

# **Subpart 5615.4 - CONTRACT PRICING**

**Parent topic:** [Part 5615 - CONTRACTING BY NEGOTIATION](#)

## **5615.404 Proposal Analysis.**

### **5615.404-1 Proposal Analysis Techniques.**

*(Revised June 2020 )*

(b)(2)(v) When comparison to an Independent Government Cost Estimate (IGCE) is the method of cost or price analysis to be used to determine fair and reasonableness, the Requiring Activity Officer (RAO) is required to:

(A) Sign and date the completed IGCE; and

(B) Include a detailed cost narrative in support of the estimate and provide it to the Contracting Officer.

The IGCE shall be marked "PROCUREMENT SENSITIVE." Access to the IGCE will be limited to government representatives directly involved in the cost analysis of the solicitation. Additionally, within the Business Clearance Memorandum (BCM), the Contracting Officer is required to state:

(A) Who prepared the IGCE,

(B) The date the IGCE was finalized; and

(C) Confirm that a narrative basis for the IGCE is included in the IGCE document and is adequate to use for evaluation and/or negotiation purposes.

### **5615.404-70 DD Form 1547, Record of Weighted Guidelines Method Application.**

(a) The weighting assigned will be justified in the Business Clearance Memorandum (BCM).

(b) The Contracting Officer must include the completed DD Form 1547 in the contract file sent to the SOF AT&L-K Review Board for all actions covered in this Subpart that require review.

## **5615.406 Documentation.**

*(Revised December 2015)*

See DFARS [PGI 215.406-3](#) for guidance on the use of the Contract Business Analysis Repository

(CBAR) for all negotiated pricing actions exceeding \$25M and definitized or awarded actions over \$100M.

### **5615.406-1 Prenegotiation Objectives.**

*(Revised January 2014)*

(a) Contracting officers shall obtain Business Clearance approval prior to entering into negotiations or discussions. The appropriate Business Clearance approval authority shall approve pre-negotiation objectives. Negotiation objectives shall be documented in Business Clearance Memorandum (BCM) for non-competitive actions and actions using non-formal source selection procedures.

(b) Business Clearance documentation shall include the appropriate documents listed in the Review Package Contents Checklist at [5601-1.1](#) in accordance with [Attachment 5601-1](#) on competitive acquisitions.

### **5615.406-3-90 Documenting the Negotiation.**

*(Revised June 2018)*

(a) The Business Clearance Memorandum (BCM), used for non-competitive or non-formal source selections, is a record of the business decision process. Contracting officers should tailor this document to meet the specific needs of the procurement. Contracting officers may use the BCM for formal source selections if deemed appropriate.

(b) The Contracting Officer shall obtain Contract Clearance approval after completion of negotiations or discussions and prior to award. The Request for Clearance template (Appendix J of the Source Selection Procedures) can be found in the DCG Table of Contents. The completed BCM including post-negotiation information shall be submitted.

(c) Contract Clearance review and approval may be waived by the Business Clearance approval authority if the negotiated amount is within a range approved in the BCM and a model contract containing all applicable terms and conditions was included with the BCM when it was submitted and was also approved. The Contracting Officer must obtain Contract Clearance approval if the negotiated price is outside the approved range or the terms and conditions are significantly changed as a result of the negotiations.

(d) Past performance evaluation documentation shall address reports obtained through the Federal Awardee Performance and Integrity Information System (FAPIIS) or when applicable, state that no information on the contractor was found in FAPIIS.

(e) The BCM must address the subcontract plan when applicable in accordance with [FAR 19.7](#) and [FAR 44.1](#).

(f) The Contracting Officer shall insure that all copies of the BCM are marked "FOR OFFICIAL USE ONLY."

(g) The Determination of Responsibility need not be a separate document when the information required by [FAR 9.1](#) is contained within the BCM.

## **5615.408 Solicitation Provisions and Contract Clauses.**

*(Revised August 2017)*

(n) Contracting officers may include a provision substantially the same as the provision at [5652.215-9007](#), Bill of Materials, in solicitations requiring cost analysis and the Contracting Officer wants offerors to submit a consolidated bill of materials.

(o) Contracting officers may include a provision substantially the same as the provision at [5652.215-9010](#), Cost and Pricing Data Not Required, in solicitations when cost or pricing data is not required.

(p) *(Removed August 2017)*

(q) *(Removed August 2017)*

(r) *(Removed August 2017)*