Pre-Negotiation Memorandum

Multiple Award Schedule

[solicitation\_number]

Solicitation Number ([refresh\_number] dated [refresh\_date])

**I. EXECUTIVE SUMMARY**

This acquisition will result in a non-mandatory, indefinite delivery/indefinite quantity, firm-fixed-price, multiple award schedule contract. The products and/or services offered herein will be procured from responsible sources at fair and reasonable prices in accordance with Federal Acquisition Regulation (FAR) 15.402.

The purpose of this memorandum is to make an affirmation as to whether or not the offeror is responsible and responsive in accordance with FAR 9.104 and to establish prenegotiation objectives. The Government has performed an administrative review, technical evaluation, and a price analysis of the offer. The Contracting Officer's evaluation and determination is discussed in the subsequent sections.

**II. OFFEROR**

[company\_name]

[business\_street]

[business\_Suite]

[business\_city], [business\_state] [business\_zipcode]

Phone: [business\_phone]

Fax: [business\_fax]

DUNS: [duns\_number]

TIN: [tin]

[parent\_company]

NAICS: [naics\_code]

Business Size: [business\_type]

Category: ☐ Manufacturer /☐ Dealer/Reseller /☐ Retailer /☐ Other: [category]

Estimated Contract Value: Value of 5-year base period: $[estimated\_contract\_value]

Value of 5-year base period plus all options: $[base\_period\_options\_value]

The estimated contract value will be reviewed at option period and adjusted accordingly.

Contract Period:

Date of award through five years with three five-year options for a possible 20 year total contract period.

This solicitation is a standing solicitation with no closing date.

Type of Contract:

Indefinite Delivery Indefinite Quantity (IDIQ), Multiple Award Schedule, Firm-Fixed-Price with Economic Price Adjustment.

Points of Contact:

Can be different individuals or one person can fulfill all roles. Regardless, each POC must have a current digital certificate.

Authorized Negotiators: List all authorized negotiators, title and authority

[negotiator\_administrators], [negotiator\_title], authorized to Negotiate on behalf of contractor.

Contact for Contract Administration:

[admin\_contract\_contact]

Contact for Industrial Funding Fee (IFF) Administration:

[iff\_administrators]

Scope of Contract:

[scope\_of\_contract]

☐Domestic - Insert scope: [48 State & DC, 50 State, DC & Puerto Rico, 50 States, DC & US Territories]

☐ Worldwide

**III. DESCRIPTION OF THE ACQUISITION**

[company\_name] submitted a proposal dated [offer\_date]. The following Special Item Numbers (SINs) were offered:

[SIN\_info]

**IV. KEY DOCUMENTS**

Small Business Subcontracting Plan (lAW FAR 19.702): [subcontracting\_plan] by SBTA. This will be discussed in negotiations / Approved by SBTA on \_\_\_\_\_\_\_\_\_\_\_\_.

EEO Clearance: [eeo\_clr] (IAW FAR 22.805.) A request was submitted to the Department of Labor on [*date*]. Clearance granted on [*date*].

Representations and Certifications Completed (lAW FAR Subpart 4.12):

☐Yes ☐No

SAM (System for Award Management –www.sam.gov): Registration valid until

[expiration\_date].

Pathway to Success Certificate: [Pathway\_completed\_by\_date]

OR ☐N/A for streamlined offers per PAP 2016-05 Rev 2/4/2016

Agent Authorization Letter: [agent\_letter]

Recovery Purchasing (lAW FAR Subpart 4.15): [recovery\_purchase]

Cooperative Purchasing: [cooperative\_purchase]

Pre-Award Audit: The company ☐ has ☐ has not been selected for a pre-award audit (For GSS, see ON A0 08-004 – Addition and Deletion of Audits.)

Substantial Award Notice Required: ☐ N/A X Yes

Trade Agreements Act: The Trade Agreements Act is applicable to this Schedule. In accordance with FAR 52.225-5, all solicitations over the Trade Agreements Act threshold are subject to compliance with the Trade Agreements Act. Therefore, all offers submitted must be in compliance with this regulation. The production points are in compliance with the Trade Agreements Act and this company does not utilize any foreign end products, and, for services, the country in which the firm was established is in the U.S. or designated country (see FAR 25.402(a)(2)). Therefore this firm is in compliance with the Trade Agreement Act.

