

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

BCM COVER PAGE			
GENERAL PROCUREMENT INFORMATION			
a. Contract/Order No. and Modification No. <i>(if applicable)</i> N68936-14-C-0035	b. Program Title SMOKE FNC –Phase 1	c. Pre-Negotiation Submitted on: 7-10-2014	d. Post-Negotiation Submitted on: XX-XX-2014 <i>(dd-mm-yyyy)</i>
e. Contractor Proposed Price <i>(excluding options)</i> \$ (b)(4)	f. Pre-Negotiation Objective <i>(excluding options)</i> \$ (b)(4)	g. Post-Negotiation Amount <i>(excluding options)</i> \$	h. Option(s) Amount \$ <input checked="" type="checkbox"/> N/A – No option(s) proposed
i. PID/PR No. 1300404476	j. PID/PR Amount \$1,000,000	k. Delivery/Period of Performance 01 AUG 2014 – 02 FEB 2014	
l. Negotiator (b)(6) 254100D (b)(6)	m. Technical POC (b)(6) 400000D (b)(6)	n. Contractor Aerojet-Rocketdyne Gainesville, Virginia	
o. Type of Contract Action Basic Contract Award	p. Contract Type Firm Fixed Price	q. Authority for Contract Action New Contract Action	
r. Maximum Ceiling Price <i>(for Indefinite-Delivery contract actions)</i> N/A	s. Total Amount of Ceiling Price Used <i>(for Indefinite-Delivery contract actions)</i> N/A	t. Task/Deliver Order falls within the scope of Statement of Work paragraph: N/A <input checked="" type="checkbox"/> N/A – Not a Task/Delivery Order	
u. Scope of Contract Action Basic Contract Award: This contract award is for Highly Loaded Grain and Two-Pulse Solid Propulsion System Design Optimization Studies and Program Planning. The contractor shall perform design optimization studies, develop and document a concept for a near-flightweight two-pulse rocket motor demonstrator that meets the guidelines outlined in a NAWCWD provided System Mission Optimized Kinematic Enhancement (SMOKE) Future Naval Capability (FNC) Two-Pulse Rocket Motor Technology Guideline Document			

1. SOLICITATION				
a. Solicitation No. N68936-13-R-0063	b. RFP Issue Date 10-Feb-2014	c. Proposal Receipt Date(s) 17-Mar-2014	d. Special Terms & Conditions or Ground Rules/Assumptions Proposed by Contractor? <input type="checkbox"/> Yes – see block If <input checked="" type="checkbox"/> No	e. Proposal Expiration Date 17-May-2014

Source Selection Information – See FAR 2.101 and 3.104

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

f. Comments
In May of 2013 The Office of Naval Research (ONR) received whitepapers on the SMOKE FNC Highly Loaded Grain (HLG) Rocket Motor Technology from two vendors which were found to have technical merit. NAWCWD was asked by ONR to request full proposals, evaluate, and potentially award to the selected vendor(s). Two awards were made in October 2013, one FFP contract to (b)(4) (b)(4) and one to Aerojet-Rocketdyne. The two awards recipients were to conduct trade studies on the SMOKE FNC HLG topic and would be the starting point for a potentially phased effort to reach Technology Readiness Level 6 – System Test Launch and Operations. Following the trade study is Phase one, followed by Phase two, up to Phase six. SMOKE FNC HLG Phase one whitepapers were received through NAWCWD Open BAA N68936-13-R-0063 and were evaluated by the 4.7 technical code for technical merit. Technical merit was found in the whitepapers and NAWCWD request full proposal submission via email on 3/17/2014 in accordance with instructions in N68936-13-R-0036. The proposals were found to have technical merit and were evaluated and found to be technically acceptable.

