**Appendix B**

**Price Negotiation Memorandum**

**Multiple Award Schedule**

**Schedule # – Schedule Name**

**Solicitation Number (**([refresh\_number]**dated Date)**

[company\_name]

**FAR 15.406-3 Negotiation Documentation**

1. Purpose of the Negotiation:

Having determined that the offer request was complete, the information from the offer request was consolidated into a pre-negotiation memorandum with recommended negotiation objectives.  The pre-negotiation memorandum was approved on date. The purpose of the negotiations was to negotiate the terms and conditions of the offer request and to obtain pricing that is equal to or better than the offeror’s Most Favored Customer pricing.

2. Description of the Acquisition:

This Price Negotiation Memorandum is for a non-mandatory, IDIQ, Multiple Award Schedule, contract.

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

[SIN\_info]

NAICS:

[naics\_code]

[*Address any discrepancies that exist between SIN(s) and NAICS*]

3. Negotiators:

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

[*Discuss when negotiations were held and any other pertinent information.*]

4. Current status of contractor systems to the extent they affected and were considered in the negotiation:

**[***text box***]**

5. Cost or pricing data not required in the case of any price negotiation exceeding the cost or pricing data threshold, the exception used and the basis for it:

This solicitation is for commercial items as defined by FAR 2.101 and is exempt from the requirement for cost or pricing data (FAR 15.403-1(b)(3)).

6.  Cost or pricing data required:  N/A (See #5 above)

7.  Summary of Contractor’s proposal, field pricing assistance recommendations including reasons for any pertinent variances from the Government’s negotiation objective, and the negotiated position. When determination of price reasonableness is based on price analysis, the summary shall include the source and type of data used to support the determination:

See Pre-Negotiation Memorandum (Tab 14)

[*text box*]

8.  The most significant facts and considerations controlling the establishment of pre-negotiation objectives and the negotiated agreement including explanation of any significant differences between the two positions.

*(1)  Summarize the Contractor’s proposal. Identify the product/services offered and initial price offered. Discuss the analysis of the proposed pricing, Most Favored Customer pricing, market pricing, etc.*

*(2)  Discuss the Government’s negotiation objectives*

*(3)  Discuss the Government's negotiated position. Were the objectives met? Is the agreed upon pricing better than or equal to the offeror's MFC? Discuss any differences between the pre-negotiation objectives and the negotiated position*

*(4)  Were there significant issues that developed during negotiations that the reader of the price negotiation memorandum should be aware of?*

*(5)  Discuss any changes from the initial proposal.*

*(6)  Indicate whether the company has provided quantity or prompt payment discounts or other concessions*

*(7) Discuss exchanges held with the Office of Inspector General regarding contract audit report findings and the reasons for any variations from the audit report findings, if applicable. Cite the audit number. Summarize negotiation results in terms of audit findings. For example:*

|  |  |  |  |
| --- | --- | --- | --- |
|  | *Audit Findings* | *Negotiation Objectives  (from Pre-Neg)* | *Objective Achieved* |
| *Item / Labor Category / Category of Customer* |  |  |  |

9.  To the extent such direction has a significant effect on the action, a discussion and quantification on the impact of direction given by Congress, other agencies, and higher-level officials:

**[***If applicable, clarify the impact or direction given by Congress, other agencies, and higher-level officials***]**

10.  The basis for the profit or fee pre-negotiation objective and the profit or fee negotiated:

**[***text box***]**

11.  Fair and reasonable price:

*Discuss price reasonableness based on price analysis including the source and type of data used to determine price reasonableness.*

**Final Pricing:**

INSERT PRICE LIST

In order to fulfill Clause 552.238-75 Price Reductions, the Government established [*customer or class of customer*] as Company’s Basis of Award.

It is recommended that a contract be awarded to [company\_name] under Schedule / Title, Solicitation Number for SIN(s).

[*text box.  If award without discussions is made, provide rationale.*]

Prepared By:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_             \_\_\_\_\_\_\_\_\_\_

Name                                                  Date

Contract Specialist

Acquisition Center

Approved By:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_             \_\_\_\_\_\_\_\_\_\_

Name                                                  Date

Contracting Officer

Acquisition Center