The offeror ☐ identified ☐ did not identify foreign end products. The country of origin for foreign end products is/are [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_].

If other than the manufacturer, the offeror has ☐ or has not ☐ submitted prior to award of a contract, either (1) a letter of commitment from the manufacturer which will assure the Offeror of a source of supply sufficient to satisfy the Government's requirements for the contract period; OR (2) evidence that the offeror will have an uninterrupted source of supply from which to satisfy the Government's requirements for the contract period; and (3) Verification Letter from the Manufacturer verifying the Country of Origin.

If marketing through dealers, the offeror has indicated whether those dealers will be participating in the proposed contract: ☐ Yes ☐ No ☐ N/A

**V. RESPONSIBILITY DETERMINATION**

Based on the fact that this is a Multiple Award Schedule contract that can be cancelled by either party within 30 days, the firm is determined to:

1) Have adequate financial resources to perform the contract or the ability to obtain them.

A financial review was conducted on [date], where it was determined that the company

☐ has ☐ does not have adequate financial resources, or the ability to obtain them, to perform the anticipated work (FAR 9.104-1).

[*If an internal financial analysis is conducted, discuss how it was determined the company was financially responsible – may include analysis of a company's financial statements, reference to a Certificate of Competency (small business), etc. If after conducting the financial review the CO is unable to determine financial capability, use of other means may be justified*.]

FAPIIS was checked on [date]. The system ☐ did ☐ did not reflect any information that could be used to determine that the company does not have adequate financial resources to perform the anticipated work.

[*If FAPIIS reflects relevant information on the company that may result in a determination of non-responsibility, discuss how it was determined the company was financially responsible – may include any additional information the company submitted to demonstrate its responsibility, reference to a Certificate of Competency (small business), etc*.]

2) Be able to comply with the required or proposed performance schedule taking into consideration all existing commercial and governmental business commitments.

[*Discuss the company's personnel, facilities, quality control plan, past performance information, etc*.]

3) Have a satisfactory performance record.

[*Discuss past performance results obtained from FAPIIS (specifically PPIRS), Dun & Bradstreet Past Performance Report, other past performance surveys/questionnaires, performance on other FSS contracts, CAV reports, etc. Sample language includes the following: 1) PPIRS includes a total of [#] performance evaluation reports on the company. [#] of the reports are from acquisitions of similar scope and complexity to the present acquisition, from the past year. [Summary of the reports – positive, neutral, negative]. Based on the information in PPIRS, indicate whether company's past performance ☐ is ☐ is not satisfactory. 2) Open Ratings - has completed a Past Performance Evaluation on [company] as of [date]. A total of [# of respondents] references were surveyed and the evaluation determined that the summary performance rating was [%] which is satisfactory to the Contracting Officer. Past performance ☐ is ☐ is not satisfactory. Address performance reported. 3) Reference Checks: Reference checks were conducted on [date] and based on the feedback, the company ☐ has ☐ does not have satisfactory performance*]

4) Have a satisfactory record of integrity and business ethics.

[*Include FAPIIS (i.e., EPLS) and references to other supporting documentation*.]

In accordance with FAR 9.404 and clause 52.203-13, Company has a written code of business ethics and is not presently debarred, suspended, proposed for debarment or declared ineligible for the award of contracts by any Federal agency. They have not been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state, or local government contract or subcontract; violating a Federal, state, or local antitrust statute relating to the submission of offers; committing embezzlement, theft, forgery, bribery, falsification, or destruction of records; making false statements; tax evasions, or receiving stolen property. They are not presently indicted for, or otherwise criminally or civilly charged by a Government entity with commission of any of the aforementioned offenses.

5) Have the necessary organization, experience, accounting and operational controls, and technical skills or the ability to obtain them.