2. PRE-SOLICITATION COMPLIANCES (If approval/determination was included in another document, please note):

Check if N/A	DOCUMENT/APPROVAL CHECKLIST	Document Number, Approving Official & Date
N/A	Acquisition Strategy (FAR 4.004) or Management Oversight Process for Acquisition of Services (NMCARS 5237.503)	
N/A	Acquisition Plan (DFARS 207.103)	
N/A	Waiver of Synopsis (FAR 5.202)	
N/A	Determinations and Findings (D&F) to exclude a source (FAR 6.202)	
N/A	Determination and Findings (D&F) for the Public Interest circumstances permitting Other Than Full and Open Competition (FAR 6.302-7)	
N/A	Justification for Other Than Full and Open Competition (FAR 6.303)	
N/A	Bundling contract requirements (FAR 7.107(c))	
N/A	Determination to consolidate contract requirements (DFARS 207.170-3)	
N/A	Determination of Commercial Item for FAR Part 12 Over \$1M (DFARS 212.102(a)(i))	
N/A	Determination to Use Commercial T&M or LH contract (FAR 12.207)	
N/A	Source Selection Plan (DFARS 215.303)	
N/A	Contract type determination (FAR 16.102(d)) (See FAR 16.601(d)(1) for Time & Materials or Labor Hours)	
N/A	Award Fee Plan (FAR 16.401(e)(3), PGI 216.405-2, PGI 216.470)	
N/A	HCA Determination to Use CPAF (DPAP memo April 24, 2007, FAR 16.401(d), NA VAIRINST 4200.54)	
N/A	Use of contract terms in excess of five years (FAR 17.204(e))	
N/A	Use of non-DoD contract vehicle (NMCARS 5217.7802)	
	DD Form 2579 Small Business Coordination Record (DFARS 219.201)	DD 2579, (b)(6), 4/01/2014
N/A	Approval for expedited completion date for MILCON (DFARS 236.270)	
N/A	Authority to Contract out for Personal Services (NMCARS 237.104(b)(i))	
N/A	Determination of Personal/Non-Personal Services (FAR 37.103)	

Source Selection Information – See FAR 2.101 and 3.104
 Pre-BCM Form 09 Jun 06 (Updated 24 MAY 12)

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

N/A	Non-performance based acquisition (DFARS 237.170-2)	
N/A	Approval to use warranty (DFARS 246.704)	

3. PRICE/COST ANALYSIS

a. Price Analysis Technique Used:

Describe Parametric Estimating Methods/Application of Rough Yardsticks: Total cost per hour was utilized as a parametric estimating method to determine a fair and reasonable price based on proposals received from two contractors Aerojet and (b)(4). The results of the comparison are detailed below.

Basis for Determining Prior Price Reasonable:

Explain the comparison between the prior pricing and the current pricing proposed:

The comparison between the prior pricing and the current pricing is based on a SMOKE FNC trade study that was competed between two contractors, (b)(4) and Aerojet.

Aerojet's SMOKE FNC Trade Study was awarded on a Firm Fixed Price basis in October 2013 and consisted of (b)(4) negotiated hours at a price of \$ (b)(4) including profit amounting to an average per hour cost of \$(b)(4).

(b)(4) SMOKE FNC Trade Study was awarded on a Firm Fixed Price basis in October 2013 and consisted of (b)(4) negotiated hours at a price of \$ (b)(4) including profit amounting to an average per hour cost of \$(b)(4).

The trade study prices were considered fair and reasonable based on adequate price competition per FAR 15.403-1(C)(1)(i).

Aerojet's SMOKE FNC Phase 1 proposal consists of (b)(4) hours at a price of \$ (b)(4) including profit amounting to an average per hour cost of \$(b)(4).

(b)(4) SMOKE FNC Phase 1 proposal consists of (b)(4) hours at a price of \$ (b)(4) including profit amounting to an average per hour cost of \$(b)(4).

The Phase 1 prices are being considered fair and reasonable based on historical prices paid and the application of parametric estimating methods such as "per hour cost" found in FAR 15.404-1(b)(2).

