

# 5815.404-1 Proposal Analysis Techniques

(S-90) *Policy.*

(1) Independent Government Cost Estimates (IGCE) are part of the required documentation for a complete requirements package for procurement actions expected to meet or exceed the Simplified Acquisition Threshold (SAT). An IGCE is also required for Economy Act Determination and Findings requests above \$2,500. The DISA IGCE Deskbook located at <https://www.ditco.disa.mil/hq/Deskbooks> contains procedures/guidance for developing IGCEs.

(2) IGCEs must contain a written narrative to demonstrate how the estimates were developed. Assistance with developing IGCEs, including incorporation of current cost and pricing information should be requested, as needed, from PS842.

(3) The use of “fully burdened” labor (hour) rates is recommended. Rates must be recent and relevant to the labor categories contemplated. PS842 can provide advice regarding sources of fully loaded labor rates, as well as their applicability and limitations for use in developing the IGCE.

(4) Resource Managers shall coordinate on IGCEs prior to submission of the requirements package.

(5) Contracting officers shall fully document in the PNM variances in the total evaluated cost/price and the IGCE. Significant deviations may be cause for formal discussions or RFP/RFQ amendment or cancellation. Total evaluated cost/price exceeding the IGCE should be discussed with the PMO to determine if additional funds may be secured.

(S-91) Cost and Price Analysis. Contracting officers shall initiate action to obtain cost and price analyses in accordance with the following procedures.

The contracting officer, exercising sole responsibility for the final pricing decision shall, in accordance with FAR 15.404-1, coordinate with, request, and evaluate the advice of the Cost/Price (C/P) Analyst (PS842) and/or Tariff Specialists (DITCO-Scott, PS82, Telecommunications Contract Division). Contracting officers shall obtain cost and pricing assistance for contract awards, orders or modifications of \$10 million or more. Contracting officers may request cost and pricing assistance, including a cost/price analysis and review of all solicitation documents (including the PWS, RFP, etc.) before solicitation or issuing a modification with a contract value in excess of the threshold for obtaining certified cost or pricing data (FAR 15.403-4(a)(1)), to determine price reasonableness. A list of services offered by the Cost/Price Branch can be found in the “Cost and Pricing Request Form” located at [DARS PGI 5815.404-1\(S-91\)](#).

The following exceptions apply:

(i) Orders priced in accordance with prices/rates established in base contracts/agreements. Modifications priced in accordance with prices/rates established within the base contract/order/agreement.

(ii) Modifications for funding actions

(iii) Modifications to exercise priced options; or

(iv) Any other contract or order award, or modification meeting the thresholds above where the Cost and Pricing Branch Chief and at least one level above the contracting officer waive in advance the

requirement to obtain cost or pricing assistance. This agreement must be documented in writing in the official contract file.

(2) PS82 Tariff Specialist assistance related to tariff interpretation, tariff rate establishment/update and other tariff issues shall be requested as required.

(3) PS842 or PS82 Tariff Specialist, with the concurrence of the contracting officer, shall be responsible for:

(i) Obtaining cost or pricing data or information other than cost or pricing data and auditing contractor's records.

(ii) Performing contract audit follow-up reporting tasks.

(iii) Conducting cost or price analyses and tariff reviews in accordance with FAR 15.404-1, as appropriate. Cost analyses shall incorporate audit findings, technical analysis and tariff review results, and all relevant cost driver information.

(iv) Consolidating cost or pricing data, information other than cost or pricing data, audit results, tariff reviews and other pertinent information; and developing pre-negotiation objectives.

(v) Participating in negotiations with contractors which require the use of information, computations, or data developed during the cost or price analysis.

(vi) Reviewing all solicitations for actions which require PS842 or PS82 Tariff Specialists in accordance with (S-92)(1) prior to issuance for competitive or noncompetitive services and supplies to ensure adequate cost or pricing data and tariff provisions are included and that detailed evaluation criteria are developed and tailored for each acquisition.

(vii) Assisting contracting officers in documenting the contract files by providing detailed cost/price analysis memoranda, supporting schedules, automated spreadsheets, discussion items, pre- and post-negotiation memorandums input, DD Forms 1547, Tariff Change Notices, Tariff Contract File Conflict Notices, and other items, as required.

(viii) Participating in conferences, briefings, debriefings, and other meetings where pricing and/or tariff support is required.

(S-92) *Request Cost and Price Analysis Support.* To request cost/price analysis support, the contracting officer shall submit a completed "Cost and Pricing Request Form" located at [DARS PGI 5815.404-1\(S-91\)](#) to the Cost and Pricing Branch Chief via [DITCO-Scott Cost and Pricing Branch Mailbox](#), containing details related to the type of support requested. RFP reviews must be requested early in the acquisition stage so that a detailed review may be accomplished prior to issuing the RFP. Acquisition plans and timelines must recognize the need for effective pricing/tariff reviews and analysis and must contain reasonable periods for conducting these tasks. C/P analyst pre-solicitation reviews shall be requested concurrent with policy and legal reviews.

**Parent topic:** [SUBPART 5815.4 - CONTRACT PRICING](#)