[*Discuss organizational structure, key personnel, accounting controls, marketing strategy, etc*.]

6) Have the necessary production, technical equipment and facilities or the ability to obtain them.

[*Discuss production schedules, equipment, etc*.]

7) Be otherwise qualified and eligible to receive an award under applicable laws and regulations.

[*Discuss completed SAM and FAPIIS checks, etc*.]

In accordance with FAR 9.104-6, the debarred bidders list was reviewed via the Internet at address [www.sam.gov](http://www.sam.gov/) on [exclusion\_check\_date]. The offeror [on\_excluded\_list] appear in the Excluded Parties List System for Federal Procurement and Non-procurement Programs. This database will be reviewed again prior to recommendation for award.

Based on the elements of responsibility reviewed above, Company ☐ is ☐ is not determined to be responsible in accordance with FAR 9.104.

VI. TECHNICAL EVALUATION

An overall evaluation of Company's technical proposal has been performed. The firm's previous experience and past performance were assessed in order to determine the depth of its understanding of [Schedule #] requirements. Factors may or may not include the Factors listed below. Each Multiple Award Schedule has the flexibility to conform the evaluation factors to each Schedule's needs.

Factor I – Corporate Experience (not applicable to Streamline Offers, per PAP 2016-05 Rev 2/4/2016):

[*Discuss years in business, experience, number of employees, parent/subsidiary information, etc. and a statement that the company was rated "acceptable", "partially acceptable", or "not acceptable" for Factor I.*]

Factor II – Relevant Project Experience (if applicable, also not applicable to Streamline Offers, per PAP 2016-05 Rev 2/4/2016 ):

[*May include language, such as, "The submitted projects (or substitution of relevant projects of predecessor companies or the company's key personnel that will be performing major aspects of the work as applicable) demonstrate that the offeror has successful experience in performing projects within the general scope of this contract. The work described also demonstrates that the offeror has performed tasks, which are of similar complexity to those contemplated under the proposed SIN(s). For a complete description of submitted projects/key personnel descriptions, refer to Tab 17. Narrative should also include a statement that the company was rated "acceptable", "partially acceptable", or "not acceptable" for Factor II.*]

Factor III – Past Performance:

[*Must include reference to PPIRS – may include references to Dun & Bradstreet Report, other performance survey/questionnaires, etc. and a statement that the company was rated "acceptable", "partially acceptable", or "not acceptable" for Factor Ill.*]

Factor IV – Quality Control:

[*Discuss quality control plan and a statement that the company was rated "acceptable", "partially acceptable", or "not acceptable" for Factor IV.*]

Each technical factor was defined and standards written so that all proposals would be objectively and impartially evaluated against those standards and not against one another. The Government determined that each technical proposal would be evaluated and rated on an "acceptable/unacceptable" basis. Pursuant to an in-depth assessment of technical factors described herein, Company ☐ is ☐ is not determined to be technically acceptable.

VII. PRICING ANALYSIS

Solicitation [solicitation\_number] seeks products/services that are commercial in nature. FAR 15.403-1(c)(3)(i) exempts commercial items from the requirement of cost and pricing data. Therefore, cost and pricing data are not required.

Prices are based on:

**θ** Commercial pricelist/catalog   
  **θ** Market pricing/cost buildup

The following chart displays the offeror's proposed prices, in addition to a comparison of those prices to Most Favored Customer prices, GSA Advantage! prices (for products only), and any other external market-based research as input by the CO/CS.

INSERT PRICE COMPARISON CHART

[text box]

The prices offered to GSA are **\_\_** equal to **\_\_** better than \_\_ not comparable to the MFC.

The terms and conditions offered to GSA are **\_\_**equal to **\_\_**better than **\_\_**not comparable to the MFC.

[*Fully explain how the price offered is equal to, better than or not comparable to the MFC. Fully explain how the terms and conditions offered are equal to, better than or not comparable to the MFC. If MFC pricing isn't offered, explain why not.*]

Most Favored Customer pricing is the Government's negotiation objective and is used to perform price analysis and determine fair and reasonable pricing; however, the Most Favored Customer pricing is not necessarily synonymous with Basis of Award. Basis of Award may be discussed during negotiations and will be determined prior to contract award.