If the prior supplies or services described above are not identical to the current procurement, explain why the comparison is considered valid: Overall prices for the trade study were comparable as the prices of each contractor's proposal differed by approximately \$(b)(4) therefore adequate price competition was utilized to conduct price analysis. The proposed Phase 1 study requires a more in depth analysis than the trade study and requires that each contractor deliver a system design. Different approaches by each contractor have resulted in difference in overall price. Because Phase 1 proposal prices differ by approximately \$(b)(4) the adequate price competition price analysis method is unreliable therefore the contract specialist is utilizing a parametric estimating method where comparison of pricing proposed relies on per-hour cost vs. overall cost. Additionally, comparison is considered valid as both are early stage trade studies for Highly Loaded Grain rocket motor technology by the same contractor from the same requirements generator where technical reports are the only deliverables.

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

b. Cost Analysis

Cost Element	Contractor Proposed	Gov't Recommended	Gov't Objective	Notes
Engin. Labor	\$ (b)(4)	\$267,680	\$267,680	1
Engin. Overhead	\$ (b)(4)	\$186,758	\$186,758	2
G&A	\$(b)(4)	\$78,754	\$78,754	3
Subtotal	\$ (b)(4)	\$533,192	\$533,192	
FCCOM	(b)(4)	\$370	\$370	4
Profit	\$(b)(4)	\$53,924	\$53,924	5
Total	\$(b)(4)	\$587,486	\$587,486	

Table 1. Pre-Negotiation Cost Summary

1. Cost Element #1 Engineering Labor. Questioned costs in the amount of \$ (b)(4)

The contractor proposed (b)(4) hours of labor at a cost of (b)(4). This consists of (b)(4) engineering hours and (b)(4) program support hours. Rates that make up these costs consist of two engineering labor rates, AC & AG, and one program support labor hour rate. The AC engineering labor rate was \$(b)(4)/hr. for salary consisting of (b)(4) hours and (b)(4)/hr. for hourly consisting of (b)(4) hours. The Program Support AG rate was \$(b)(4)/hr. for salary consisting of (b)(4) hours.

COST ELEMENT #1 PROPOSED

Labor Category	Name (Last, First)	Base/Hours	Rate	Total
VA Engineering (AC)	Salary	(b)(4)	(b)(4)	(b)(4)
VA Engineering (AC)	Hourly	(b)(4)	(b)(4)	(b)(4)
VA Prg. Sup (AG)	Salary	(b)(4)	(b)(4)	\$(b)(4)
Total Direct Labor Costs		(b)(4)		\$ (b)(4)

The contract specialist compared the labor rates in the contractor's proposal to a FY 14 DCMA Forward Pricing Rate Recommendation (FPRR) and found the contractor's proposed rates to be consistent with the DCMA recommended rates. Engineering and program support labor hours were evaluated by the technical team and found to be (b)(4). Based on the technical evaluation the Government estimates the contractor needs (b)(4) more hours to accomplish the tasks in the statement of work. Discussions will be conducted to determine the contractor understands of the work to be completed and the results of the discussions will determine if the (b)(4) additional hours are actually needed. As a result, the Government's pre-negotiation objective for Engineering Labor is \$ (b)(4)

2. Cost Element #2 Labor Overhead. Questioned costs in the amount of \$ (b)(4)

The contractor proposed two overhead rates, one for Engineering and one for Program Support. Engineering overhead was applied to Engineering direct labor costs of \$ (b)(4) at a rate of (b)(4)% resulting in a cost of \$ (b)(4). Program support overhead was applied to program support costs of \$(b)(4) at a rate of (b)(4)% resulting in a cost of (b)(4). Total combined overhead for all labor hours proposed is \$ (b)(4). See table below.

COST ELEMENT #2 LABOR OVERHEAD PROPOSED

AC Overhead – Engineering	\$ (b)(4)	(b)(4)%	(b)(4)
AG Overhead – Prog. Suppt.	(b)(4)	(b)(4)%	\$(b)(4)
Total Labor Overhead Costs			\$ (b)(4)

The contract specialist compared the overhead rates in the contractor's proposal to a FY 14 DCMA Forward Pricing

Source Selection Information – See FAR 2.101 and 3.104

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

Rate Recommendation (FPRR) and found the contractors proposed rates to be inconsistent with the DCMA recommended rates. DCMA recommended overhead rates for Direct labor overhead is 47% and 138% for program support labor overhead.

