA Lite Authority

The FY 2026 NDAA makes the "TINA Lite" authority permanent at 10 U.S.C. § 3709, applicable to DoW contracts. Defense FAR Supplement (DFARS) 215, as amended by Revolutionary FAR Overhaul class deviation (DARS Tracking Number: 2026-O0048, Revision 1, July 22, 2026), implements FY 2026 NDAA Section 812(c). TINA Lite (i) applies to DoW contracts estimated to exceed $50M, (ii) requires the contractor to have reliable, historical, and accurate cost data for the same or similar products, (iii) allows COs to tailor certified cost or pricing data requirements, and (iv) allows tailored requirements to be flowed down to subcontractors. On August 10, 2026, the Defense Pricing, Contracting and Acquisition Policy (DPCAP) released the updated TINA Lite Policy & Implementation Guide (Version 1.1), developed in collaboration with DCAA, which can be accessed at:

https://www.acq.osd.mil/asda/dpc/pcf/docs/ptopics/TINA%20Lite%20Guide%20(version%201.1)%208.10.2026.pdf

The guide provides practical steps for planning, approval, and execution of TINA Lite acquisitions.

What Auditors Need to Do

I. Truthful Cost or Pricing Data Threshold Increase (commonly referred to as "TINA")

The threshold for requiring certified cost or pricing data increased from $2.5 million to $10 million (DARS Tracking Number: 2026-O0048). This change applies based on the award date for the contract, subcontract, or modification and not the proposal submission date.

Agency	Award Date	Threshold	Data Requirement
DoW	On or before June 30, 2026	$2.5 Million	Certified cost or pricing data required above this threshold.
DoW	After June 30, 2026	$10 Million	Certified cost or pricing data required above this threshold.
DoW	After June 30, 2026	Less than $10 Million	Other than certified cost or pricing data
Civilian Agencies	Any Date	Varies	Confirm specific civilian agency thresholds, guidance, or active deviations.

Audit Guidance for Contract Awards Post-June 30, 2026

Over $10 Million (Certified Cost or Pricing Data Required)

- Evaluate the adequacy and accuracy of certified cost or pricing data submissions following standard audit procedures.
- Continue to follow established Agency guidance.

Less than $10 Million (Other Than Certified Cost or Pricing Data)

- Evaluate other than certified cost or pricing data (e.g., historical actual cost data) to determine price reasonableness.
- Data may look identical to certified data (e.g., labor rates, bill of material, overhead cost models) with the primary difference being it is not certified.

- Apply DCAA/DoW guidance tailoring procedures based on the risk and complexity of the procurement.

- There is no formal certification and the Government cannot pursue post-award defective pricing claims.

Undefinitized Contract Actions (UCAs): Audit teams must coordinate closely with Contracting Officers (COs) to determine the appropriate thresholds. Administering clauses incorporated at initial UCA award and those at definitization can be highly complex.

II. TINA Lite Authority

TINA Lite applies to prime contract actions estimated to exceed $50M. Under TINA Lite, the CO is authorized to strategically tailor certified cost or pricing data requirements by leveraging contractor's reliable historical actual cost data for same or similar products. Traditional certified data for any unique, non-recurring, or significantly modified elements of the contract are still required.

- Audit teams should be familiar with the TINA Lite Policy & Implementation Guide and reference it when working on any TINA Lite related actions. In addition, audit teams must ensure they are referencing the most current TINA Lite Policy & Implementation Guide since DoW expects to update this guide periodically.

- Audit teams should offer to support COs in developing TINA Lite solicitation requirements and tailoring the data to be provided during the development of the contract terms and conditions. TINA Lite does not eliminate the requirement for certified data. It provides the CO with discretion to strategically define certain subset(s) of historical and current cost/pricing data that requires certification.

- Audit teams should offer assistance to COs to identify the type and format of historical cost data accessible from the contractor's business systems and provided by contractors in response to TINA Lite requirements.

- Early engagement and proactive support with COs and acquisition teams are essential. Audit teams should reach out to the CO prior to the release of a TINA Lite solicitation to help define data needs and expectations.

- Audit teams should be prepared to develop tailored audit or advisory solutions based on the specific data requirements established under TINA Lite for each acquisition. The nature and scope of DCAA's support will depend on the data requested and the needs of the procurement team in order to meet milestones and plan for the award of the contract.

Additional Information

Branch office personnel with questions regarding this memorandum should contact their Directorate offices. Directorate personnel with questions regarding this memorandum should contact the CASA, Pricing and Special Projects Division (CPSP) at dcaa.belvoir.hq.mbx.casa-cpsp@mail.mil.

Jennifer Quinones

Jennifer L. Quinones
Assistant Director
Contract Audit Standards and Assurance
Defense Contract Audit Agency