

PRICE NEGOTIATION MEMORANDUM
(Prenegotiation Position Memorandum (PPM) Prepared)

Subject: Price Negotiation Memorandum

Date:

Contractor:

Contract No: , **Modification No.**

Prenegotiation Position Memorandum (PPM) approved on:

Purpose of Negotiations:

Description of Acquisition:

Date of Negotiations: From: **To:**

Government Participants (name, position, and organization):

Contractor Participants (name, position, and organization):

Place of Negotiations:

Negotiation Results (Attach detailed cost element breakout):

		Contractor Proposal	Government Objective	Government Maximum	Negotiated Amount
Total Cost	\$		\$	\$	\$
Fee(s)/Profit	\$		\$	\$	\$
Total Price	\$		\$	\$	\$

YES NO N/A

ITEMS

NOTES

1. ☐ ☐ ☐ The PPM objective position for each cost element and profit/fee were achieved. If not, attach detailed explanation.
2. ☐ ☐ ☐ Profit/fee negotiated is within the range of the maximum fee supported by the NF 634. If not, attach supporting rationale justifying the negotiated fee.

<u>YES</u>	<u>NO</u>	<u>N/A</u>	<u>ITEMS</u>	<u>NOTES</u>
3.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The PPM objective positions for all other negotiation issues were achieved. If not, attach detailed explanation.
4.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Price/cost considered fair and reasonable based on (check one): (a) cost analysis <input type="checkbox"/> , (b) price analysis <input type="checkbox"/> , (c) established catalog or market price <input type="checkbox"/> , or (d) law or regulation.
5.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Fee/profit within the statutory limitations of FAR 15.404(c)(4).
6.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Certified Cost or Pricing Data required and obtained.
7.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Certified Cost or Pricing Data required and relied on (check one): <input type="checkbox"/> Fully or <input type="checkbox"/> Not Fully—explain how recognized as inaccurate, incomplete, or non-current (FAR 15.406-3(a)(6)(i)-(6)(iii)).
8.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Exception for Certified Cost or Pricing Data exists. <input type="checkbox"/> Under threshold (\$550K) or <input type="checkbox"/> Other (Specify exception) (FAR 15.403-1(b) or 15.403-2).
9.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Current status of Contractor's business systems unchanged from the approved PPM. If changed, explain.
10.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Award consistent with technical recommendations. If not, explain.
11.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Terms and conditions are as stated in the solicitation. If not, explain.
12.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Advance agreements made? If yes, specify clause number and title.
13.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	All required clauses included in the contractual document. If not, explain.

<u>YES</u>	<u>NO</u>	<u>N/A</u>	<u>ITEMS</u>	<u>NOTES</u>
14.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Facilities Capital Cost of Money (FCCM) <input type="checkbox"/> has been proposed and offset consistent with NFS 1815.404-471-5, or <input type="checkbox"/> the FCCM waiver clause is included in the contract.
15.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Contractor is in compliance with Equal Employment Opportunity requirements (new work actions >\$10M). Determined by who and when? FAR 22.8.
16.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Subcontracting involved. If yes, indicate if any are designated "special surveillance." FAR 44.201-1(a) and NFS 1844.201-1(a). <input type="checkbox"/> None designated.
17.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Small Business Subcontracting Plan or revision required and PPM goals achieved. If not, explain.
18.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Funds are available for this effort. If incrementally funded, specify funding amount and allotment date.
19.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Contractor is debarred, suspended, or ineligible. Determined by who and when? FAR/NFS 9.4.
20.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Contractor is responsible. FAR Part 9.
21.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Direction given by Congress, other agencies, and/or higher-level officials had a significant effect on this action. If yes, explain. FAR 15.406-3(a)(9).
22.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Electronic Information Technology (EIT) Accessibility Certification in the file. PIC 01-13.
23.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Annual VETS-100 Report submitted (for actions >\$25K, except commercial, state/local, or foreign contracts). FAR 22.1302.
24.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	NASA Engineer's SUNS documentation in the file (>\$5M or involves analysis or equipment for space flight systems). PIC 04-04.

YES NO N/A

ITEMS

NOTES

25. ☐ ☐ ☐ Contractor registered in the DoD Central Contractor Registration (CCR) database and CAGE Code obtained. PIC 00-18.

This Price Negotiation Memorandum documents the technical, business, contractual, pricing (including price reasonableness), and other elements of the contract action negotiated.

Signature:

Name:

Date:

☐ **APPROVAL FOR EXCEEDING OBJECTIVE POSITION**

Signature:

Name:

Title:

Date:

Attachment A

[Contract Specialist Instructions – Insert Attachment A – Detailed Cost Element Breakout chart & Reference Notes narrative here. Example format is as follows. You can also import an Excel Spreadsheet.]

Elements of Cost	Contractor's Proposal	Government's Objective	Negotiated Agreement	Differences	Reference Notes
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Attachment A
Reference Notes