COST ELEMENT #2 LABOR OVERHEAD EVALUATED

AC Overhead - Engineering	\$ (b)(4)	(b)(4)%	\$ (b)(4)
AG Overhead – Prog. Suppt.	\$ (b)(4)	(b)(4)%	\$ (b)(4)
Total Labor Overhead Costs			\$ (b)(4)

As a result, the Government's pre-negotiation objective for Labor Overhead is \$ (b)(4) .

3. Cost Element #3 G&A. Questioned costs in the amount of \$ (b)(4)

The contractor proposed two G&A rates, one applied for the Base and one applied for Site Restoration. Base G&A was applied to overhead and labor costs of \$ (b)(4) at a rate of (b)(4)% resulting in a cost of \$ (b)(4). Site restoration G&A was also applied to overhead and labor base of (b)(4) at a rate of (b)(4)% resulting in a cost of \$ (b)(4). Total combined G&A for proposed labor hours and overhead cost results in a G&A cost of \$ (b)(4).

COST ELEMENT #3 G&A PROPOSED

Base G&A Expense	(b)(4)	(b)(4)%	(b)(4)
Site Restoration G&A	\$ (b)(4)	(b)(4)%	(b)(4)
Total G&A Costs			(b)(4)

The contract specialist compared the G&A rates in the contractor's proposal to a FY 14 DCMA Forward Pricing Rate Recommendation (FPRR) and found the contractors proposed rates to be inconsistent with the DCMA recommended rates. DCMA Recommended Base G&A rates are 15.43% while the recommended Site Restoration G&A rate is 2.91%. NAWCWD will accept the proposed Site Restoration Rate of (b)(4)% as it is (b)(4) than the recommended rate. Site restoration G&A is not included in profit calculation. Additionally, the G&A application base in the Government's position has decreased due to the analysis of Overhead shown above.

COST ELEMENT #3 G&A EVALUATED

Base G&A Expense	\$ (b)(4)	(b)(4)%	\$ (b)(4)
Site Restoration G&A	\$ (b)(4)	(b)(4)%	\$ (b)(4)
Total G&A Costs			\$ (b)(4)

As a result of the DCMA G&A rate recommendations and decreased application base, the Government's pre-negotiation objective for G&A is \$ (b)(4) .

4. Cost Element #4 FCCOM. Questioned costs in the amount of \$ (b)(4)

The contractor proposed three FCCOM rates totaling (b)(4). The three Cost of Money (COM) factors are COM AC Labor, COM AG Labor, and COM G&A. COM AC Labor factor of (b)(4) was applied to engineering labor base of \$ (b)(4) resulting in a COM AC Labor cost of \$ (b)(4). COM AG Labor factor of (b)(4) was applied to program support labor costs base of \$ (b)(4) resulting in a COM AG Labor cost of \$ (b)(4). COM G&A factor of (b)(4) was applied to G&A base of \$ (b)(4) resulting in a COM G&A cost of \$ (b)(4).

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

PROPOSED COST ELEMENT #4 FCCOM

COM AC Labor	\$ (b)(4)	(b)(4)	(b)(4)
COM AG Labor	(b)(4)	(b)(4)	(b)(4)
COM G&A	(b)(4)	(b)(4)	(b)(4)
Total Cost of Money			(b)(4)

The contract specialist compared the COM rates in the contractor's proposal to a FY 14 DCMA Forward Pricing Rate Recommendation (FPRR) and found the contractors proposed rates to be inconsistent with the DCMA recommended rates. The below table details the changes to the FCCOM as evaluated.

EVALUATED COST ELEMENT #4 FCCOM

COM AC Labor	\$ (b)(4)	(b)(4)	(b)(4)
COM AG Labor	(b)(4)	(b)(4)	(b)(4)
COM G&A	(b)(4)	(b)(4)	(b)(4)
Total Cost of Money			(b)(4)

As a result, the Government's pre negotiation objective for FCCOM is \$(b)(4)

5. Cost Element #5 Profit. Questioned costs in the amount of \$ (b)(4)

The contractor proposed (b)(4)% Profit totaling \$(b)(4). Profit was evaluated by the contract specialist using the weighted guidelines tool (WGL). Inputting the Government's objective costs in WGL, the WGL tool calculated a recommended profit of (b)(4)%.