Economic Price Adjustment:

[*If future price increases are based on an Economic Price Adjustment (EPA), fully describe the EPA selected.*]

Quantity discounts were offered.     **\_** Yes    **\_** No

[*If quantity discounts were offered, address what they are*]  
    
Service Contract Act:   The Service Contract Act  **\_\_**is  **\_\_**is not applicable.  In accordance with FAR Part 22, service contracts over $2,500 shall contain mandatory provisions regarding minimum wages and fringe benefits, safe and sanitary working conditions, notification to employees of the minimum allowable compensation, and equivalent Federal employee classifications and wage rates. The following Wage Determination numbers were reviewed:  [complete table]

|  |  |  |
| --- | --- | --- |
| Wage Determination No. | Locality | Offered Prices Compliant? |
|  |  |  |

**VIII. Basis of Negotiations**

By submission of the offer, Company has certified that all information is correct.

The Government has developed the following negotiation objectives:

Refer to Attachment 1 for a list of discounts / pricing offered by model number as well as the Government’s negotiation objectives.

*[Could also consolidate and list by brand or other groupings]*

*\*\* Please Note - Negotiation Objectives (boxes) can be itemized / customized to the eOffer submission.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Term | Offered | Low Objective | Target Objective | High Objective |
| Basic Discounts | 5% | 5% | 7% | 10% |
| Quantity/Volume | +5% / 100 units or more per order | +5% / 100 units or more per order | +6% / 100 units or more per order | +7% / 75 units or more per order |
| FOB Terms | Origin | Origin | Origin | Origin / Freight Prepaid and Allowed |
| Prompt Payment Terms | Net 30 Days | 1% 20 / Net 30 Days | 1% 15 / Net 30 Days | 1% 10 / Net 30 Days |

[*Discuss the following areas where applicable: What prices should the government get and why? How did you arrive at your negotiation objectives? What additional discounts or concessions are you seeking? What is your basis?*

*If company has gone through preaward audit, discuss the findings of the audit report and how each finding was addressed. If recommendations from the preaward audit were not adopted, explain why. If recommendations from the preaward audit are accepted, use the findings to develop negotiation objectives.*]

Additional Points of Negotiation:

[provide as appropriate; for example assumptions/clarifications of the offer, related to commercial marketplace]

**Government Commercial Credit Card**: Will accept below the micro-purchase threshold

**Foreign Items:** N/A

**Delivery in days after receipt of order (DARO) by SIN as required in solicitation:** 60 DARO

**Expedited Delivery:** Contact Contractor

**Warranty:** Standard Commercial Warranty.

**Other Terms and Concessions:** None

**Exclusions to price list if any:** No

**Exceptions to Solicitation terms and conditions, if any:** [exceptionsTerms\_value]

**Sub K Plan Status** (if applicable): [SubKContractingPlan]

**Disaster Recovery:** [diasasterRecovery\_value]

**Cooperative Purchasing (if applicable to your solicitation):** N/A

**Vendor Minimum Order Limit:** [minimum\_limit\_value]

IX. Negotiations

Upon approval of the Pre-Negotiation Memorandum, negotiations will be initiated. Once negotiations have concluded, the Government will request a Final Proposal Revision to confirm all agreed upon changes from the initial offer. Upon review of the Final Proposal Revision, the Government intends to make award without obtaining further revisions. Any revisions submitted after the noted due date will not be considered, unless it is determined to be in the best interest of the Government.

The contract value is $[base\_period\_options\_value] and ☐ is ☐ is not subject to a Pre-Negotiation Clearance Panel (PNCP).

[*If subject to a PNCP, address the following: Date PNCP occurred, PNCP participants, summary of PNCP comments, and whether or not PNCP approval was attained.*]

Prepared By:

Name Date

Contract Specialist

Acquisition Center

Approved By:

Name Date

Contracting Officer

Acquisition Center