- 1) Performance Risk addresses the contractor's degree of risk in fulfilling contract requirements. This factor consists of two parts: Technical and Management/Cost control. The contract specialists weighted technical risk and Management /Cost control risk at 50% considering factors such as the technical complexity, program maturity, delivery schedule and performance and found that the technical uncertainties of performance were balanced by the degree of management effort necessary to ensure contract requirements are met and costs are controlled. Additionally the contract specialist populated the objective COM factors in DD Form 1861. The contract specialist requested ACO support when determining distribution percentages for land, buildings, and Equipment. The ACO failed to respond resulting in the CS assigning the following distribution percentages Land 25%, buildings 25% and Equipment 50%. The assignment of distribution percentages resulted in no material increase or decrease in profit. All other values were left at normal which, according to DFARS 215.404-71-1(b) need not be explained by the contracting officer. As such, the WGL tool calculated a profit objective of (b)(4)%.

As a result, the Government's pre-negotiation objective for profit is \$ (b)(4)

- References (i.e., technical evaluation, DCAA supporting documentation, IGCE, etc.): **(1) Technical Evaluation (2) DCMA FPRR**
- Attachments (i.e., Spreadsheets, Record of Weighted Guidelines Application – DD Form 1547, Contract Facilities Capital Cost of Money – DD Form 1861, etc.): **WGL DD 1547 & WGL DD Form 1861**
- Other Cost Analysis Information or Comments:

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

4. PRE-NEGOTIATION RECOMMENDATION			
Based on the information provided herein, it is recommended that authority be granted to negotiate subject contract action in the Pre-Negotiation objective amount appearing in block 4a.			
a. Pre-Negotiation Objective \$ (b)(4)	b. Negotiator Signature	c. Authority to Negotiate? <input type="checkbox"/> Yes <input type="checkbox"/> Conditional – see block 4d <input type="checkbox"/> No – see block 4d	
d. Comments	e. Contracting Officer	f. Date Approved (dd-mmm-yyyy)	

Commented [n1]: Page: 5
 Provide the signature of the individual responsible for negotiating the contract action.

Commented [n2]: Page: 5
 The Contracting Officer is required to check the block on whether or not authority is granted to the Contract Specialist to proceed to negotiations. If authority is not granted or is being granted on a conditional basis, the Contracting Officer must provide sufficient detail to the Contract Specialist in block 4d regarding the condition which must be satisfied prior to proceeding.

Commented [n3]: Page: 5
 If applicable, the Contracting Officer may provide any recommendations or conditions for negotiating the contract action.

Commented [n4]: Page: 5
 Provide the signature of the Contracting Officer responsible for approving the pre-negotiation position. If the Contracting Officer is substantially involved in the negotiation of the action, approval should be made at the next higher level. See NMCARS 5201.690 for further information.

Commented [n5]: Page: 5
 Type the date the Contracting Officer approved the pre-negotiation position. Provide date in the format dd-mmm-yyyy (i.e., 01-Mar-2006).

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

5. PRE AWARD COMPLIANCES		
Check if N/A	DOCUMENT/APPROVAL CHECKLIST	DATE
	Review of Online Representations & Certifications Application (FAR 4.1201(c))	4/22/2014
	Determination of Responsibility (FAR 9.103) and financial stability (FAR 9.104-1(a)).	4/22/2014
N/A	HCA Waiver of Cost or Pricing Data (FAR 15.403-1)	
N/A	Certificate of Current Cost or Pricing Data (FAR 15.406-2)	
N/A	Approved Make or Buy Plan (FAR 15.407-2)	
N/A	Contractor's Estimating System determined acceptable by ACO (DFARS 215.407-5)	
N/A	Pre-Award Disclosure Statement - Cost Accounting Practices and Certification (FAR 15.408, Table 15-21A(8))	
N/A	Contractor's Accounting System determined adequate by CAO/DCAA (FAR 16.301-3)	
N/A	Determination to make single award for IDIQ Advisory and Assistance Services over 3 years and \$11.5M (FAR 16.504(c)(2)(A) or (B))	
N/A	Subcontracting Plan determined adequate (FAR 19.705-4)	
N/A	Approval of SDB subcontracting goal less than 5% (DFARS 219.705-4)	
N/A	EEO compliance requested/obtained (FAR 22.805).	
N/A	Disclosure Statement determined current, accurate and complete by ACO (FAR 42.302(a)(11)).	
N/A	Contractor EVMS verified compliant with DoD criteria by DCMA (DFARS 242.302(S-71)).	
N/A	Contractor Purchasing System determined to be approved by the ACO (FAR 42.302(50), FAR 44.304)	
N/A	Property System reviewed for acceptability by ACO (FAR 45.105).	
N/A	Facilities determination and findings (DFARS 237.7502, DoD Directive 4275.5).	
N/A	Compliance with DoD Instruction 7640.02 Policy for Follow-up on Contract Audit Reports and CCI 4367.1A.	
6. CONTRACTOR RESPONSIBILITY		
a. Excluded Parties List System (EPLS) located at http://epils.gov was checked on _____ Date _____	b. Preaward Survey Report <input type="checkbox"/> Yes – filed under Tab _____ <input type="checkbox"/> No _____	c. SBA Certificate of Competency (FAR 19.6) <input type="checkbox"/> Yes – filed under Tab _____ <input type="checkbox"/> N/A _____

Commented [n8]: Page: 1
 Check whether or not a preaward survey report was requested for the current procurement. If yes, please reference the tab number under which the report appears in the contract file.

Commented [n9]: Page: 1
 If award is being made to a small business concern, please check whether or not a Certificate of Competency was issued by the Small Business Administration (SBA), if applicable. See FAR 19.6 for further information.

Commented [n7]: Page: 1
 Type the date the Excluded Parties List System (<http://epils.gov>) was checked and include a copy of screen in contract file. Provide date in the format dd-mmm-yyyy (i.e., 01-Mar-2006). Type the Negotiator's initials affirming that the Excluded Parties List System was verified.

Source Selection Information – See FAR 2.101 and 3.104

Post-BCM Form 09 Jun 06 (Updated 24 MAY 12)

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

d. Federal Awardee Performance and Integrity Information System (FAPIS) – Information in FAPIS regarding the contractor was reviewed and considered in making the determination of responsibility.
 Yes No If Yes, briefly discuss the information utilized and any action(s) taken based on the information: _____
 If No, explain: _____

Commented [k10]: In accordance with FAR 9.104-6, ensure that Federal Awardee Performance and Integrity Information System (FAPIS) is reviewed for contracts in excess of the simplified acquisition threshold. Include a brief discussion of the information utilized as the basis for the responsibility determination and any action(s) taken as a result of the information.

e. The prospective contractor has been determined to be responsible within the meaning of FAR 9.1 and is financially stable. Yes No If No, explain: _____

Commented [n11]: Page: 1
 Check whether or not the prospective contractor has been determined to be responsible within the meaning of FAR 9.1 and is financially stable. If the contractor is determined to be not responsible or financially stable, provide an explanation or reference for where the documentation is filed within the official contract file

7. NEGOTIATION SUMMARY

a. Negotiation Method E-Mail Phone Face-to-Face
 b. Face-to-Face Location Government Facility Contractor Facility
 c. Dates (dd-mm-yyyy)

Commented [n12]: Page: 1
 Check the appropriate method used to conduct the negotiation.

d. Contractor Participants and Position/Title _____
 e. Government Participants and Position/Title _____

Commented [n13]: Page: 1
 If negotiations were held face-to-face, please check the appropriate location used to hold the negotiation.

f. Negotiation Summary _____

Commented [n14]: Page: 1
 Type the date(s) the negotiations were held between the parties. Provide date in the format dd-mm-yyyy (i.e., 01-Mar-2006).

Cost Element	Contractor Proposed	Pre-Neg/ Government Objective	Negotiated Amount*
#1 Engin. Labor	\$	\$	\$
#2 Engin. Overhead	\$	\$	\$
#3 G&A	\$	\$	\$
Subtotal	\$	\$	\$
#4 FCCOM	\$	\$	\$
#5 Profit	\$	\$	\$
Total	\$	\$	\$

Commented [n15]: Page: 1
 List the name of each Contractor participant along with his other associated position/title

Commented [n16]: Page: 1
 List the name of each Government participant along with his or her associated position/title

Commented [n17]: Page: 1
 Provide a top-level summary in Table 2 of the final negotiated amount for each cost element proposed. Add or delete rows in Table 2 as necessary based on the number of cost elements proposed and negotiated. Do not make any revisions to the columns appearing in Table 2. Further detail/cost breakdowns beyond what appears in Table 2 may be provided as Attachments, if necessary. Check the box titled "Attachments" appearing at the end of Section 7 and list the name/title associated with any attachments in the order they are first addressed within the BCM.

Table 2, Post-Negotiation Cost Summary
 (*) If the "Negotiated Amount" differs from the "Pre-Neg/Government Objective", please explain below. Address only those cost elements for which the objective was not met.

**UCA Reduced Cost Risk When a BCM is for an Unfinalized Contract Action, discuss incurred costs, the reduced cost risk associated with cost incurred prior to negotiation of the final price, the reduced cost risk for the remainder of the contract, and the impact of the undefinitized period on the contractor's profit/fee. (DFARS 217.7404-6(c)/ see WGL weight ranges at 215.404-71-3(d)(2)).

Commented [n18]: Page: 1
 Provide a summary of the major points of the negotiation. If any pre-negotiation objectives were not met, explain the basis for agreements reached and any new information considered. If the negotiation was settled on a bottom-line basis include a statement similar to, "Negotiations were conducted on a cost element basis; however, specific agreement on all individual cost elements was []"

References (i.e., contractor proposal revision(s), technical evaluation revision(s), etc.): _____

Commented [n19]: Page: 1
 If revisions to the contractor's proposal and government's technical evaluation occurred as a result of negotiations, list the applicable documents along with the corresponding revision date(s).

Attachments (i.e., Spreadsheets, etc.): _____

Commented [n21]: Page: 5
 Provide the signature of the individual responsible for negotiating the contract action.

8. POST-NEGOTIATION RECOMMENDATION

Commented [n23]: Page: 2
 Check whether or not legal review was obtained. If legal review was obtained for the contract action, provide the date it was []

Based on the information provided herein, the Contracting Officer has determined these prices to be fair and reasonable in accordance with FAR 15.404.

Commented [n22]: Page: 2
 The Contracting Officer is required to check the block on whether or not authority is granted to the Contract Specialist to proceed to award. If authority is not granted or is being granted on a []

a. Post-Negotiation Amount \$ _____
 b. Negotiator Signature _____
 c. Authority to Proceed to Award? Yes No Conditional – see block 8e
 d. Contract Action Legal Review Yes – Date Obtained: _____ No

Commented [n20]: Page: 2
 Type the total dollar amount representing the post-negotiation amount agreed to by both parties.

BUSINESS CLEARANCE MEMORANDUM
(Sole Source Less Than TINA Threshold – FAR 15.403-4)

		<input type="checkbox"/> No – see block 8e	
e. Comments		f. Contracting Officer	g. Date Approved <i>(dd-mmm-yyyy)</i>

Commented [n24]: Page: 2
 Provide any recommendations or conditions for awarding the contract action, if applicable.

Commented [n25]: Page: 2
 Provide the signature of the Contracting Officer responsible for approving the post-negotiation amount.

Commented [n26]: Page: 2
 Type the date the Contracting Officer approved the post-negotiated amount. Provide date in the format dd-mmm-yyyy (i.e., 01-Mar-2006).